

Registered Office :
Nagarjuna Hills,
Hyderabad - 500 082. INDIA
Phones : 23357200, 23357204
23357589, 23356859
Fax : (91-40)23354788
Website: www.nagarjunafertilizers.com
CIN - L24129AP2006PLC076238



Saturday, September 01, 2018

The Executive Director
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C / 1, Block – 'G'
Bandra – Kurla Complex
Bandra (E)
Mumbai - 400 051

Dear Sir,

Scrip Code: NAGAFERT
Sub: Notice of the 12th Annual General Meeting

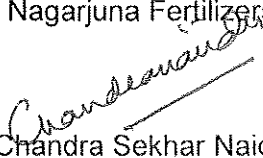
We are hereby enclosing the Annual Report for the year ended March 31, 2018, *inter-alia* containing the Notice convening the Twelfth Annual General Meeting scheduled to be held at 10.00 A.M. on Saturday, September 29, 2018, at Sri Satya Sai Nigamagamam, 8-3-987/2, Srinagar Colony, Hyderabad - 500 073, Telangana, Directors' Report, Auditors Report and the Financial Statements of the Company, which is being sent to the shareholders.

Further pursuant to Regulation 30 and Regulation 47 read along with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed herewith a copy of the advertisement published in Newspapers viz., Business Standard (English) and Andhra Prabha (Telugu) informing about completion of dispatch of Notice of 12th Annual General Meeting along with Annual Report for the Financial Year 2017-18, Book Closure and availability of e-voting facility to the shareholders.

The Annual Report 2017-18 along with annexure thereto is also available on the website of the company viz., <http://www.nagarjunafertilizers.com>.

This is for the information of the exchange and the Members.

Thanking you,
Yours truly,
for Nagarjuna Fertilizers and Chemicals Limited


K Chandra Sekhar Naidu
Company Secretary
Encl: as above

Nagarjuna Fertilizers And Chemicals Limited



**2017-18
Annual
Report**

BOARD OF DIRECTORS

K S Raju
Chairman

Chandra Pal Singh Yadav
Nominee of KRIBHCO

Chintapalli Srinivasu
Nominee of IDBI Bank

Syed Shahabuddin
Nominee of SBI

N C B Nath

Uday Shankar Jha

Lalitha Raghuram

C B Mouli

Hariharan Ramanathan

K Rahul Raju
Managing Director

K Chandra Sekhar Naidu
Company Secretary

Secretarial Auditors
M/s. KBG Associates
Company Secretaries

Registered Office
D.No 8-2-248,
Nagarjuna Hills, Punjagutta,
Hyderabad - 500 082
INDIA

CIN: L24129AP2006PLC076238

Website
www.nagarjunafertilizers.com

Manufacturing Facilities

Urea
Kakinada, East Godavari Dist,
Andhra Pradesh

Micro-Irrigation
Nacharam, Hyderabad,
Telangana

Sadashivpet Mandal,
Medak District, Telangana

Halol, Panchmahal Dist.,
Gujarat

Statutory Auditors
M/s. M Bhaskara Rao & Co.,
Chartered Accountants
Hyderabad

Cost Auditors
M/s. Sagar & Associates
Hyderabad

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWELFTH ANNUAL GENERAL MEETING OF NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED WILL BE HELD AT 10.00 A.M. ON SATURDAY, SEPTEMBER 29, 2018 AT SRI SATYA SAI NIGAMAGAMAM, 8-3-987/2, SRINAGAR COLONY, HYDERABAD - 500 073, TELANGANA, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

- 1) To receive, consider and adopt:
 - a) The Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon; and
 - b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2018, together with the Report of the Auditors thereon.
- 2) To appoint a Director in place of Mr. Chandra Pal Singh Yadav (DIN 00023382) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To ratify the appointment of M/s. M Bhaskara Rao and Co. (Firm Registration No-000459S), as Auditors for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and in this connection, to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the consent of the Members be and is hereby accorded for the ratification of the appointment of M/s. M Bhaskara Rao and Co. (Firm Registration No-000459S), Chartered Accountants, Hyderabad, as Statutory Auditors of the Company, who have confirmed their eligibility for continuing with their appointment, to hold office from the conclusion of the Twelfth Annual General Meeting up to the conclusion of the Thirteenth Annual General Meeting of the Company, on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs.4,00,000/- plus taxes as applicable and reimbursement of out-of-pocket expenses, to M/s. Sagar & Associates (Firm Registration No- 000118) Cost Auditors, Hyderabad, appointed by the Board of Directors as Cost Auditors of the company, to conduct the Audit of the cost accounting records in relation to products - ‘Manufactured Fertilizer’ and ‘Micro Irrigation’ of the Company, for the year ending March 31, 2019.”

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

- 5) To appoint Capt. Hariharan Ramanathan as an Independent Director of the Company and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Capt. Hariharan Ramanathan (DIN 03150763) who was appointed as an Additional Director of the Company by the Board of Directors, with effect from January 20, 2018 and who holds office till the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature for the office of Independent Director of the Company, who meets the criteria for independence under Section 149 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, to hold office up to the conclusion of the Seventeenth Annual General Meeting, not liable to retire by rotation.”

- 6) To approve charitable contribution to Nagarjuna Foundation and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 135, Section 181 of the Companies Act, 2013 and other applicable provisions and the Rules made thereunder, the consent of the Company be and is hereby accorded for the financial year 2018-19, to the Board of Directors of the Company, to approve contribution to Nagarjuna Foundation, a Section 25 Company under the Companies Act, 1956 (now Section 8 Company under the Companies Act, 2013) with Registered Office at D.No. 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad - 500 082, Telangana, provided that the aggregate amount of contribution for the financial year 2018-19, shall not exceed an amount not exceeding the limits as set out in section 181 or a sum not exceeding Rs.1 Crore, whichever is higher, to be paid in one or more tranches as required from time to time for undertaking Corporate Social Responsibility activities on behalf of the Company.”

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

Hyderabad
July 27, 2018

By Order of the Board

K Chandra Sekhar Naidu
Company Secretary
Membership Number: ACS 16684

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

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. 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 INSTRUMENT APPOINTING THE PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- 2) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed hereto.
- 3) Brief profile of Mr. Chandra Pal Singh Yadav and Capt. Hariharan Ramanathan, Directors proposed to be appointed/re-appointed along with names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and their relationship with other directors inter-se, forms part of the Annual Report.
- 4) The Register of Members and the Share Transfer Books will remain closed from September 22, 2018 to September 29, 2018 (both days inclusive).
- 5) Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company, at the Company's Registered Office. Members are requested to note that, in terms of Section 124 of the Companies Act, 2013, (Section 205C of the Companies Act, 1956), the dividends which remain unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred by the company to the Investor Education and Protection Fund (IEPF), established by the Central Government.

The Company in accordance with the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 26, 2017 (date of last Annual

General Meeting) on the website of the Company viz., www.nagarjunafertilizers.com, as also on the website of the Ministry of Corporate Affairs / IEPF Authority.

- 6) Pursuant to the provisions of the Companies Act, 2013 and the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which the dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred by the company, to the demat account of IEPF Authority as notified by the Ministry of Corporate Affairs. Hence the company urges all the shareholders, to take necessary steps, to claim their respective dividend during the prescribed period.
- 7) Members / claimants whose unclaimed dividend, etc. have been transferred to the demat account of the IEPF Authority, may claim the unclaimed dividend and apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on iepf.gov.in) along with requisite fee as decided by the IEPF Authority from time to time. Member/ claimant can file only one consolidated claim in a financial year as per the IEPF Rules. Form IEPF- 5 is also available on the website of the Company at viz., www.nagarjunafertilizers.com under the 'Investors' section.

The Company had paid dividend to the shareholders for the financial year 2011-12 on September 27, 2012. Accordingly, the Company shall transfer the unpaid and unclaimed dividend and thereafter the shares of the shareholders during October, 2019 in terms of the above guidelines.

- 8) Pursuant to the provisions of Section 124(5) of the Companies Act 2013, the amount of dividend declared/paid for the financial year 2009-10 has been transferred on due date to the Investors Education & Protection Fund. Details of unpaid/unclaimed dividends lying with the Company are available on the website of the Company at www.nagarjunafertilizers.com. The unclaimed dividend pertaining to 2010-11 will be transferred to IEPF Account in the due course.
- 9) The Securities and Exchange Board of India has notified that the shareholders / transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company while transacting in the securities market including transfer, transmission or any other corporate action.

Accordingly, all the shareholders / transferee of shares (including joint holders) holding shares in physical form are requested to furnish a certified copy of their PAN Card to the Company at Nagarjuna Fertilizers and Chemicals Limited, Investors Services Cell, Plot No 1, Punjagutta, Nagarjuna Hills, Hyderabad - 500 082, Telangana, while transacting in the securities market including transfer, transmission or any other corporate action.

Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participant(s) with whom they are maintaining their demat accounts.

- 10) To prevent fraudulent transactions, members are requested to exercise due diligence and notify the Company of any change in address, change / updates in details of bank accounts, or demise of any member as soon as possible, at the company's Registered Office, quoting their ledger folio number registered with the Company. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified. Members whose shareholding is in the electronic mode are requested to inform change of address, notifications and updates of Bank account details to their respective Depository Participants only.

Members are requested to update the Bank account number allotted after implementation of Core Banking Solutions (CBS) to the Company in case of shares held in physical form and to Depository Participant (DP) in case of shares held in demat form.

- 11) Members holding shares in physical form are requested to consider converting their holding(s) to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company for assistance in this regard.
- 12) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
- 13) Members / Proxyholders and Authorized representatives are requested to bring to the Meeting, the duly filled in attendance slip(s) enclosed herewith along with their copy of Annual Report. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the Board Resolution authorizing representative to attend and vote on its behalf at the Meeting.
- 14) 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 of the Company will be entitled to vote.
- 15) As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by

submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in physical form are requested to obtain the nomination forms from the Company. Members holding shares in electronic form may obtain the nomination forms from their respective depository participants.

- 16) The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 permits Companies to mail electronic copies of the Annual Report to those members who have registered their e-mail addresses with the Company / Depository Participant, unless Members have requested for a hard copy of the same. Accordingly, the Annual Report 2017-18 is being sent in electronic mode to the Members whose email addresses are registered with the Company / Depository Participant unless communication is received to the contrary. Printed copies of the documents shall be mailed to members who have not registered their email addresses with the Company/Depository Participant or have requested for the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2017-18 are being sent in the permitted mode. To support the 'Green Initiative', the members who have not registered their e-mail addresses are requested to register / update the same with Registrars/depository participant(s).

Members requiring a printed copy of the Annual Report may forward their request to the Company in writing.

- 17) Members desiring any information relating to accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready at the Annual General Meeting.
- 18) The Company has paid the listing fees to BSE Limited and The National Stock Exchange of India Limited, Mumbai, where the securities of the Company are listed.
- 19) The Notice of the Twelfth Annual General Meeting along with the Annual Report 2017-18 will be available on the Company's website www.nagarjunafertilizers.com.
- 20) Copies of all documents referred to in the notice and explanatory statement annexed thereto are available for inspection at the Registered Office of the Company during normal business hours on all working days till the date of the Annual General Meeting.
- 21) A route map showing directions to reach the venue of the Annual General Meeting forms part of the Notice.
- 22) Members are requested to address all correspondences, including dividend matters, to Nagarjuna Fertilizers and Chemicals Limited, Investors Services Cell, Plot No 1, Punjagutta, Nagarjuna Hills, Hyderabad - 500 082, Telangana.

- 23) The Company has designated an exclusive e-mail ID titled investors@nagarjunagroup.com for redressal of shareholders complaints / grievances. In case of any queries / complaints or unresolved grievances, please write to us at chandrasekhar@nagarjunagroup.com.

- 24) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility to enable members to cast their vote electronically on all the resolutions set forth in the Notice to the Twelfth Annual General Meeting to be held on Saturday, September 29, 2018 at 10.00 A.M. Hours. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting platform to the Members. Facility for voting through Ballot Form shall also be made available at the AGM. Members who have cast their vote by remote e-voting may also attend the meeting but shall not be allowed to vote again at the AGM.

Members holding shares in demat form and Members who have registered their email id with the Company will also receive the remote e-voting instructions by email.

Members who do not have access to remote e-voting facility may use the enclosed Ballot Form and send their assent or dissent on or before close of business hours of September 28, 2018.

Remote e-voting facility will be available on the website www.evotingindia.com from Wednesday, September 26, 2018 and ends on Friday, September 28, 2018 at 5.00 P.M, after which the facility will be disabled by CDSL and remote e-voting shall not be allowed beyond the said date and time. The notice is also available on the website www.evotingindia.com.

Cut-off date is for determining the eligibility to vote by electronic means or at the meeting. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. A member as on the cut-off date shall only be entitled for availing the remote e-voting facility or vote, as the case may be, in the Annual General Meeting. 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 in the general meeting.

Details of Scrutinizers: Mr. C S S Krishna, Partner, M/s. K B G Associates, Company Secretaries at Flat No.101, Sri Sai Krishna Residency, 1-2-234/13, Aravind Nagar, Domalguda, Hyderabad – 500 029, Telangana, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The members, who have cast their vote prior to the meeting by remote e-voting may also attend the meeting but shall not be entitled to vote again or change their vote at the general meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, September 26, 2018 at 9:00 A.M and ends on Friday, September 28, 2018 at 5.00 P.M During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 22, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (available on the address label passed on the annual report and / or in the email sent to the members) in the PAN filed. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for **Nagarjuna Fertilizers and Chemicals Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CD-SL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) (i) the letter of appointment of representative(s) of the President of India or the Governor of a State; or
(ii) the authorisation in respect of representative(s) of the Corporations;
shall be received by the scrutinizer / company on or before close of e-voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4, 5 & 6 of the accompanying Notice dated July 27, 2018:

Item No.4

The company is required to have its cost records audited by a Cost Accountant in practice. Accordingly the Board, at its meeting held on May 25, 2018 on recommendation of the Audit Committee, approved the appointment of and remuneration payable to M/s. Sagar & Associates, Cost Auditors, Hyderabad to conduct the audit of the cost records of the Company, for the Financial Year ending March 31, 2019, for the products "Fertilizers (Plant I and 2 at Kakinada) and other Machinery and Plastic and Polymers (Micro Irrigation Products).

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2019 as set out in the resolution, for the services rendered / to be rendered by the Cost Auditor.

None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 4.

The Board recommends passing of the resolution set out in Item No. 4 as an Ordinary Resolution.

Item No.5

In accordance with the provisions of Companies Act, 2013 the appointment of an Independent Director requires approval of Members. Capt. Hariharan Ramanathan (DIN 03150763) was appointed as an Additional Director of the Company by the Board of Directors on January 20, 2018 pursuant to the provisions of Section 161 of the Act, based on the recommendation of the Nomination and Remuneration Committee.

In terms of Section 161 of the Act, Capt. Hariharan Ramanathan (DIN 03150763) holds office only up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Capt. Hariharan Ramanathan (DIN 03150763) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

The Company has received from Capt. Hariharan Ramanathan (DIN 03150763) (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment And Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment And Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Capt. Hariharan Ramanathan is a Graduate from Delhi University and an ex-service man. He was involved in garments manufacture and exports and now serves as a consultant and conducts Skill Development training programs at various Institutes.

In the opinion of the Board of Directors, Capt. Hariharan Ramanathan (DIN 03150763), the Independent Director proposed to be appointed, fulfils the conditions specified in the Act, the Rules made thereunder and the Listing Regulations and he is independent of the Management. He does not hold any shares in the Company in his individual capacity or on a beneficial basis for any other person. In the opinion of the Board Capt. Hariharan Ramanathan (DIN 03150763) is independent of the management and possesses appropriate skills, experience and knowledge. A copy of the draft letter of appointment of Capt. Hariharan Ramanathan (DIN 03150763) as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day up to the date of the Annual General Meeting. Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the resolution seeks the approval of the shareholders for the appointment of Capt. Hariharan Ramanathan (DIN 03150763) as an Independent Director of the Company, up to the conclusion of Seventeenth Annual General Meeting, not liable to retire by rotation.

The Board considers that in view of his rich experience, his association would be of immense benefit to the Company and it is desirable to avail the services of Capt. Hariharan Ramanathan (DIN 03150763) as an Independent Director.

Capt. Hariharan Ramanathan (DIN 03150763) and his relatives are interested in the Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution, financially or otherwise. He is not related to any of the Directors or Key Managerial Personnel of the Company.

Details as required pursuant to Companies Act, 2013, the Rules made thereunder, the Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings, is set out as Annexure to this notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 for approval by shareholders.

Item No.6

The Company has been undertaking various Corporate Social Responsibility (CSR) activities since the year 2008 under the aegis of Nagarjuna Foundation, a not-for-profit company under Section 25 of the Companies Act, 1956 (now Section 8 of the Companies Act, 2013).

In terms of Section 135 of the Companies Act, 2013, the Company is required to spend at least 2% of the average net profits of the company made during the three immediately preceding financial years on CSR activities.

In view of losses incurred in the preceding three years, the Company need not contribute towards Corporate Social Responsibility in accordance with Section 135 of the Companies Act, 2013 but is undertaking the same to maintain the CSR activities already commenced and the need to sustain the same.

Section 181 of the Companies Act, 2013 enables the Company to make contributions to bona fide charitable and other funds, subject to the approval of the Members in general meeting in case such contribution exceeds 5 per cent of the Company's average net profits for three immediately preceding financial years.

The Company proposes to contribute to Nagarjuna Foundation an amount not exceeding Rupees One Crore for the financial year 2018-19, for the purpose.

Accordingly, despite the losses incurred by the Company in the previous Financial Years and its continued commitment to society, the approval of the Members pursuant to Section 181 of the Companies Act, 2013 is sought.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. K Rahul Raju and Mr. K S Raju are concerned or interested in the resolution.

The Board recommends the Ordinary Resolution set out at Item 6 of the Notice for approval of the Members.

By Order of the Board

**Hyderabad
July 27, 2018**

**K Chandra Sekhar Naidu
Company Secretary
Membership Number: ACS 16684**

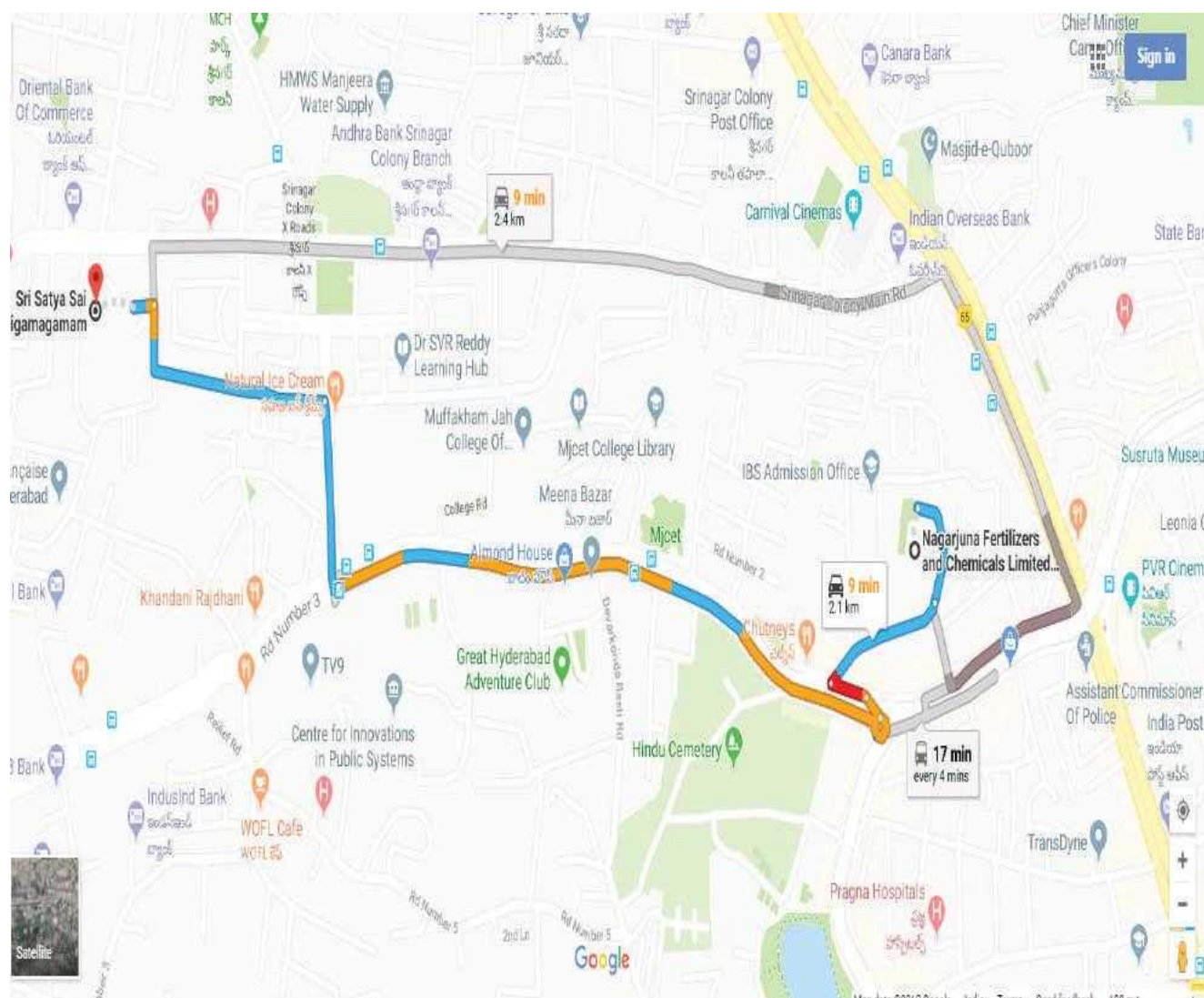
ANNEXURE TO ITEM NO. 2 AND 5 OF THE NOTICE

Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of the director	Capt. Hariharan Ramanathan	Mr. Chandra Pal Singh Yadav
Director Identification Number (DIN)	03150763	00023382
Date of Birth	July 14, 1956	March 19, 1959
Age	61 Years	59 Years
Nationality	Indian	Indian
Date of Appointment	January 20, 2018	September 29, 2016
Qualification	Graduate from Delhi University and an ex-service man	MSC, B. Ed, LLB
Expertise in specific functional areas	Mr. Hariharan Ramanathan is experienced in the manufacture and exports, he is also consultant and skill development trainer	Mr. Chandra Pal Singh Yadav is a Doctorate and a Law Graduate, he is also a Member of Rajya Sabha, a grass-root Corporator. He has been Member of Legislative Assembly, UP
Shareholding in the Company	Nil	Nil
List of Directorships held in other Companies	<ul style="list-style-type: none"> Nagarjuna Oil Corporation Limited Nagarjuna Oil refinery limited 	<ul style="list-style-type: none"> Nagarjuna Oil Refinery Limited Krishak Bharati Co-operative Limited KRIBHCO Shyam Fertilizers Limited National Coop. Union of India Kribhco Infrastructure Ltd. Continental Multimodal Terminals Ltd. Bundelkhand Krishi Utpadan Vipanan Sehkari Samiti National Agricultural Cooperative Marketing Federation (NAFED) Co-operative Bank of India Gramin Vikas Trust (GVT) Krishco Gramin Vikas Sanstha Kisan Bahudesiya Vipnan Sehkari Samiti Ltd. The Anupama Coop. Veg. & Fruit Growers Mktg. Society Ltd. National Coop. Consumer Federation of India Ltd. (NCCF) National Federation of Urban Coop. Banks & Credit Societies (NAFCUB) General Council of NCDC National Film & Fine Arts Coop. Ltd. (NAFFAC)

Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public companies including this Company's	Nil	<u>Kribhco Shyam Fertilizers Limited</u> - Audit & Finance Committee
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	No relationship with other Directors, Manager and other Key Managerial Personnel of the company	No relationship with other Directors, Manager and other Key Managerial Personnel of the company

Route Map (From Registered Office of the company to the venue of Annual General Meeting)



DIRECTORS' REPORT

Dear Members,

Your Directors present the Twelfth Annual Report on the business and operations of NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED ("NFCL" / "the Company") together with the Audited Financial Statements of your Company for the year ended March 31, 2018 and other accompanying reports, notes and certificates.

A. BUSINESS AND FINANCIAL HIGHLIGHTS

The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016, with transition date from April 1, 2015. Accordingly, the financial reports for current financial year 2017-18 and previous financial year 2016-17 have been prepared as per Ind AS reporting framework. The Financial Results and the Consolidated Financial Results of the Company for the year ended March 31, 2018 are as under:

Financial Results			Rs. in Crores	
Particulars	2017 – 2018 Current year	2016 – 2017 Previous year		
Net Sales/Income from Operations	3,923.68	3,385.07		
Other Income	44.97	35.27		
Total Expenditure				
a. Changes in inventories of finished goods, stock-in-trade and work in progress	66.05	13.10		
b. Cost of materials consumed	1,381.46	1,164.58		
c. Employee Benefits expense	173.50	154.52		
d. Purchase of Stock-in-Trade	458.54	461.56		
e. Power and Fuel	1,002.43	840.68		
f. Excise duty	2.28	8.79		
g. Other expenses	513.44	521.09		
Total	3,597.70	3,164.32		
Finance cost	308.21	324.90		
Depreciation and amortization	89.28	89.20		
Profit/ (Loss) before exceptional items and tax	(26.54)	(158.08)		
Exceptional Items	-	-		
Profit/(Loss) before tax	(26.54)	(158.08)		
Provision for tax	0.57	(6.29)		
Deferred tax	(5.59)	(30.02)		
Profit / (Loss) after tax	(21.52)	(121.77)		
Other Comprehensive income (net of tax)	2.41	0.30		
Total Comprehensive income	(19.11)	(121.47)		
Dividend – equity shares	-	-		
Tax on proposed dividend	-	-		
Balance c/d to Balance Sheet	(19.11)	(121.47)		
Paid Up equity share capital (Face value of Re.1/- per share)	59.81	59.81		
Reserves excluding revaluation reserve	1,013.47	1,032.57		
Earnings per share (annualized) – in Rs.	-	-		
Basic and Diluted	(0.36)	(2.04)		

Consolidated Financial Results			Rs. in Crores	
Particulars	2017 – 2018 Current year	2016 – 2017 Previous year		
Net sales/income from operations	3,923.68	3,385.07		
Other income	44.98	35.28		
Total expenditure				
a. Changes in inventories of finished goods, stock-in-trade and work in progress	66.05	13.10		
b. Cost of materials consumed	1,381.46	1,164.58		
c. Employee Benefits expense	173.52	154.54		
d. Purchase of Stock-in-Trade	458.54	461.56		
e. Power and Fuel	1,002.43	840.68		
f. Excise Duty	2.28	8.79		
g. Other expenses	513.45	521.09		
Total	3,597.73	3,164.34		
Finance cost	308.21	324.90		
Depreciation and amortization	89.28	89.21		
Profit/ (Loss) before exceptional items and tax	(26.56)	(158.10)		
Exceptional Items	-	-		
Profit/ (Loss) before tax	(26.56)	(158.10)		
Provision for tax	0.57	(6.29)		
Deferred tax	(5.59)	(30.02)		
Profit / (loss) after tax before minority interest	(21.54)	(121.79)		
Share of Loss transferred to Minority Interest	0.00	0.00		
Share of Loss from Associate Company	-	-		
Profit / (Loss) for the year	(21.54)	(121.79)		
Other Comprehensive income (net of tax)	2.41	0.30		
Total Comprehensive income	(19.12)	(121.49)		
Dividend-equity shares	-	-		
Tax on proposed dividend	-	-		
Balance c/d to Balance Sheet	(19.12)	(121.49)		
Paid-up equity share capital (Face value of Re.1/- per share)	59.81	59.81		
Reserves excluding revaluation reserve	1013.41	1032.54		
Earnings per share (annualized) – in Rs.	-	-		
Basic and Diluted	(0.36)	(2.04)		

Indian Accounting Standards (Ind AS)

The Ministry of Corporate Affairs (MCA) vide its Notification dated February 16, 2015, has made the application of the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) effective for certain categories of companies from accounting periods beginning on or after April 01, 2016.

The audited financial statements of the Company drawn up both on standalone and consolidated basis for the financial year ended March 31, 2018 are in accordance with the requirements of the Ind-AS Rules. Figures for the previous year have also been re-stated in line with the requirements of the above Rules.

In the preparation of financial statements for FY2018, there is no treatment of any transaction which is different from that prescribed in the Indian Accounting Standards (Ind AS) notified by the Government of India under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the guidelines issued by SEBI and other accounting principles generally accepted in India.

Financial Summary

The loss after tax for the year was Rs.21.52 Crore as against Rs.121.77 Crore for the previous year. The Company reduced losses during the current year on account of higher production of manufactured urea due to adequate supply of Natural Gas by the suppliers, resulting in higher contribution and energy incentives. Further, higher other income and reduction in under recovery of transport costs are also contributed to reduction of losses.

Share Capital

The Paid-up Equity Capital of the Company as on March 31, 2018 is Rs.59,80,65,003/- consisting of 59,80,65,003 Equity Shares of Re.1/- each. All Equity Shares issued by the company carry equal voting rights. During the financial year ended March 31, 2018, the company has not raised any money from public issues, right issues, preferential issues, etc.

During the year under review, the company has not issued shares with differential voting rights nor granted stock options or sweat equity. No disclosure is required under Section 67(3) (c) of the Companies Act 2013, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable to the Company.

Transfer to Reserves

There has been no transfer to General Reserves during the Financial Year 2017-18 in view of losses incurred by the Company.

Dividend

Considering the operating performance for the financial year ended on March 31, 2018, your Directors do not recommend any dividend for the year.

Plant Operations

Urea

Your Company during the year manufactured 15.90 LMT of urea as against 14.98 LMT in the previous year.

Micro-Irrigation

Your Company achieved a production of 1271 Lakh Mtrs against 1236 Lakh Mtrs during the previous year.

MARKETING

Urea

Your Company achieved a sale of manufactured urea of 16 LMT compared to 15.27 LMT in the previous year.

The total urea sales for both manufactured and imported urea was 20.83 LMT compared to 18.91 LMT of previous year.

Other Traded Products

Traded Bulk Products

Your Company could not sell any of the Traded Bulk Products during the year in comparison with sales of 29675 MT during the previous year.

Specialty Fertilizers

Your Company sold 20847 MT of Specialty Fertilizer during the year in comparison with sales of 19127 MT during the previous year.

Micro-nutrients

Your Company sold 5391 MT of Micro-nutrients during the year in comparison with sales of 5547 MT during the previous year.

Supplements

Your Company sold 28805 MT of Supplements during the year in comparison with sales of 26162 MT during the previous year.

Customized Fertilizers

Your Company sold 18625 MT of Customized Fertilizers during the year in comparison with sales of 18368 MT during the previous year.

Environment and Safety

Environment

Your Company continues its mission of protecting the environment and has inculcated the concept right down the organization. The statutory compliance on environmental matters is being complied from time to time.

Health & Safety

By following the best practices and with adoption of international standards and procedures, Plant Operations continued without any accident during the year. Your Company as on March 31, 2018 completed 1,26,24,145 accident free man-hours by employees and contractors of the Company.

Further to strengthen the procedures and practices, MAH inspection at Ammonia Storage Tanks and Cooling Towers Area, Safe Work Practices Audit, PPE Audit etc., were conducted. Refresher Training has been given to Rescue Squad and basic Fire Fighting techniques to Associates.

Kakinada Maintenance Scheme

The Company is taking necessary steps in relation to the revised Energy Norms and Target set by Department of Fertilizers (5.50 Gcal/MT Urea from 2020-21 onwards).

Research and Development

The Company's Research and Development is actively pursuing development of cutting edge technologies to propel core business and commercialize new and allied business. The focus areas for technology development are in the areas of Plant Nutrition, Green Chemicals, Nutraceuticals and Renewable fuels. In each area, Company has made substantial progress. The new products and processes will provide a sustainable competitive advantage to the Company. All the technology developed shall be protected through robust IP network.

Change in the nature of business

During the year, there was no change in the nature of business of the company.

Subsidiaries, Joint Ventures or Associate Companies

During the year under review the company has only one subsidiary viz., Jaiprakash Engineering And Steel Company Limited (A company incorporated under Companies Act, 1956 bearing CIN U00337KA1993PLC014694 having its Registered Office at 510, 3RD A Cross, 2nd Main, 3rd Block Rajmahal Vilas-II, Dollars Colony, Bangalore-560094 Karnataka.

The company has two Associate Companies viz., Nagarjuna Agricultural Research And Development Institute Private Limited (A company incorporated under Companies Act, 1956 bearing CIN U29100TG1995NPL022409 and having its registered office at Nagarjuna Hills, Panjagutta Hyderabad – 500082, Telangana) and K V K Raju International Leadership Private Limited (A company incorporated under Companies Act, 1956 bearing CIN U51100TG1995PLC022410 and having its registered office at Nagarjuna Hills, Panjagutta Hyderabad – 500082, Telangana). The Associate companies have ceased to be Section 8 (Section 25 under Companies Act, 1956) Company's during the year under review.

There is no change in the status of subsidiaries or associates companies during the year under review. There is no material fact that requires mention on the performance and financial position of the Associate Companies.

Accounts of Subsidiaries

Consolidated financial statements incorporating the accounts of the Subsidiary Company are enclosed along with the financial statements of the Company. Jaiprakash Engineering And Steel Company Limited is not a material subsidiary whose income or net worth in the immediately preceding accounting year exceeds 20% of the consolidated income or net worth respectively of the Company and its subsidiaries as per the thresholds laid down under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

Statement containing salient features of the financial statement of Subsidiary / Associate Companies appears as **Annexure I** to this Report.

There is no material fact that requires mention on the performance and financial position of the Jaiprakash Engineering

and Steel Company Limited as the subsidiary is considering implementing various projects to utilize the available land appropriately and gainfully.

The Financial Statements of the Subsidiaries, Associates and Joint Venture Companies are available for inspection by the Members at the Registered Office of the Company pursuant to the provisions of Section 136 of the Companies Act 2013. The Company shall provide free of cost, a copy of the financial statements of its subsidiary companies to the Members upon request. The statements of the subsidiaries companies are also available on the website of the Company at <http://www.nagarjunafertilizers.com/investor.htm>.

Pursuant to Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of each of the Subsidiaries, Associates Companies in the prescribed Form AOC-1 is attached as Annexure I.

Material changes and commitments

There are no material changes and commitments 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, up to the date of this Report.

B. DIRECTORS, BOARD COMMITTEES, KEY MANAGERIAL PERSONNEL AND REMUNERATION

The assessment and appointment of members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. A potential board member is also assessed on the basis of independence criteria defined in Section 149 of the Act and Listing Regulations.

Directors and Key Managerial Personnel

During the year, following changes took place in the Board of Directors and the Key Managerial Personnel:

- Mr. Chintapalli Srinivasu, Chief General Manager, IDBI Limited has joined the Board as Nominee Director of IDBI Limited with effect from November 07, 2017 in place of Mr. Shailendra Govind Nadkarni.
- Mr. S R Ramakrishnan resigned from the Board with effect from October 23, 2017
- Capt. Hariharan Ramanathan has been appointed by the Board as Independent Director with effect from January 20, 2018.
- Consequent to retirement of Mr. Sudhir Bhansali as Chief Financial Officer the Board of Directors appointed Mr. H Muralidhar as Chief Financial Officer / Key Managerial Personnel with effect from September 1, 2017.

The following changes took place in the Board of Directors and the Key Managerial Personnel, post March 31, 2018 till the date of report:

- Mr. D Ranga Raju, Independent Director ceased to be director with effect from May 27, 2018.
- The ICICI Bank Limited withdrew Mr. Anilkumar Radhakrishna Pullattu as Nominee Director on the Board of the Company with effect from April 16, 2018 and has appointed Mr. Ramana Reddy, Deputy General Manager as Nominee Observer.
- Mr. M Ramakanth, Company Secretary has been relieved from the services of the company with effect from April

30, 2018 upon retirement and the Board of Directors at the meeting held on May 25, 2018 accorded their approval for the appointment of Mr. K Chandra Sekhar Naidu as Company Secretary / Key Managerial Personnel and Compliance Officer.

- d) Mr. O. Ramesh Babu, Nominee Director has been withdrawn from the Board of Directors of the Company with effect from July 17, 2018.

The Board placed on record its appreciation for the invaluable contribution made by Mr. D. Ranga Raju, Mr. S R Ramakrishnan, Mr. Shailendra Govind Nadkarni and Mr. P R Anil Kumar during their tenure as Directors on the Board. The Board also placed on record the appreciation for the invaluable services rendered by Mr. Sudhir Bhansali and Mr. M Ramakanth.

In terms of the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the company Mr. Chandra Pal Singh Yadav, retires at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment. The Board of Directors recommend the reappointment of Mr. Chandra Pal Singh Yadav, as director liable to retire by rotation, for consideration of the Members.

Independent Directors

During the year under review Capt. Hariharan Ramanathan has been appointed by the Board as Independent Director with effect from January 20, 2018.

In accordance with Section 149, 152 and Schedule IV read with relevant Rules of the Companies Act, 2013, Capt. Hariharan Ramanathan, subject to approval of shareholders of the company was appointed as Independent Director by the Board on January 20, 2018. The Board of Directors recommend for approval of shareholders, the appointment of Capt. Hariharan Ramanathan as Independent Director of the Company not liable to retire by rotation upto the conclusion of Seventeenth Annual General Meeting pursuant to the provisions of Section 149 of the Companies Act, 2013 and Listing Regulations.

A brief resume, nature of expertise, details of other directorships and other information of Capt. Hariharan Ramanathan, Independent Director as stipulated in Secretarial Standard II issued by Institute of Company Secretaries of India and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an annexure to the notice of the ensuing Annual General Meeting.

Mr. D Ranga Raju, Independent Director has vacated his office with effect from May 27, 2018 by operation of Law.

Declaration by Independent Directors

The Independent Directors have submitted their declaration to the Board that they fulfill all the requirements of independence so as to qualify as an Independent Director under Section 149(6) of the Companies Act, 2013 as well as Regulation 25 of Listing Regulations.

Executive Directors

The Shareholders of the Company at their Annual General Meeting held on September 26, 2017 considered and accorded their approval to the appointment of Mr. K S Raju, Chairman / whole Time Director and Mr. K Rahul Raju, Managing Director for a term of three years with effect from August 1, 2017. There is no change in status of Executive Directors during the year under review.

The details of Directors being recommended for appointment or re-appointment pursuant to Regulation 36(3) of the Listing Regulations is appended as an annexure to the notice of the ensuing Annual General Meeting.

Key Managerial Personnel

The following are the Key Managerial Personnel of the Company as defined under Sections 2(51), 203 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as on date of this report:

- Mr. K. Rahul Raju, Managing Director
- Mr. H Muralidhar as Chief Financial Officer (w.e.f., September 1, 2017)
- Mr. K Chandra Sekhar Naidu, Company Secretary (w.e.f., May 25, 2018)

Meetings of the Board

The Board of Directors of the Company had met four times during the year on May 26, 2017, August 9, 2017, November 8, 2017 and February 9, 2018.

Remuneration and other particulars of the Directors/ Key Managerial Personnel/ Employees

The information relating to remuneration and other particulars of the Directors / Key Managerial Personnel / Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 appears as **Annexure – II(a).**

Personnel

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules appears as **Annexure – II (b).**

Familiarization Programme and Performance Evaluation

Details of the Familiarization Programme and Performance Evaluation are incorporated in the Corporate Governance Report.

Remuneration Policy

The salient features of the policy on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board, is appended as **Annexure VII** to the Board's report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company. The Nomination and Remuneration Policy may be accessed on the Company's website at the link: www.nagarjunafertilizers.com/investor.htm.

COMMITTEES

Audit Committee

The Audit Committee of the Board of Directors is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The terms of reference are in compliance with the provisions of the Law.

The Chairman of the Committee is Dr. N C B Nath, an Independent Director and the Committee consists of three Independent Directors, one nominee director and one Whole Time Director. The Board has accepted all the recommendation made by the Audit Committee.

The Committee meets periodically to review the internal audit report, quarterly financial statements and annual financial statements and recommends its findings to the Board apart from taking action independently whenever required. The Statutory Auditors, the Internal Auditor, Cost Auditors attend and participate in the Audit Committee Meetings.

The Audit Committee comprises of

Dr. N C B Nath	Chairman and Independent Director
Mr. S R Ramakrishnan*	Member and Independent Director
Mrs. Lalitha Raghuram	Member and Independent Director
Mr. C B Mouli	Member and Independent Director
Mr. K S Raju	Member and Chairman
Mr. Syed Shahabuddin	Member and Nominee Director

* Ceased to be a Member with effect from October 23, 2017

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted with effect from April 22, 2014 in compliance with the provisions of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

The Company has adopted a Nomination and Remuneration Policy with effect from October 1, 2014 for determining, inter alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

The Nomination and Remuneration Committee comprises of:

Dr. N C B Nath	Chairman and Independent Director
Mr. S R Ramakrishnan *	Member and Independent Director
Mrs. Lalitha Raghuram	Member and Independent Director
Mr. K S Raju	Member and Whole Time Director
Mr. Srinivasu Chintapalli®	Member and Nominee Director

* Ceased as a Member with effect from October 23, 2017

® Inducted as Member with effect from November 07, 2017.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted with effect from April 22, 2014 in compliance with the provisions of the Companies Act, 2013 and Regulation 20 of Listing

Regulations. The Committee reviews and ensures redressal of investors grievances.

The Stakeholders Relationship Committee comprises of:

Dr. N C B Nath	Chairman and Independent Director
Mr. Srinivasu Chintapalli®	Member and Nominee Director
Mr. S G Nadkarni *	Member and Nominee Director

* Ceased as a Member with effect from November 07, 2017.

® Inducted as Member with effect from November 07, 2017.

Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of four members, of which one is an Independent Director. The Chairman of the Committee is an Independent Director.

The details as to number of meetings, the attendance thereat, the terms of reference of Committee of the Board are given in Corporate Governance Report.

C. DISCLOSURES

Company Policy Matters

Your Company's endeavor has always been to maintain transparency and accountability to its stakeholders. In this direction, various policies mentioned in the Corporate Governance Report have been implemented to enable the stakeholders to appreciate the various interventions the Company has taken.

The implementation of these policies are reviewed periodically by the Board of Directors and updated regularly.

The Company has set up a Grievance Redressal Mechanism for all its associates. The Grievance Redressal Mechanism is aimed to redress the grievances of associates expeditiously to ensure good working atmosphere and culture in the organization.

The Company has drawn-up Policy on Bio-diversity, Gift Policy, Health Safety and Environment Policy and Human Rights Policy.

Risk Management Policy

Even though, Regulation 21 of Listing Regulations is not applicable to the Company, the Board of Directors of the Company, as a Good Governance practice, constituted a Risk Management Committee of the Board which frames, implements and monitors Risk Management Plan of the Company and lays down procedures to inform the Board of the risk assessment and risk minimization procedures in the Company.

The Company has an Enterprise Risk Management (ERM) System set up as required by the Listing Regulations.

As per the Risk Management System (RMS), the risks of the Company are being regularly identified/assessed and documented by way of individual profiles and risk registers. The Company is also maintaining web based risk management application by each department/division at Plant as well as Corporate Office to manage and control the risk in structured manner.

The Risk Management Organization Structure consists of Risk Management Steering Committee (RMSC) at apex level, and at divisional level, Corporate Risk Management Commit-

tee (CRMC) and Plant Risk Management Committee (PRMC) were formed to facilitate monitoring and governance of the ERM process under the purview of Chief Risk Officer on an ongoing basis.

Periodical meetings of the CRMC and PRMC are being held wherein the critical, cautionary and acceptable risks are presented by the departments through web based RMS application. During such presentations, various cross-functional deliberations take place on the contributing factors and the control measures to mitigate the risks. The outcome of CRMC and PRMC deliberations and the analysis of risks are presented to RMSC on a quarterly basis.

The Chief Risk Officer of the Company and the Compliance Officer attend all the meetings of the Risk Management Committee.

Policy on Board Evaluation

The Policy on Board Evaluation was adopted with effect from October 1, 2014 by the Board of Directors in compliance of Companies Act, 2013 and Listing Regulations.

The purpose of the policy is to assess the effectiveness of the Board as a whole, Committees of Board and Individual Directors on regular basis and to take necessary steps for improving the effectiveness of the Board.

The Nomination and Remuneration Committee has devised the methodology, identified sample tools for evaluation and also laid down the parameters for evaluation of Independent Directors, Chairman, Managing Director and Committees of the Board and the Board.

The Nomination and Remuneration Committee, based on the responses received from Directors, evaluated the Directors and conveyed the opinion of the Committee to the Board at the meeting held on July 26, 2018.

In view of the evaluation not linked to payment of remuneration, as the Company has opted only for payment of sitting fees, the evaluation has no financial implications on the Company.

Whistle Blower Policy/Vigil Mechanism

The Company formulated the policy in compliance with Regulation 22 of Listing Regulations and Section 177(9) of the Companies Act, 2013. The Policy aims to prohibit managerial personnel from taking adverse personnel action against employees disclosing in good faith, alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, and misappropriation of public funds among others.

Employees / associates aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee. The Audit Committee periodically reviews the existence and functioning of the mechanism. No personnel of the Company have been denied access to the Audit Committee. The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's website. Web link for the same is www.nagarjunafertilizers.com/investor.htm

Corporate Social Responsibility (CSR)

The Company has in place a CSR Policy in line with Schedule VII of the Companies Act, 2013. The CSR Policy may be accessed on the Company's website at the link: <http://www.nagarjunafertilizers.com/investor.htm>. The Company has always desired to play a proactive role in societal development with an intention to bring positive change in the lives of many.

An initiative started in 2009 with the spirit of making a difference, has today deepened its roots and is making a bigger impact and changing many more lives. The dedicated support, strength, initiative and encouragement from the associates of the Group to be part of this initiative gave impetus to the movement.

During the year under review, the Company was not required to spend any amount on CSR as it did not have any profits. The Company under the aegis of Nagarjuna Foundation started several CSR activities and continues to support the initiatives. Your Company during the year has spent Rs.69 Lakh towards CSR activities. The details of such activities carried out with the support of Nagarjuna Foundation signed by Managing Director and Chairman of CSR Committee appears as **Annexure- III** to this Report.

Your Company made contribution in areas of education, sports, healthcare and community welfare under the aegis of Nagarjuna Foundation and during the year proposes to collaborate with various leading organizations, charitable and other funds or trusts.

Corporate Governance

Your Company driven by a desire to be more competitive and recognized globally, had inculcated more than a decade ago rules defining ethical business, much before it was introduced as statutory compliance.

Your Company firmly believes that building a culture of compliance is more than meeting regulations and standards. Your Company has always proactively met mandated standards and practiced Corporate Governance in spirit and not just as letter of the law.

The goal of the Company in the area of Corporate Governance is to ensure fairness for every stakeholder; the company believes best practice Corporate Governance is critical to enhance and retain investor trust and to perform with integrity.

The Annual Report contains a separate section on the Company's corporate governance practices, together with a certificate from M/s. KBG Associates, Practicing Company Secretaries on compliance with conditions of Corporate Governance as stipulated under Listing Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis in terms of the provisions of Regulation 34 of the Listing Regulations is provided as a separate section in the Annual Report.

Related Party Transaction

All related party transactions done by the Company during the financial year were at arm's length and in ordinary course of business. During the financial year, your Company has not entered into any material transaction as per the Listing Regulations with any of its related parties which may have potential conflict with the interest of the Company at large.

Disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements (refer Note 37). All related party transactions are placed before the Audit Committee and the Board for review and approval, as appropriate. To identify and monitor significant related party transactions, the Company has also framed a Policy on the Related Party Transactions and the same is available on the Company's website. Web link for the same is <http://www.nagarjunafertilizers.com/investor.htm>

All the related party transactions entered during the year were in Ordinary Course of the Business and on Arm's Length business and hence disclosure under section 134(3)(h) in Form AOC-2 of the Companies Act, 2013 is not applicable.

Particulars of loans, guarantees or investments

Particulars of loans, guarantees and investments under Section 186 of the Act as at the end of the Financial Year 2017-18 are provided in the Notes forming part of the financial statements for the year ended March 31, 2018 (refer Note No. 46).

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Disclosure in terms of Section 134(3)(m) read with Rule 8(3) of The Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, earnings and outgo of foreign exchange is attached as **Annexure-IV** to this Report.

Extract of Annual Return

Details forming part of the extract of the Annual Return in Form MGT 9 is enclosed as **Annexure V**.

Compliance with Secretarial Standards

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India relating to Meetings of the Board and its Committees and the General Meetings, which have mandatory application during the year under review.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There were no significant awards that have been passed by any Court or Judicial Authority against the company during the Financial Year 2017-18 impacting the going concern status and Company's operations in future.

Adequacy of Internal Financial Controls with reference to Financial Statements

The Company maintains all its records in SAP system and the work flow and approvals are routed through SAP.

The Company's Internal Auditors scrutinize on periodical basis and ensure that the internal controls and the work flow of the organization are being done through the approved policies of the Company. In every quarter, the Internal Auditors present the Internal Audit Report and Management comments on the Internal Audit observations to the Audit Committee.

The Board of Directors of the Company have adopted various policies like the Related Party Transaction, Whistle Blower Policy etc., for ensuring the orderly and efficient conduct of its business for safeguarding its assets, prevention and de-

tection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Auditors, in their Report of Internal Financial Controls (Annexure A to the Independent Auditors' report) have opined that the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and were operatingly effective as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

Registrar and Share Transfer Agents

The Company has been functioning as Category II Share Transfer Agent (in-house) pursuant to the Securities and Exchange Board of India approval to the Company.

Deposits

The Company has not accepted any deposits falling under the ambit of Chapter V of the Companies Act, 2013 and the Rules framed thereunder, during the year nor are there any unpaid /unclaimed deposits at the end of the year. Accordingly, no disclosure or reporting is required in respect of details relating to deposits.

Transfer of unpaid and unclaimed amounts to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, declared dividends which remained unpaid or unclaimed for a period of seven years have been transferred by the company to the IEPF, which has been established by the central government.

D. AUDITORS AND AUDIT REPORT

STATUTORY AUDITORS

M/s. M Bhaskara Rao & Co., Chartered Accountants (Firm Registration No-000459S), Hyderabad, the Company's auditors were appointed at the Eighth Annual General Meeting for a term of five years from the conclusion of Eighth Annual General Meeting to the conclusion of Thirteenth Annual General Meeting subject to ratification by the Members of the Company every year.

M/s. M Bhaskara Rao & Co have signified their willingness to accept ratification of their appointment and have further confirmed their eligibility under Section 141 of the Companies Act, 2013. The Company's Statutory Auditors have also furnished a certificate from the Peer Review Board of the ICAI confirming that they have undergone the process of peer review.

The Board of Directors in accordance with the provisions of Section 139 of the Companies Act, 2013 and Rules made

thereunder recommend the ratification of the appointment of Statutory Auditors for the Financial Year 2018-19 for consideration of the shareholders.

The details of remuneration paid to Statutory Auditor's for 2017-18 are detailed in Notes forming part of the financial statements for the year ended March 31, 2018.

Auditors Report

The Statutory Auditors' of the Company have invited attention to emphasis on the matter in relation to:

- a) Diminution in the value of investments made for the value of investment in Jaiprakash Engineering and Steel Company Limited (JESCO). A subsidiary and its adequacy based on Management assessment.
- b) Recognizing income from urea operations including reimbursement claims for additional fixed cost, input escalation/de-escalation, and for production beyond reassessed capacity based on prices and provisions applicable under NPSIII, Modified NPSIII, pending notification of final prices under New Urea Policy 2015 and consequential adjustments, if any that may arise.
- c) Arbitration awards passed against the Company for USD 15,275,688, GBP 11,45,630 and Rs.221.39 Lakhs.

Management Explanation to emphasis on the matter

- a) Emphasis of Matter given in Note (a) of the Auditor's Report on standalone financial statements read with Note 5.1 of Notes forming part of the standalone financial statements for the year ended March 31, 2018 are self-explanatory and do not call for any further comments
- b) Emphasis of Matter given in Note (b) of the Auditor's Report on standalone financial statements read with Note 25.1 of Notes forming part of the standalone financial statements for the year ended March 31, 2018 are self-explanatory and do not call for any further comments.
- c) Emphasis of Matter given in Note (c) of the Auditor's Report on standalone financial statements read with Note 36.1.1(b) of Notes forming part of the standalone financial statements for the year ended March 31, 2018 are self-explanatory and do not call for any further comments.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder the Central Government has directed that the cost accounts maintained by the Company be audited by a Cost Auditor.

The Board of Directors, on the recommendation of the Audit Committee, at their meeting held on May 25, 2018, accorded their approval to the appointment of M/s. Sagar & Associates as Cost Auditor, and recommended for approval of shareholders a remuneration of Rs.4 Lakh plus taxes as applicable and reimbursement of out-of-pocket expenses for conducting the audit of cost records of the company for the Financial Year 2018-19.

M/s. Sagar & Associates, Cost Auditors have issued cost audit report for Financial Year 2017-18 which does not contain any qualification, reservation or adverse remark.

Secretarial Auditor & Secretarial Audit Report

The Board of Directors at their meeting held on May 25, 2018

pursuant to the provisions of Section 204 of the Companies Act, 2013 have appointed Mr. C S S Krishna, Partner, M/s. KBG Associates, Company Secretaries, Hyderabad as the Secretarial Auditor of the Company to undertake Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year 2017-18 appears as **Annexure - VI** to this Report, which is self-explanatory.

Internal Audit

The Company has well established system of Internal Audit which carries out audit on Risk Management framework covering the gamut of financial, marketing, plant operations and service functions.

The Company's Internal Audit function has obtained Quality Management System (ISO 9001: 2000) certificate in December 2006 and the same has been confirmed.

A Chief Internal Auditor of the Company has been appointed by the Board of Directors, in compliance with the Companies Act, 2013 and Listing Regulations.

E. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013 your Directors hereby report 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 and loss 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.
- (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.

GREEN INITIATIVES

Electronic Copies of the Annual Report and the Notice of the Twelfth Annual General Meeting are sent to all Members whose email addresses are registered with the Company/depository participant(s). For Members who have not registered their email addresses, physical copies of Annual Reports are sent in the permitted mode.

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including Annual Report can be

sent by e-mail to its Members. Similarly, the Securities and Exchange Board of India ("SEBI") encourages paperless communication. We fully support the Ministry's green initiative. Accordingly, the Members, who have not registered their e-mail addresses so far, are requested to register their e-mail addresses. Members who have electronic holdings may register through their concerned Depository Participants.

The Annual Report including the complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto prepared as per the requirements set out in Schedule III to the Act and Indian Accounting Standards (Ind AS) will also be available at the Company's website <http://www.nagarjunafertilizers.com> (Investor's Desk section).

BUSINESS RESPONSIBILITY REPORTING

Fulfilment of environmental, social and governance responsibility is an integral part of the way the Company conducts its business. The Listing Regulations mandates that the Annual Report of top 500 listed entities based on market capitalization, calculated as on March 31 of every financial year, shall contain the Business Responsibility Report describing the initiatives taken by them from an environmental, social and governance perspective. Even though the said Regulation of Listing Regulations is not applicable, your Company has voluntarily prepared a Business Responsibility Report.

As a green initiative a detailed information on the initiatives of the Company on Social, Environmental and Governance Perspectives in the prescribed format is available on the Company's website <http://www.nagarjunafertilizers.com>.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place Policy on Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed of during the FY ended March 31, 2018:

Number of complaints received: NIL

Number of complaints disposed of: NIL

INDUSTRIAL RELATIONS

During the year, the industrial relations at all the works of the company were cordial.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Government of India, Government of Andhra Pradesh, Government of Telangana and the Financial Institutions and Company's Bankers for their assistance and cooperation.

Further, the Company places on record its sincere appreciation for the continuing support and unstinting efforts of investors, dealers and associates and all stakeholders in ensuring an excellent all round operational performance.

CAUTIONARY STATEMENT

The Board's Report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" within the meaning of applicable securities law and regulations. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to Government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements and the company is not obliged to update any such forwarding looking statements.

Hyderabad
July 27, 2018

By Order of the Board
K S Raju
Chairman

ANNEXURE – I:

Form AOC 1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 – Form AOC-I)

Part “A”: Subsidiaries

Rs. in Lakhs

Particulars	Subsidiary Company
	Jaiprakash Engineering and Steel Company Limited
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April 1, 2017 to March 31, 2018 (No difference in the financial year)
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	INR
Share capital	2,25,97,203 shares of Rs.10/- each
Reserves and Surplus	(4,65,94,416)
Total assets	18,29,40,364
Total Liabilities	18,29,40,364
Investments	-
Turnover	0
Profit/(Loss) before taxation	(1,71,767)
Provision for taxation	-
Profit after taxation	(1,71,767)
Proposed Dividend	-
% of shareholding	99.84

ii) Amount of Investment in Associates/Joint Venture	2.50	15.00
iii) Extent of Holding %	25%	42.85%
3. Description of how there is significant influence	Common Directors	Common Directors

4. Reason why the associate/joint venture is not consolidated	The Company had made provision for diminution in the entire value of investment as it is not in operation and network is negative	The Company had made provision for diminution in the entire value of investment as it is not in operation and network is negative
5. Net worth attributable to Shareholding as per latest Audited Balance Sheet	Considered as zero since network is negative	Considered as zero since network is negative
6. Profit / (Loss) for the year		
i) Considered in Consolidation	-	-
ii) Not Considered in Consolidation(refer point no.4 above)	0.00	(0.16)

Part “B”: Associates and Joint VenturesRs. in Lakhs

Name of the Associate / Joint Venture	Nagarjuna Agricultural Research and Development Institute Private Limited	KVK Raju International Leadership Limited
1. Latest Audited Balance Sheet Date	March 31, 2018	March 31, 2018
2. Shares of Associate/ Joint Ventures held by the Company at the year end		
i) Number	25,020	1,50,000

By Order of the Board

Hyderabad
July 27, 2018

K S Raju
Chairman

ANNEXURE - II (a)

Particulars of Remuneration of Directors / Key Managerial Personnel / Employees

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

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year- 2017-18

S.No.	Name of the Director	Median Remuneration (Rs.)	Directors Remuneration (Rs.)	Median Remuneration in %
1.	Mr. K S Raju	497800	6760721	13.58
2.	Mr. K Rahul Raju	497800	6930390	13.92

b) The Percentage increase in remuneration of Director, Chief Executive Officer, Manager, Chief Financial Officer, Company Secretary in the Financial Year- 2017-18

S.No	Name	Designation	2016-17 (Rs.)	2017-18 (Rs.)	Percentage Increase of salary
1.	Mr. K S Raju	Chairman	6856619	6760721	-1.40
2.	Mr. K Rahul Raju	Managing Director	6680199	6930390	3.75
3.	Mr. M Ramakanth	Company Secretary	8796418	7194883	-18.21
4.	Mr. Sudhir Bhansali*	Chief Financial Officer	9419258	6178618	-34.40
5.	Mr. H Muralidhar*	Chief Financial Officer	--	3196542	NA

* Consequent to retirement of Mr. Sudhir Bhansali, Chief Financial Officer on August 31, 2017, Mr. H Muralidhar, has been appointed as Chief Financial Officer with effect from September 1, 2017. The remuneration of Mr. H Muralidhar disclosed above pertains towards services rendered as Chief Financial Officer of the company.

c) The percentage increase / (decrease) in the median remuneration of employees in the Financial Year 2017-18

Particulars	2016-17 (Rs.)	2017-18 (Rs.)	Percentage Increase of Median salary
Median Salary	448600	497800	10.97

d) The number of permanent employees on the rolls of the Company

	2016 - 17	2017 - 18
No. of Employees	1605	1623

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

Average percentile/percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year was 12.04%. Remuneration paid to the Managing Director has increased by 3.75%. Remuneration paid to the Executive Chairman has decreased by 1.40%. The % increase in remuneration of the Managing Director is on account of the revised limits of remuneration payable in terms of approval of shareholders.

f) Affirmation that the remuneration is as per the remuneration policy of the Company

The Remuneration paid is as per the remuneration policy of the Company.

ANNEXURE – II(b):

Statement of Particulars of Employees

(Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.NO.	Name	Designation	Remuneration received	Nature of Employment	Qualifications	Years of experience	Date of commencement of employment	Age	Last employment held by employee before joining	Number of equity share held	Relation with Director or Manager
1	Mr. K S Raju	Chairman	6760721	Refer Note 1	B.E (Mech)	43	01-08-2011	67	Chairman & MD, Nagarjuna Fertilizers and Chemicals Ltd., (Merged)	Nil	Father of Managing Director
2	Mr. K Rahul Raju	Managing Director	6930390	Refer Note 1	B.Com (Hons)	20	01-08-2011	41	JMD, Nagarjuna Fertilizers and Chemicals Ltd.,(Merged)	Nil	Son of Chairman
3	% Mr. M Ramakanth	Senior Vice President Legal and Secretarial	7194883	Refer Note 1	B.Sc., FCS,LLB,Dip. In Public Relations P.G.Dip in Buss. Administration, PG Dip in Personnel Management	33.5	14-09-1994 @	61	Company Secretary, Nagarjuna Investment Trust Ltd.,	Nil	-
4	Dr. Banibrata Pandey	President- Performance Biomaterials and Fuels	8869649	Refer Note 1	M.Sc(Micro),Ph.D(Sc), M.B.A	35	19-09-2002 @	58	Sr. Manager, Barnby Technologies, USA	Nil	-
5	% Mr. Sudhir Bhansali #	CFO	10693145	Refer Note 1	B.Com, ACS, ACA	37	13-05-2008 @	60	President & CFO, Andhra Pradesh Paper Mills Ltd.,	Nil	-
6	Mr. J Mahalingam	Exec. Director-Corporate Strategy	9005330	Refer Note 1 *	B.A, ACA	39	01-10-1990 @	64	DGM-Finance, Andhra Cement Company	Nil	-
7	Mr. R M Deshpande	Exec Director - Coordination	7316750	Refer Note 1 *	M.Com, LLB	46	03-04-2007 @	70	Advisor to MD, GSFC	Nil	-
8	Mr. R Raghavan	Senior Vice President-Urea Manufacturing	6106029	Refer Note 1	B.Tech, BOE	36	04-01-1999	59	Day Co-Ordination Urea Plant, SAFCO - SABIC Group.	Nil	-
9	Mr. Navinchandra M Suthar	Chief Operating Officer-Captive Power Project	6053665	Refer Note 1 *	Diploma in Mechanical Engineering	53	05-01-2015	73	Sr. Vice President (Thermal Power), SEW Infrastructure.	Nil	-
10	Mr. G V Jagadeesh Kumar	Sr.G.M-Business Strategy & Corp Planning	5909964		M.Tech, MBA	19	23-09-2009	42	Sr. Manager, Business Analyst, RIL	Nil	

Note 1 : All the above mentioned appointments are non-contractual except marked "*" and are terminable by notice on either side.

@ - Continue employment from Erstwhile NFCL

% Retired from the services of the company

Remuneration for services rendered as Chief Financial Officer till August 31st, 2017 and as Corporate Advisor for the remainder of the tenure.

ANNEXURE III

Annual Report on CSR activities

(Pursuant to Section 135 of Companies Act, 2013)

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken is mentioned below :

At Nagarjuna, we believe in philosophy of "SERVING SOCIETY THROUGH INDUSTRY".

We live every moment of life in harmony with nature to create value for ourselves, our stakeholders and the society.

The Nagarjuna Group under the aegis of Nagarjuna Foundation, a not-for-profit Company incorporated under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013), with Registered Office at Nagarjuna Hills, Punjagutta, Hyderabad, undertakes various activities under Corporate Social Responsibility.

At Nagarjuna, we define CSR as:

- Conducting affairs of our Company in a socially acceptable manner
- Understanding, supporting and developing the communities and the cultures within which we work
- Protecting the environment and safety of the people connected with the Company and the surroundings.
- Enhancing the value of the Company through sustainable growth

Our CSR Framework:

Nagarjuna's CSR Framework consists of following four important dimensions:

- Investors and other stakeholders
- Customers
- Employees
- Community

Compliance:

Compliance with this policy is continuously monitored and subject to review by the Company.

In the ensuing year, the major focus will be on development of the Communities located in and around the Plants of the Company with continued support to Investors and other stakeholders, Customers and Employees.

2. Web-link

The Web-link to the CSR policy and projects or programs is

<http://www.nagarjunafertilizers.com/social.htm>

3. CSR Committee

The CSR Committee comprises of the following Directors:

Dr. NCB Nath	:Chairman
Mr. K S Raju	:Member
Mr. K Rahul Raju	:Member
Mr. Chintapalli Srinivasu	: Member

4. Financial Details

- a) The Average net loss of the Company as per Section 135 of the Companies Act, 2013 for the last three Financial Years i.e. 2015-16, 2016-17 and 2017-18 is Rs.9,377.81 lakhs.
- b) The prescribed CSR Expenditure for the financial year 2017-18 (two per cent, of the amount as in item 3 above) is Nil.
 - i. Total amount spent for the financial year: Rs.69 Lakh*
 - ii. Amount unspent, if any : Nil
 - iii. Manner in which the amount spent during the financial year is detailed below :

* the Company continues to undertake CSR activities though not required to do so in terms of Companies Act, 2013 to meet its continuing commitments.

During the year under review, the company has made a contribution of Rs.69 Lakh to Nagarjuna Foundation, a not-for-profit Company incorporated under Section 25 of the Companies Act, 1956 (Section 8 of the Companies Act, 2013).On behalf of the company the Nagarjuna Foundation undertook Corporate Social Responsibility activities in areas of social welfare, health care, public health, education, natural calamities, upliftment of society, sports, etc., as detailed herein below:

S.No	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken.
A	1. Supply of Drinking Water	Social Welfare	Hyderabad, Telangana
	2. Supply of Water to Kondelpeta, Kakinada	Social Welfare	Kakinada, Andhra Pradesh
	3. Supply of Infrastructure / Books/ Stationery Items / school uniforms / linen / medicines / sports items/ cooking vessels and Groceries to 86 and 101 Centers covering Orphanages, Homes for the Aged, Government Schools, Homes for differently abled children, Homes for the AIDS infected patients, unwed mothers children, short stay homes and tuition centers on June 29, 2016 and November 28, 2016 respectively.	Social Welfare	Throughout India
	4. Supported various organizations by providing nutritious needs to inmates	Social Welfare	Hyderabad, Telangana
	5. Continue to maintain the lawns in the Kakinada Railway station	Social Welfare	Kakinada, Andhra Pradesh
B	1. Financial support to the early intervention children center being maintained by Uma Manovikasa Kendram	Health Care	Kakinada, Andhra Pradesh
	2. Seethamma Health Chariot and Kondelpeta Primary Health Care	Health Care	Kakinada Andhra Pradesh
	3. Leprosy patients at Vimukthi colony Kakinada	Health Care	Kakinada, Andhra Pradesh
	4. Financial support to the blind children center being maintained by The Aided School for the Blind & Hostel	Health Care	Kakinada, Andhra Pradesh
C.	Financial support for public – awareness programmes of Mohan Foundation with respect to Multi-Organ Donations and Life Savers Programme.	Public Health	Hyderabad, Telangana
D	Salary Paid to CSR Consultant		
E	Nagarjuna Management Development Centre		

5. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and Policy of the Company:

We, the members of the Corporate Social Responsibility Committee of the Board of Directors of Nagarjuna Fertilizers and Chemicals Limited confirm and affirm that in accordance with Section 135 of the Companies Act, 2013 and applicable Rules, we complied with the following:

- 1) Formulated and recommend to the Board a CSR Policy in line with the activities mentioned in Schedule VII of the Companies Act, 2013.
- 2) Recommended the amount of expenditure to be incurred.
- 3) Instituted a transparent monitoring mechanism for the implementation of the Policy from time to time.

Hyderabad
July 27, 2018

K Rahul Raju
Managing Director

Dr NCB Nath
CSR Committee
Chairman

ANNEXURE – IV:

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY:

During the Financial Year 2017-18, as a part of Energy Saving Schemes as well as Reliability Improvement Measures CO₂ Compressor 2nd Inter-stage Cooler were replaced with investment of Rs.42 Lakh.

(B) TECHNOLOGY ABSORPTION:

B.1. Research and Development (R & D):

1) Specific areas in which R & D was carried out by the Company:

a) Production Facility at Kakinada:

There is no separate R & D department at the production facility at Kakinada. However, the Engineers engaged in Technical Services, Production, General Engineering and Maintenance Departments undertake activities which are aimed at improvements in the following areas:

- i. Energy Conservation.
- ii. Capacity Enhancement.
- iii. Environmental Protection.
- iv. Process and Personnel Safety.
- v. Enhancement of Plant Reliability.
- vi. Rain Water Harvesting for Conserving Raw Water Intake.
- vii. Exploration for Usage of Renewable Energy Sources like Solar, etc.

b) Production facility at MI and PVC Plants

- (i) Developed new Multi cavity 75 mm Male & Female coupler molds to increase productivity and reduced the cost considerably by manufacturing in-house.
- (ii) Developed new 32 cavity 16/4 CDL dripper mould to meet the market demand and reduced the cost considerably.
- (iii) Successfully developed 110mm HDPE Quick coupled pipe systems at Halol plant and started commercial supplies.
- (iv) Auto takeoff unit for PVC-04 Belling machine developed in house to reduce the cost of material handling.
- (v) Introduced new Super Lin drippers for Flat IDL production supplied by Metzerplas.
- (vi) HDPE downstream equipment and adapter have been commissioned successfully on Plain lateral lines and utilized the line for both plain lateral and HDPE pipes.

2) Benefits derived as a result of the above efforts :

a) Production Facility at Kakinada:

The improvements achieved in the areas of Production Performance, Treated Effluent Generation, Environmental Protection, Process & Personnel Safety are given below:

- (i) Complex achieved lowest Specific Effluent Generation of 0.504 m³ / MT of Urea, surpassing the previous best of 0.549 m³ / MT of Urea achieved during 2016-17.
- (ii) Replacement of Urea-II CO₂ Compressor 2nd Inter-stage Cooler (EE-126) resulted in improvement of reliability

b) Production facility at MI and PVC Plants

- (i) Quality of finished goods and bought out items have been improved.
- (ii) Reduced field complaints and warranty claims.
- (iii) Improved Customer satisfaction.
- (iv) Input cost has been reduced by 31 % with the introduction of new Super Lin drippers for Flat IDL production
- (v) Downstream equipment to manufacture HDPE pipes on plain lateral line has been organized and optimum utilization line has been achieved by manufacturing both plain and HDPE pipes on same line.

Expansion / Developments:

- (i) Introduced Friction welding machine at Nacharam plant
- (ii) Introduced Automatic coupler grooving machine at Nacharam plant.
- (iii) Injection molding machine to manufacture HDPE couplers has been introduced at Nacharam and Halol plants.

3) Future Plan of Action:

a) Production Facility at Kakinada:

The following action plan has been made to improve Production, Plant Reliability, Specific Energy Consumption and in EHS areas as mentioned below:

- (i) Ammonia-I Backend Boiler (E-501) Replacement
- (ii) Ammonia-I Combustion Air Pre-heater (E-204) replacement
- (iii) Ammonia-I Process air compressor First inter stage cooler replacement
- (iv) Ammonia-II Front-end Boiler (EE-208) replacement
- (v) Ammonia-II Synthesis Converter Basket replacement
- (vi) Methanator catalyst replacement in Ammonia-I
- (vii) HT Shift catalyst Replacement in Ammonia-II
- (viii) Upgradation of PAC/ARC turbo-log speed/ anti-surge control system in Ammonia-I & II
- (ix) Fine Filters in HP NG Network in both Ammonia Plants
- (x) Urea-I stripper Ferrules modification
- (xi) Upgradation of GT - C, Mark V Control System to Mark VI-E System
- (xii) Upgradation of Unit-I DCS/ESD systems
- (xiii) Compressor Rotor for GT-C & Stator blades and related hardware.
- (xiv) Re-conditioning of CT cells

Energy Reduction Study:

- To meet the revised Energy Target Set by DoF (5.50 Gcal / MT Urea), necessary correspondence has been initiated with Technology Suppliers.
- Technical & Commercial discussions with vendors completed.
- Order will be placed for Energy saving schemes after Financial Closure. Major schemes are turbines up gradation (For Syn gas turbine of Ammonia plant-I & CO2 Turbines of both urea plants) and implementation of Ammonia wash in both Ammonia Plants.

b) Production facility at MI and PVC Plants

- Proposal for shifting of PVC Pipe manufacturing line to Halol plant to obtain logistical advantage.
- Proposal to setup new Injection Molding facility to manufacture Drippers (Non PC) at Nacharam and Halol Plants in phased manner.

B.2. Technology Absorption, Adaptation and Innovation:

1) Efforts, in brief, made towards technology absorption, adaptation and Innovation:

a) Production Facility at Kakinada:

Installation of JSC NIIK Vortex Mixer in Urea-II Reactor: This scheme was implemented during PTA 2014 in Urea II Reactor. NFCL is the first Fertilizer Industry in India to adopt this technology.

b) Production facility at MI and PVC Plants

- Indigenization of imported spare parts carried out to reduce the dependency on imported parts and optimize the cost.
- Introduced Friction welding technology for HDPE pipe welding in addition to existing socket fusion welding and productivity increased.

2. Benefits derived as a result of the above efforts, example Product Improvement, Cost Reduction, Product Development Import Substitution etc.

a) Production Facility at Kakinada:

- Installation of Vortex Mixer in Urea-II Reactor improved conversion thereby resulted in energy savings.
- With the implementation of Energy Reduction schemes, the complex Sp. Energy Consumption is targeted for improvement of at least 0.1 Gcal/MT of Urea

b) Production facility at MI and PVC Plants

- Logistical cost has been reduced by developing the products at different locations.
- Consumed 100% process scrap within BIS norms in non-prime products.
- Continuously reduced the input costs by optimizing the processes.
- Improved the efficiency of production lines.
- Warranty claims have been reduced by improving quality of products.

3) In case of import technology (imported during the last five years reckoned from the beginning of the financial year), following information may be furnished:

a) Production Facility at Kakinada:

Vortex Mixer installed in Urea II Reactor during PTA 2014. JSC NIIK is the supplier of Vortex Mixer. With this installation Urea conversion increased and Plant reliability improved.

b) Production facility at MI and PVC Plants: NIL

B.3. EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT (R & D):

An expenditure of Rs.18.53 Crore was incurred towards Research and Development during the financial year 2017-18. The details are provided in the Notes forming part of the financial statements for the year ended March 31, 2018 (refer Note No. 34). The company has decided to close down the R&D Division during the year 2018-19 as a part of its strategic drive to focus on core business and cost reduction; and may re-establish the division in the future based on the then strategic direction of the company.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, export plans: NIL

b1) Foreign Exchange Outgo:	Rs. in lacs
i. Technical know-how (net of Tax)	-
ii. Interest	44.82
iii. Dividend (net of taxes)	
a) Equity	-
b) Preference	-
iv. Others	230.55
2) Foreign Exchange earnings	717.37

ANNEXURE – V:

EXTRACT OF ANNUAL RETURN (MGT-9) as on the Financial Year ended on March 31, 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	
	CIN	L24129AP2006PLC076238
	Registration Date	November 7, 2006
	Name of the Company	Nagarjuna Fertilizers and Chemicals Limited
	Category / Sub-Category of the Company	Public Limited Company
	Address of the Registered office and contact details	D.No 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad – 500082, Telangana Mr. K Chandra Sekhar Naidu. Compliance Officer and Company Secretary Ph No.(040) 23350247 Email:chandrasedkhar@nagarjunagroup.com
	Whether listed Company	Yes
	Name, Address and Contact details of Registrar and Transfer Agent	Nagarjuna Fertilizers and Chemicals Limited, Investors Service Cell, Plot No 1, Punjagutta, Nagarjuna Hills Hyderabad - 500 082 Telangana, India Tel: (040) 23358405 Email: Investors@nagarjunagroup.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

There are business activities contributing 10% or more of the total turnover of the Company - manufacture and sale of urea.

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Urea	20121	86.40

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section of Companies Act, 2013
1	Jaiprakash Engineering and Steel Company Limited (JESCO)	U00337KA1993PLC014694	Subsidiary	99.84	2(87)
2	Nagarjuna Agricultural Research and Development Institute Private Limited	U29100TG1995PTC022409	Associate	25	2(6)
3	KVK Raju International Leadership Academy	U51100TG1995PLC022410	Associate	42.85	2(6)

IV. SHAREHOLDING PATTERN

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	21427989		21427989	3.58	21427989		21427989	3.58	0.00
d) Bodies Corp.	296072140		296072140	49.51	296072140		296072140	49.51	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (Trust)	-	-	-	-	-	-	-	-	-
(Co-op Society)	11000000		11000000	1.84	11000000		11000000	1.84	0.00
Sub-total (A) (1):-	328500129		328500129	54.93	328500129		328500129	54.93	0.00
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	4400000		4400000	0.74	4400000		4400000	0.74	0.00
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other NRI based company	8800000	-	8800000	1.47	8800000	-	8800000	1.47	0.00
Sub-total (A) (2):-	13200000	-	13200000	2.21	13200000	-	13200000	2.21	0.00
Total shareholding of Promoter (A)=(A)(1)+(A) (2)	341700129		341700129	57.13	341700129	-	341700129	57.13	0.00

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	108250	233915	342165	0.06		233915	233915	0.04	-0.02
b) Banks / FI	5720	62013	67733	0.01	329115	62013	391128	0.07	0.06
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	8867412	110	8867522	1.48	6896291	110	6896401	1.15	-0.33
g) FIs	4666463	33275	4699738	0.79	4931720	33275	4964995	0.83	0.04
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):-	13647845	329313	13977158	2.34	12157126	329313	12486439	2.09	-0.25

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	56263163	371929	56635092	9.47	55970538	371087	56341625	9.42	-0.05
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up-to Rs.1 lakh	125201183	42600140	167801323	28.06	126838214	41350812	168189026	28.12	0.06
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	12232157	-	12232157	2.05	12406526	-	12406526	2.07	0.02
c) Others (specify) NRI	4561786	1015926	5577712	0.93	5797810	991396	6789206	1.14	0.21
Foreign National	0	0	0	0	500	0	500	0	0
Trusts	10230	131202	141432	0.02	20350	131202	151552	0.03	0.01
Sub-total (B) (2):-	198268519	44119197	242387716	40.53	201033938	42844497	243878435	40.78	0.25
Total Public Shareholding (B)=(B)(1)+(B)(2)	211916364	44448510	256364874	42.87	213191064	43173810	256364874	42.87	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	553616493	44448510	598065003	100.00	554891193	43173810	598065003	100.00	0.00

(ii) Shareholding of Promoters

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in sharehold- ing during the year
		No. of Shares	% of total Shares of the com- pany	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / en- cumbered to total shares	
Core Promoter								
1	Amlika Mer- cantile Private Limited	296072140	49.51	43.74	296072140	49.51	43.74	0.00
Co- Promoter								
1	Governor of Andhra Pradesh	21427989	3.58	-	21427989	3.58	-	0.00
2	KRIBHCO	11000000	1.84	-	11000000	1.84	-	0.00
3	Fireseed Limited	8800000	1.47	-	8800000	1.47	-	0.00
4	Saipem SPA	4400000	0.74	-	4400000	0.74	-	0.00
	TOTAL	341700129	57.13	43.74	341700129	57.13	43.74	0.00

(iii) Change in Promoters' Shareholding: There is no change during the year under review

SI. No.	Shareholding			Cumulative Shareholding during the year	
	Name of the Shareholder(s)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year					
Core Promoter					
1	Amlika Mercantile Private Limited	296072140	49.51	296072140	49.51
Co-Promoters					
1	Governor of Andhra Pradesh	21427989	3.58	21427989	3.58
2	KRIBHCO	11000000	1.84	11000000	1.84
3	Fireseed Limited	8800000	1.47	8800000	1.47
4	Saipem SPA	4400000	0.74	4400000	0.74
At the End of the year					
Core-Promoters					
1	Amlika Mercantile Private Limited	296072140	49.51	296072140	49.51
Co-Promoters					
1	Governor of Andhra Pradesh	21427989	3.58	21427989	3.58
2	KRIBHCO	11000000	1.84	11000000	1.84
3	Fireseed Limited	8800000	1.47	8800000	1.47
4	Saipem SPA	4400000	0.74	4400000	0.74

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding		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				
1	Zuari Agro Chemicals Limited.	32267741	5.40%	32267741	5.40%
2	Life Insurance Corporation of India	5911262	0.99%	5911262	0.99%
3	LokPrakashan Ltd	2684862	0.45%	2684862	0.45%
4	United India Insurance Company Limited	2064415	0.35%	2064415	0.35%
	Sold 100000 shares between 18.12.2017 and 22.12.2017			1964415	0.33%
	Sold 344254 shares between 26.12.2017 and 29.12.2017			1620161	0.27%
	Sold 300000 shares between 01.01.2018 and 05.01.2018			1320161	0.22%
	Sold 1061028 shares between 08.01.2018 and 12.01.2018			259133	0.04%
	Sold 259133 shares between 15.01.2018 and 19.01.2018			0	0.00%
5	Dimensional Emerging Markets Value Fund	1812637	0.30%	1812637	0.30%
6	Blue Diamond Properties Private Limited (Formerly Jai-Vijay Resources Private Limited)	1320000	0.22%	1320000	0.22%
7	Arvind Mehta	950000	0.16%	950000	0.16%
	Bought 8000 shares between 09.10.2017 and 13.10.2017			958000	0.16%
	Bought 29621 shares between 16.10.2017 and 20.10.2017			987621	0.17%
	Bought 112379 shares between 23.10.2017 and 27.10.2017			1100000	0.18%
8	Sykes & Ray Equities (I)Ltd.	758796	0.13%	758796	0.13%
	Bought 2000 shares between 03.04.2017 and 07.04.2017			760796	0.13%
	Bought 200 shares between 10.04.2017 and 13.04.2017			760996	0.13%
	Sold 800 shares between 17.04.2017 and 21.04.2017			760196	0.13%
	Sold 754509 shares between 24.04.2017 and 28.04.2017			5687	0.00%
	Sold 2217 shares between 02.05.2017 and 05.05.2017			3470	0.00%
	Sold 500 shares between 15.05.2017 and 19.05.2017			2970	0.00%
	Bought 500 shares between 22.05.2017 and 26.05.2017			3470	0.00%

	Sold 500 shares between 29.05.2017 and 02.06.2017			2970	0.00%
	Sold 300 shares between 05.06.2017 and 09.06.2017			2670	0.00%
	Sold 400 shares between 12.06.2017 and 16.06.2017			2270	0.00%
	Bought 300 shares between 19.06.2017 and 23.06.2017			2570	0.00%
	Bought 300 shares between 27.06.2017 and 30.06.2017			2870	0.00%
	Bought 100 shares between 03.07.2017 and 07.07.2017			2970	0.00%
	Bought 200 shares between 24.07.2017 and 28.07.2017			3170	0.00%
	Sold 600 shares between 31.07.2017 and 04.08.2017			2570	0.00%
	Bought 100600 shares between 07.08.2017 and 11.08.2017			103170	0.02%
	Sold 13300 shares between 14.08.2017 and 18.08.2017			89870	0.02%
	Sold 25000 shares between 21.08.2017 and 24.08.2017			64870	0.01%
	Sold 23284 shares between 28.08.2017 and 01.09.2017			41586	0.01%
	Bought 9400 shares between 04.09.2017 and 08.09.2017			50986	0.01%
	Bought 46512 shares between 11.09.2017 and 15.09.2017			97498	0.02%
	Bought 100 shares between 18.09.2017 and 18.09.2017			97598	0.02%
	Sold 550 shares between 19.09.2017 and 22.09.2017			97048	0.02%
	Sold 5057 shares between 25.09.2017 and 29.09.2017			91991	0.02%
	Sold 17500 shares between 09.10.2017 and 13.10.2017			74491	0.01%
	Sold 34228 shares between 16.10.2017 and 20.10.2017			40263	0.01%
	Sold 4900 shares between 23.10.2017 and 27.10.2017			35363	0.01%
	Bought 1200 shares between 30.10.2017 and 31.10.2017			36563	0.01%
	Bought 6300 shares between 06.11.2017 and 10.11.2017			42863	0.01%
	Sold 6700 shares between 13.11.2017 and 17.11.2017			36163	0.01%
	Sold 3500 shares between 20.11.2017 and 24.11.2017			32663	0.01%
	Sold 3550 shares between 27.11.2017 and 01.12.2017			29113	0.00%

	Bought 2050 shares between 04.12.2017 and 08.12.2017			31163	0.01%
	Bought 1000 shares between 11.12.2017 and 15.12.2017			32163	0.01%
	Bought 7889 shares between 18.12.2017 and 22.12.2017			40052	0.01%
	Sold 16625 shares between 26.12.2017 and 29.12.2017			23427	0.00%
	Sold 8500 shares between 01.01.2018 and 05.01.2018			14927	0.00%
	Sold 1350 shares between 08.01.2018 and 12.01.2018			13577	0.00%
	Sold 6150 shares between 15.01.2018 and 19.01.2018			7427	0.00%
	Bought 600 shares between 22.01.2018 and 25.01.2018			8027	0.00%
	Sold 5015 shares between 29.01.2018 and 02.02.2018			3012	0.00%
	Bought 8400 shares between 05.02.2018 and 09.02.2018			11412	0.00%
	Bought 1600 shares between 12.02.2018 and 16.02.2018			13012	0.00%
	Sold 4500 shares between 19.02.2018 and 23.02.2018			8512	0.00%
	Sold 200 shares between 26.02.2018 and 01.03.2018			8312	0.00%
	Bought 200 shares between 05.03.2018 and 09.03.2018			8512	0.00%
	Bought 100 shares between 19.03.2018 and 23.03.2018			8612	0.00%
	Bought 99400 shares between 26.03.2018 and 28.03.2018			108012	0.02%
9	NeharTradingg Private Ltd	613800	0.10%	613800	0.10%
	Sold 613800 shares between 09.10.2017 and 13.10.2017			0	0.00%
10	PunamchandRamnarayanRathi	601530	0.10%	601530	0.10%

	At the End of the year (or on the date of separation, if separated during the year)				
1	Zuari Agro Chemicals Limited.	32267741	5.40%	32267741	5.40%
2	Life Insurance Corporation of India	5911262	0.99%	5911262	0.99%
3	LokPrakashan Ltd	2684862	0.45%	2684862	0.45%
4	United India Insurance Company limited	0	0.00%	0	0.00%
5	Dimensional Emerging Markets Value Fund	1812637	0.30%	1812637	0.30%
6	Blue Diamond Properties Private Limited (Formerly Jai-Vijay Resources Private Limited)	1320000	0.22%	1320000	0.22%
7	Arvind Mehta	1100000	0.18%	1100000	0.18%
8	Sykes & Ray Equities (I)Ltd.	108012	0.02%	108012	0.02%
9	NeharTradingg Private Ltd	0	0.00%	0	0.00%
10	PunamchandRamnarayanRathi	601530	0.10%	601530	0.10%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	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
	For Each of the Directors and KMP				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	66,113.30	4,517.25	-	70,630.55
ii) Interest due but not paid	739.46	-	-	739.46
iii) Interest accrued but not due	251.07	-	-	251.07
Total (i+ii+iii)	67,103.83	4,517.25	-	71,621.08
Change in Indebtedness during the financial year				
Addition	5.54	396.72	-	402.26
Reduction	14,312.15	365.00	-	14,677.15
Net Change Indebtedness at the end of the financial year			-	
i) Principal Amount	52,094.21	4,548.97	-	56,643.18
ii) Interest due but not paid	686.90	-	-	686.90
iii) Interest accrued but not due	16.11	-	-	16.11
Total (i+ii+iii)	52,797.22	4,548.97	-	57,346.19

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. K S Raju, Chair-man	Mr. K Rahul Raju, Managing Director	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	51,41,667 6,64,823 -	51,58,334 8,17,826 -	10,30,00,000 14,82,649 -
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission (a) as % of profit (b) others, specify	-	-	-
5	Others, please specify	9,54,231	9,54,231	19,08,462
	Total (A)	67,60,721	69,30,390	1,36,91,111
	Ceiling as per Act			1,32,13,558

B. Remuneration to other directors:

SL	Particulars of Remuneration	Name of Director							Total Amount in Rs.
1.	Independent Directors	Dr. NCB Naith	Mr. D Ranga-Raju	Mr. Uday Shankar Jha	Ms. Lalitha Raghuram	Mr. Hariharan-Ramana-than®	S R Ramakrishnan	Mr. C B Mouli	
	- Fee for attending board / committee meetings	3,45,000	Nil	60,000	90,000	15,000	1,35,000	90,000	7,35,000
	- Commission	-	-	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	3,45,000	Nil	60,000	90,000	15,000	1,35,000	90,000	7,35,000
2.	Other Non-Executive Directors	Mr. Chandra Pal Singh Yadav	Mr. O.Ramesh Babu *	Mr. Shailendra Govind-Nadkarni %	Mr. Anil Kumar P R**	Mr. Syed Shahabuddin	Mr. Srinivas Chintapalli %		

- Fee for attending board / committee meetings	30,000	30,000	60,000	60,000	1,95,000	75,000	-	4,50,000
Commission							-	
- Others, please specify							-	
Total (2)	30,000	30,000	60,000	60,000	1,95,000	75,000	-	4,50,000
								11,85,000

@Capt. Hariharan Ramanathan was appointed with effect from January 20, 2018

% Mr. Chintapalli Srinivasu Nominee Director being nominated by IDBI Limited in place of Mr. Shailendra Govind Nadkarni with effect from November 7, 2017 the Sitting fee is paid to IDBI Limited in their respect.

* As per the agreement with the Bank the sitting fee is paid to IFCL Limited.

**As per the agreement with the Bank the sitting fee is paid to ICICI Limited.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		Mr. M Ramakanth Company Secretary	%Mr. H Muralidhar CFO	%Mr. Sudhir Bhansali CFO	
1	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	67,22,687 15,565 -	27,84,714 9,080 -	57,36,440 6,485 -	1,52,43,841 31,130 -
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission (a) as % of profit (b) others, specify...	-	-	-	-
5	Others, - PF, Superannuation, Gratuity Insurance	4,56,631	4,02,748	4,42,178	13,01,557
	Total	71,94,883	31,96,542	61,85,103	1,65,76,528

% Mr. H Muralidhar has been appointed as Chief Financial Officer with effect from September 1st, 2017 in Place of Mr. Sudhir Bhansali. Mr. Sudhir Bhansali was relieved from the Services of the Company as Chief Financial Officer due to Superannuation.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:NIL

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

By Order of the Board

Hyderabad
July 27, 2018

K S Raju
Chairman

ANNEXURE – VI:

Form No. MR-3

Secretarial Audit Report

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

To,

The Members

Nagarjuna Fertilizers and Chemicals Limited

Nagarjuna Hills, Punjagutta

Hyderabad, Telangana

India – 500 082

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nagarjuna Fertilizers and Chemicals Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

SI	Particulars
1.	The Companies Act, 2013 (the Act) and the Rules made thereunder;
2.	The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3.	The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4.	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;
5.	The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') <ul style="list-style-type: none"> (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;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) 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;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (f) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015

6. We have also examined compliance with the applicable clauses of the following:
- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

1. Under the Companies Act, 2013, we report that

- A. That based on our examination and verification of the records produced to us and according to the information and explanations given to us by the Company that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 ("the Act") and the Rules made under the Act and Memorandum, and Articles of Association of the Company, inter alia with regard to :
- a. Maintenance of various statutory registers and documents and making necessary entries therein;
 - b. Closure of Register of Members / Debenture holders;
 - c. Forms, returns, documents and resolutions required to be filed with the Register of Companies and the Central Government;
 - d. Service of documents by the company on its members and Registrar of Companies.
 - e. Notices and minutes of the meetings of the committees of directors;
 - f. The meetings of Board of Directors held on 26-05-2017, 09-08-2017, 08-11-2017, and 09-02-2018; and the meetings of Committees of Directors (including passing of resolutions by circulation) and the various Meetings of the Committees of Directors held from time to time.
 - g. The Annual General Meeting held on 26th September, 2017;
 - h. Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - i. Approvals of the Members, the Board of Directors, the Committees of Directors wherever required;
 - j. Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;

- k. Payment of remuneration to Directors including the Managing Director and Whole-time Directors where the Company has filed the necessary application to the Central Government as detailed below;
Mr. K S Raju and Mr. K Rahul Raju were re-appointed as Chairman and Managing Director respectively in the Annual General Meeting held on September. 26th, 2017 for a period of 3 years with effect from August 1, 2017.
The proposed remuneration to Mr. K S Raju and Mr. K Rahul Raju is not in compliance with Schedule V of the Companies Act, 2013 due to losses incurred during past few years.
Hence the Company has moved the applications to the Central Government in Form-MR-2 which is pending for approval from the appropriate authority.
- l. Appointment and remuneration of Auditors;
- m. Transfer of Shares if any is duly taken care of.
- n. The Company was unable to recommend any dividend on the equity capital of the Company. Hence there was no requirement to comply with the provisions for declaration and payment of dividend;
- o. There is unclaimed dividend and there is a requirement for transfer of amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs.
- p. Borrowings and registration, modification and satisfaction of charges wherever applicable;
- q. Investment of the Company's funds including investments and loans to others;
- r. Form of Balance Sheet as prescribed under Part I, form of statement of Profit and Loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- s. Directors' Report;
- t. Contracts, common seal, registered office and publication of name of the Company; and

B. Under the Companies Act, 2013, We further report that

- i. The Board of Directors of the Company is duly constituted with proper balance of, 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.

- ii. 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.
- iii. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes
- iv. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

However, we have been given to understand that the Company has moved Suo Moto Compounding Application in Form GNL-1 as per Section 172 of the Companies Act, 2013 with Registrar of Companies, Hyderabad in respect of its inability to comply with Section 152(6)(a), dealing with Retirement by Rotation of directors at every Annual General Meeting.

Further the application so filed is under consideration by appropriate authority.

- v. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

2. Under the Securities Contracts (Regulation) Act, 1956, We report that

The Company has complied with the requirements of Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act.

3. Under the Depositories Act, 1996, We report that

The Company has complied with the provisions of the Depositories Act, 1996 and the byelaws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

4. Under FEMA, 1999, We report that

The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.

5. Under Reserve Bank of India Act, 1934, I report that:

We have been given to understand that the Company does not require complying any of the provisions under the Reserve Bank of India Act 1934.

6. Under the SEBI Act, We report that

- a. The Company has complied with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

However, during the period under review, as on 31st March, 2018, the Board consisted of 13 directors including Independent and non-independent Directors. To be in compliance with Regulation 17 (1)(b), at least half of the board of directors shall comprise of independent directors (if the entity does not have a regular non-executive chairperson), whereas the Company has only 6 Independent Directors in the board during the period under review.

Further as on the date of signing this report, we have been given to understand that due to resignation / withdrawal of Nominee Directors, the total number of Directors became 10 (from 13) and hence the Company is having 5 Independent Directors, 3 Nominee Directors and 2 Executive Directors and thus complying the above mentioned provisions.

- b. The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with regard to the disclosures and maintenance of records required under the Regulations and we note that there are no transactions falling under the purview of these regulations during the financial year under review.
- c. The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 with regard to disclosures and maintenance of records required under the Regulations.
- d. The Company is not required to comply with the provisions of the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to implementation of Employees Stock Option Scheme, Grant of Options and related disclosures and other aspects as no such transaction had arisen in this respect during the year under review.
- e. The Company is not required to comply with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 as there was no issue and no allotment of convertible warrants on preferential basis to entities in the Promoters Group.
- f. **We further report that**, the company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.

- g. We 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.

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**For KBG Associates
Company Secretaries**

(Srikrishna S Chintalapati)

Partner

CP # 6262

Place: Hyderabad

Date: July 17, 2018

‘ANNEXURE-A’

To,
The Members,
Nagarjuna Fertilizers and Chemicals Limited
Nagarjuna Hills, Punjagutta
Hyderabad – 500 082
Telangana
Our report for the event date to be read with the following Letter;

SI	Particulars
1.	Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2.	We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3.	We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4.	Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5.	The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6.	The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7.	Pursuant to analysis made; we have been given to understand that the scope of the audit is restricted to <ol style="list-style-type: none"> Companies Act, 2013 SEBI Act, 1992 The Depositories Act, 1996 Foreign Exchange Management Act, 1999 Securities Contracts (Regulation) Act, 1956

**For KBG Associates
Company Secretaries**

(Srikrishna S Chintalapati)

**Partner
CP # 6262**

**Place: Hyderabad
Date: 17th July, 2018**

ANNEXURE – VII

Nomination and Remuneration Policy

Introduction

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

Objective

The objectives for adopting the policy are:

- To ensure that the level and composition of remuneration payable to KMP and others is reasonable and sufficient to attract, retain and motivate persons to join the Board of Directors of the company so as to provide the company the required strategic direction.
- To clarify that remuneration is linked to performance and there exists appropriate benchmarks
- To ensure that the remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives synchronizing the same to the working of the company and its goals
- To lay down criteria for identifying persons to be qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration
- To carry out evaluation of Directors, Key Managerial Personnel and Senior Management
- To ensure that the remuneration is being paid across the organization based on prevailing trends in the industry to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

‘Senior Management Personnel’ for this purpose shall mean employees of the company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the executive director(s), including the functional heads.

Appointment of Directors, Key Managerial Personnel and Senior Management

- The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel and Senior Management.
- The Committee shall ascertain the qualifications, expertise and experience of the persons to be appointed as Directors, KMP and Senior Management and recommend their appointment to the Board of Directors.
- The decision of the Board of Directors based on the recommendation of the Committee shall be final

- d) The appointment including tenure of Directors and KMP shall be subject to the policy of the company, provisions of Companies Act, 2013, Listing Agreement and other relevant laws.
- e) The Committee shall evaluate their performance on a yearly basis and recommend their removal to the Board, if required.

Remuneration of Directors, KMP, Senior Management and other employees

- a) The remuneration payable to the Whole Time Directors shall be as per the provisions of the Companies Act, 2013 and other relevant provisions.
 - b) The remuneration payable to KMP and Senior Management shall be approved by the Committee on case to case basis.
 - c) The increments to the existing remuneration structure
- 1) In relation to Board of Directors based on the evaluation of performance
 - 2) In relation to KMP and Senior Management shall be approved by the Committee based on the recommendation of the Managing Director
 - 3) In relation to others shall be approved by the Managing Director based on the market conditions, performance of the company and other relevant factors from time to time.

Remuneration to Non-Executive and Independent Directors

The Non-Executive and Independent Directors of the company shall only be paid sitting fees (as determined by the Board from time to time) for attending Board/ Committee meetings apart from reimbursement of expenses incurred for attending the meetings.

Submission of PAN and Bank Details

The Securities and Exchange Board of India vide Circular SEBI / HO / MIRSD / DOP1 / CIR / P / 2018 / 73 dated April 20, 2018 with the intention to strengthen the standards for Share Transfer Agent (RTA) has prescribed guidelines for procedures and processes with regard to handling, maintenance and updating of records, transfer / transmission of securities and payment of dividend.

As per the guidelines where bank account details of the shareholder is not available with RTA or there is change in bank account details, RTA shall obtain account details along with cancelled cheque to update the securities holder's data. The original cancelled cheque shall bear the name of the securities holder failing which securities holder shall submit copy of bank passbook /statement attested by the bank.

The unpaid dividend shall be paid via electronic bank transfer. In case electronic payment instructions have failed or have been rejected by the bank, the company may ask the banker to make payment through physical instrument such as banker's cheque or demand draft to such securities holder incorporating his bank account details.

The RTA has been bestowed with the responsibility to take special efforts to collect copy of PAN, and bank account details of

all shareholders holding shares in physical form.

The RTA is mandated to send a letter under registered/Speed post seeking PAN and bank details (a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder) within 90 days of the circular and two reminders thereof after the gap of 30 days. All the 3 letters will have 21 days' notice period to provide the details.

Shareholders who are unable to respond to RTA call and provide PAN and bank details within 180 days of the circular or have informed that the securities available in their name as per the records of RTA does not belong to them, shall be subject to enhanced due diligence.

In case of residents of Sikkim, the requirement of PAN Card be substituted with a valid Identity proof issued by Government.

Accordingly all the shareholders are requested to submit a copy of the PAN card and original cancelled cheque leaf /attested bank passbook showing name of account holder at the earliest. Further it is also requested to update the contact details viz., the complete postal address, the mobile number and any alternate number, and landline and email address for effective communications with Company.

Transfer of shares only on dematerialized form

The SEBI vide its Notification dated June 8, 2018 notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 wherein it mandated that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository with effect from December 5th, 2018. The shareholders are requested to take note of the same and take necessary action to dematerialized their respective shares.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-2018

(Annexure to the Directors' Report)

A. COMPANY'S PHILOSOPHY

At Nagarjuna, we believe in the philosophy of 'Serving Society through Industry', with the Nagarjuna Culture being 'We live every moment of life in harmony with nature to create value for ourselves, our stakeholders and the society'.

This philosophy is backed by principles of concern, commitment, ethics, excellence and learning in all its interactions with stakeholders, customers, associates and community at large which has always propelled the Group towards newer horizons.

Owing to the changing business environment in which the Company today operates, your Company has drawn up a Vision.

'To be global leaders in plant nutrition' with a Mission.

'We shall pioneer transformation in plant nutrition, deliver wholesome plant nutrition solutions to the farmers and be the organization to be associated with'.

At Nagarjuna, we continually strive to transform our business environment. We are committed to continuously evoke customer delight through constant review, monitoring and delivering proactive value-added solutions. We are also committed to provide satisfaction of all stakeholders in a balanced manner through sustainable growth and profitability. We also aim to create an environment where work becomes an enjoyable experience aligning individual goals with organizational goals, share knowledge and information, be proactive and responsible, pursue excellence and be committed, transforming the society. We aim to create an environment which enhances opportunities for all the good things, better health, education and overall quality of living that life has to offer.

At Nagarjuna, we believe that it is not the latest technology or management practice (as important as they are) that makes an organization successful as it ought to be. However, what makes it an enterprise worthy of emulation is that it shapes the environment in which it grows through active fostering of creativity, innovation, entrepreneurship and knowledge sharing.

We believe in the principles of trusteeship, fair play and transparency in all our dealings. We endeavour to have a work culture, which is performance driven and conducive to improving discipline, accountability, character, team spirit and honesty, personally and professionally.

We also believe that mutual care and concern among the employees and the organization acts as a guiding principle.

GOVERNANCE PHILOSOPHY

Your Company firmly believes that building a culture of compliance is more than meeting regulations and standards. Your Company is always proactive in meeting mandated standards and practicing Corporate Governance in spirit and not just the letter of the law.

Your Company's philosophy on Corporate Governance is based on following principles:

- a) Preserving core values and ethical business conduct.
- b) Commitment to maximizing shareholder value on a sustained basis.

- c) To enhance the efficacy of the Board and inculcate a culture of transparency, accountability and integrity across the Company.
- d) Perceiving and mitigating the various risks that impact the Company.
- e) Make timely and transparent disclosures.
- f) Legal and statutory compliances.

Your Company's ethos is self-regulatory system of prompt reporting, monitoring, certification and voluntary code of practice and standards improving management effectiveness, supervision and accountability to stakeholders.

CORPORATE ETHICS

As a responsible corporate the Company consciously follows corporate ethics in business and corporate interactions. The various Codes and Policies adopted by the Company that determine its functioning are:

- Code of Conduct and Ethics for Senior Management
- Code of Conduct for Prevention of Insider Trading
- Policy on Corporate Social Responsibility
- Policy on Corporate Governance
- Policy on Related Party Transactions
- Legal Compliance Policy
- Whistle Blower Policy
- Policy on Vendor Grievances
- Policy on Supply Chain
- Policy on Succession Planning
- Policy on Employee Participation in Management
- Policy on Conflict Management
- Policy on Training for Board of Directors
- Policy on Induction of Directors
- Board Charter
- Forex Risk Management Policy
- Policy on Corporate Sustainability
- Policy on Sexual Harassment at Workplace
- Policy on Board Evaluation
- Policy on Nomination and Remuneration
- Policy for determining Material Subsidiaries
- Policy for Preservation and Archival of Documents
- Policy on Disclosure of Material Events
- Policy on Bio-diversity
- Gift Policy
- Health Safety and Environment Policy
- Human Rights Policy

The effective implementation of these codes / policies underpins the commitment to uphold highest principles of Corporate Governance consistent with the Company's goal to enhance stakeholder value. These codes / policies are briefly described in the report.

DATE OF REPORT

The information provided in the Corporate Governance Report for the purpose of unanimity is as on March 31, 2018. The Report is updated as on the date of the report wherever applicable.

B. BOARD OF DIRECTORS

ROLE OF BOARD OF DIRECTORS

The Board has its own charter which sets out the role, structure, responsibilities and operation of the Board. Nagarjuna Fertilizers and Chemicals Limited (hereinafter referred to as 'NFCL') is a professionally managed Company functioning under the overall supervision of the Board of Directors. Its Board comprises of the required proportion of Independent and Non-Independent Directors, including an Independent Woman Director in line with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

The primary role of the Board is that of trusteeship to protect the interest of Company, its stakeholders and enhance their value. As trustee, the Board ensures that the Company has clear goals and policies for achievement which are in alignment with the Vision and Mission of the Company.

The Board provides strategic direction, reviews corporate performance, authorizes and monitors strategic decisions, ensures regulatory compliances and safeguards interest of Stakeholders. The Board is responsible for maintaining and nurturing high levels of Corporate Governance in the Company.

PECUNIARY RELATIONSHIP

Non-Executive Directors / Independent Directors are committed to maintain a high level of Corporate Governance and as such they do not have any material pecuniary relationship with the Company except as stated in the Corporate Governance report.

COMPOSITION

The Board of Directors of the Company consists of an optimum combination of Executive, Non-Executive and Independent Directors, including women director, from eminent and diverse fields.

The Board comprises of nominees of IDBI Bank Limited, IFCI Limited, ICICI Bank Limited, State Bank of India and our co-promoters Krishak Bharathi Cooperative Limited and nominees of core promoter companies. The Board believes that the current size is appropriate based on the present circumstances and periodically evaluates the need for change in composition and size of the Board.

The composition of the Board as on March 31, 2018 is as under.

Category	No. Of directors	% of total no. of Directors
Executive Directors	2	15.38
Non-Executive Directors	1	7.69
Nominee Directors	4	30.77
Independent Directors	6	46.15

The changes in the composition of the Board subsequent to March 31, 2018 are as under:

- Withdrawal of Nomination of Mr. Anil Kumar P R by ICICI Bank Limited
- Cessation of office of Mr. D Ranga Raju
- Withdrawal of Nomination of Mr. O. Ramesh Babu by IFCI Limited

DIRECTORS ATTENDANCE AND DIRECTORSHIP AND COMMITTEE MEMBERSHIPS HELD

None of the Directors of your Company are Directors on the Board of more than 20 companies or 7 listed companies or 10 Board level Committees or Chairman in more than 5 Committees, across all companies in which they are Directors.

The details of the Board and Annual General Meeting attendance, Membership in all the Committees of Board of the Company and Directorships and Committee positions held in other companies, for the year 2017-18 are as under:

Director	DIN No	Attendance Particulars at		Committees of Board of NFCL	No. of Board, all the Committee Memberships & Chairmanship (other than NFCL) in Public, Pvt., Sec.8 of Companies Act, 2013 etc.				
		Board Meetings			AGM held on September 26, 2017	Board		Board Committees ^a	
						Chairman	Director	Chairman	Member
		Held	Attended						

INDEPENDENT

Dr. N. C. B Nath	00026509	4	4	Yes	<ul style="list-style-type: none"> • Audit • Management • Nomination and Remuneration • Stakeholders Relationship • Corporate Social Responsibility • Risk Management 	-	1	2	-
Mr. S. R. Ramakrishnan***	00015839	4	2	No	<ul style="list-style-type: none"> • Audit • Management • Nomination and Remuneration • Risk Management 	-	-	-	-
Ms. Lalitha Raghuram	07161344	4	3	No	<ul style="list-style-type: none"> • Audit • Nomination and Remuneration 	-	1	-	1
Mr. Uday Shankar Jha	00056510	4	4	Yes	Nil	-	-	-	-
Mr. C B Mouli	00042949	4	3	No	Audit	-	6	1	1
Mr. D Ranga Raju%	00066546	4	0	No	Nil	3	3	-	4
Capt. Hariharan Ramanathan*	03150763	4	1	No	Nil	-	2	-	-

NON EXECUTIVE									
Mr. Chandra Pal Singh Yadav	00023382	4	2	No	Nil	-	5	-	-
NOMINEE									
Mr. Anil Kumar P R [§]	06802394	4	4	Yes	• Asset Sale	-	1	-	-
Mr. S G Nadkarni**	03401830	4	1	No	• Management • Stakeholders Relationship • Risk Management • Asset Sale	--	--	--	--
Mr. O Ramesh Babu ^		4	2	Yes	Nil	-	1	-	-
Mr. Syed Shahabuddin	00985532	4	4	-	• Audit • Risk • Management • Asset Sale	-	-	-	-
Mr. Chintapalli Srinivasu**	00645263	4	1	-	• Management • Stakeholders Relationship • Corporate Social Responsibility • Risk Management	-	-	-	-
EXECUTIVE									
Mr. K. S. Raju	00008177	4	4	No	• Audit • Management • Shares & Debentures • Banking • Investment • Nomination and Remuneration • Risk Management • Corporate Social responsibility • Asset Sale	3	9	1	3
Mr. K. Rahul Raju	00015990	4	4	Yes	• Shares & Debentures • Banking • Management • Investment • Risk Management • Corporate Social responsibility • Asset Sale	--	6	--	1

* Capt. Hariharan Ramanathan was appointed as Independent Director with effect from January 20th, 2018.

** Mr. S G Nadkarni ceased to be a Nominee Director of IDBI with effect from November 7, 2017 and Mr. Chintapalli Srinivasu was inducted with effect from November 7, 2017 as Nominee Director of IDBI

***Mr. S R Ramakrishnan Ceased to be a Director with effect from October 23, 2017

§ Ceased to be Director with effect from April 16, 2018.

% Ceased to be director with effect from May 27, 2018.

^ Ceased to be director with effect from July 17, 2018

& The Chairmanship and Membership of the Audit Committee and the Stakeholders' Relationship Committee alone is considered as per Regulation 26 of Listing Regulations

RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. K. Rahul Raju is the son of Mr. K S Raju, Chairman & Whole Time Director. There is no other inter-se relationship with other directors and KMP of the Company.

BOARD AGENDA AND MINUTES

As a system, Agenda, Notes on Agenda and information to Directors are generally circulated not less than seven days before the meeting of the Board of Directors. All material information is incorporated in the agenda papers for facilitating focused discussions at the meeting.

The Company is in compliance of Secretarial Standard on Meetings of Board of Directors and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India and approved by Central Government under Section 118(10) of Companies Act, 2013.

The Board of Directors meets at least once in every quarter inter alia to review the quarterly financial results and operations of the Company. Apart from this, Board Meetings are convened by giving appropriate notice to address specific needs and business requirements of the Company. Matters of urgent nature are approved by the Board by passing resolutions through circulation.

The dates of the Board Meeting are decided well in advance and are communicated to the directors to enable them make it convenient to attend the meeting. The maximum time gap between any two consecutive meetings did not exceed 120 days.

During the year under review the Board of Directors met four times on May 26, 2017, August 09, 2017, November 08, 2017, and February 9, 2018.

The Company has a formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board. The Company presents a comprehensive Action Taken Report of the previous meeting to the Board of Directors at the ensuing Meeting of the Board of Directors.

Mr. K Chandra Sekhar Naidu, Company Secretary acts as secretary to the Committees of the Board.

INFORMATION TO THE BOARD

The Board has complete access to all the information within the Company inter-alia the following information is regularly provided to the Board as part of the agenda papers.

- Monthly operations report and quarterly results of the Company.
- Annual operating plans, budgets, capital budgets, cash flow, updates and all variances.
- Contracts in which Directors are deemed to be interested.
- Materially important show-cause notices, demand, prosecutions or other legal notices.

- Materially relevant default in financial obligations to and by the Company.
- Significant labour problems and their proposed solutions and other significant developments.
- Compliance of any regulatory, statutory nature or listing requirements.
- Minutes of the meetings of the Board of Directors and Committees of the Board of Directors.
- Status of subsidiary companies.
- Minutes of meetings of the Board of Directors of subsidiary companies.
- Details of related party transactions.
- Quarterly compliance report in terms of SEBI (Listing Obligation and Disclosure Requirements) and any non-compliance.
- Report on risk assessment and minimisation procedures.
- Information on recruitment and remuneration of senior managerial personnel below the Board level.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Issues which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Significant sale of investments, subsidiaries, assets, which are not in the normal course of business.
- Details of any joint ventures or collaboration agreements.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material.

REVIEW OF LEGAL COMPLIANCE REPORTS

The Board periodically reviews the compliance reports in respect of the various statutory enactments applicable to the Company.

APPOINTMENT OF THE DIRECTORS

Non-Executive Director

Mr. Chandra Pal Singh Yadav, Director of the Company is liable to retire by rotation in compliance with the requirement of Section 152 of the Companies Act, 2013 and being eligible offers himself for reappointment as Director.

The Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Mr. Chandra Pal Singh is attached to the Notice.

Independent Director

Independent Directors play an important role in the governance processes of the Board. The appointment of Independent Director is done in a structure manner taking the requirement

of skill sets and competence on the Board into consideration. The Independent Directors have been appointed for a fixed tenure of five years from their respective dates of appointment. None of the Independent Directors serve as "Independent Directors" in more than seven listed companies, in line with the requirements of the Listing Regulations.

The Independent Director(s), have at the first meeting of the Board in which they participate as Director and thereafter at the first meeting of the Board in every financial year, confirmed that they meet the criteria of independence as provided under the Companies Act, 2013 and Listing Regulations.

In accordance with Section 149, 152 and Schedule IV read with relevant Rules of the Companies Act, 2013, it is proposed to appoint Capt. Hariharan Ramanathan as Independent Director of the Company, not liable to retire by rotation, up to the conclusion of the Seventeenth Annual General Meeting pursuant to the provisions of Section 149 of the Companies Act and the Regulation 25 of Listing Regulations.

The appointment is being placed before the Members of the Company at the Twelfth Annual General Meeting for their approval.

The Details pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Mr. Hariharan Ramanathan is attached to the Notice.

DETAILS OF FAMILIARIZATION PROGRAMMES TO DIRECTORS

The company believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations.

As a practice, a formal induction programme for new directors and a familiarization programme for all the directors, with respect to changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislations and economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions, is an ongoing process in the company.

While inducting Directors on the Board, formal letter of appointment are issued to the Directors, inter alia, explaining their role, function, duties and responsibilities as Directors. The Memorandum and Articles of Association of the Company, copies of Annual Reports for the previous financial years, half year reports, organization structure, Company policies including Code of Conduct, Insider Trading Policy and Board Charter, Whistle Blower Policy etc. are also provided to the directors at the time of induction. The web link of familiarization programme is <http://www.nagarjunafertilizers.com/pdfs/Familiarization%20Prog.pdf>.

REMUNERATION POLICY

The Nomination and Remuneration Policy has been adopted by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee in compliance of Section 178 of the Companies Act and Listing Regulations.

This Policy acts as a guideline for determining, inter-alia,

qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

REMUNERATION TO DIRECTORS

The Company has adopted a Nomination and Remuneration Policy in compliance of Section 178 of the Companies Act, 2013 and Listing Regulation. The Policy acts as a guideline for determining, among other things, the qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

The Company has adopted a Policy on Board Evaluation in compliance of Companies Act, 2013 and the Regulation 19 of Listing Regulations. The purpose of the policy is to assess the effectiveness of the Board as a whole, Committees of Board and Directors on regular basis and to take necessary steps for improving the effectiveness of the Board. The Nomination and Remuneration Committee of the Board is responsible for the evaluation of the Board, Committee and Directors.

Remuneration to Non-Executive Directors / Independent Directors

The Non-Executive Directors of the Company, whether Independent or Non-Independent, are paid sitting fees for attending the meetings of the Board of Directors / Committees of Board of Directors which is within the limits prescribed under the Act. There was no other pecuniary relationship or transactions between the Non-Executive Directors, their associates or relatives, and the Company during the Financial Year 2017-18.

Non-Executive Directors are not paid any commission during the year under review. The details of remuneration paid to Non-Executive Directors of the Company during 2017-18 as sitting fees for attending the Meetings of the Board of Directors or Committees of the Board of Directors are as under:

Name of the Director	Sitting Fees paid for attending meetings of the Board of Directors / Committees of Directors (in Rs.)
INDEPENDENT	
Dr. N. C. B. Nath	3,45,000
Capt. Hariharan Ramanathan @	15,000
Ms. Lalitha Raghuram	90,000
Mr. Uday Shankar Jha	60,000
Mr. C B Mouli	90,000
Mr. S R Ramakrishnan ^	1,35,000
Mr. Ranga Raju	-

NON-EXECUTIVE	
Mr. Chandra Pal Singh Yadav	30,000
NOMINEE	
Mr. Chintapalli Srinivasu %	75,000
Mr. O.Ramesh Babu *	30,000
Mr. S G Nadkarni **	60,000
Mr. P R Anil Kumar ***	60,000
Mr. Syed Shahabuddin	1,95,000

@ Capt Hariharan Ramanathan was appointed with effect from January 20, 2018

% Mr. Chintapalli Srinivasu Nominee Director being nominated by IDBI Limited with effect from November 7, 2017 and his sitting fee is paid to IDBI Bank.

^ Mr. S R Ramakrishnan retired with effect from October 23, 2017.

* Paid to IFCI Limited

** Mr. S G Nadkarni was withdrawn as Nominee Director with effect from November 7, 2017 and the sitting fee until that date is paid to IDBI Limited

*** Mr. Anil Kumar P R Nomination has been withdrawn by ICICI Limited with effect from April 16, 2018 and sitting fee until that date is paid to ICICI Limited.

Remuneration to Executive Directors

The Executive Directors remuneration is subject to compliance of Schedule V of the Companies Act, 2013 and other applicable provisions. The Board, on the recommendations of the Nomination and Remuneration Committee, considers the remuneration of the Executive Directors. The Board recommends the remuneration of Executive Directors, for approval of the shareholders, at the General Body Meeting or any such authority as may be required.

The remuneration paid is determined keeping in view the industry benchmark, the relative performance of the Company and on review of remuneration packages of CEO's of other organizations in the industry.

The details of remuneration approved by the Members of the Company, for payment to Executive Directors, during 2017-18 are as under:

Directors Name	Salary per month	Commission	Perquisites
Mr. K. S. Raju	Rs.5,00,000/-	0.5% of the net profits of the Company limited to annual salary	Perquisites other than medical reimbursement are restricted to an amount equal to the annual salary.
Mr. K. Rahul Raju	Rs.5,00,000/-	0.5% of the net profits of the Company limited to annual salary	Perquisites other than medical reimbursement are restricted to an amount equal to the annual salary.

Perquisites include housing, leave travel concession, club fees, personal accident insurance, earned leave, car facility, among others.

Based on the approval of the shareholders, as specified above, the actual remuneration paid to Executive Directors are as under:

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

S.No	Particulars of Remuneration	Name of MD/WT/Manager		Total Amount
		Mr. K S Raju, Chairman	Mr. Rahul Raju, Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51,41,667	51,58,334	1,03,00,000
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	6,64,823	8,17,826	14,82,640
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	(a) as % of profit (b) others, specify	-	-	-
5	Others	9,54,231	9,54,231	19,08,462
	Total (A)	67,60,721	69,30,390	1,36,91,111
	Ceiling as per Act			1,32,13,558

The Company has not entered into any contract with the managerial personnel and the notice period is governed by the rules of the Company and no severance fees is payable.

Apart from the above, the Executive Directors do not receive any other remuneration. Further the Company does not have any stock option scheme for the managerial personnel.

The Shareholders at the Eleventh Annual General Meeting held on September 26, 2017 approved the Appointment of Mr. K Rahul Raju as Managing Director and Mr. K S Raju as Whole Time Director / Chairman of the Company for a period of three years with effect from August 1, 2017 and to increase the Managerial Remuneration to Rs.500,000/-per month. An application to this effect has been filed with the Central Government (Ministry of Corporate Affairs) which is pending for approval.

RELATED PARTY TRANSACTIONS

The Board's Report contains information in this regard.

LEAD INDEPENDENT DIRECTOR

Dr. N. C. B. Nath, the Chairman of the Audit Committee of Board of Directors, is the Lead Independent Director. The Lead Independent Director on behalf of the Independent Directors provides structural feedback to the Board to encourage healthy discussions and openness among the Board Members.

MEETINGS OF INDEPENDENT DIRECTORS

The Companies Act, 2013 and Listing Regulations mandate that Independent Directors of the Company shall meet at least once every year without the presence of Executive Directors or management personnel. Such meetings enable Independent Directors to discuss matters pertaining to the Company's affairs and matters mentioned in Schedule IV to the Act.

The Independent Directors met on August 8, 2017, May 25, 2018 and July 26, 2018 and apart from other matters connected to the operations and strategy of the Company, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

RESPONSIBILITIES OF THE DIRECTORS

Responsibilities of the Board

The primary role of the Board is that of trusteeship to protect and enhance shareholder value. As a trustee, the Board ensures that the Company has clear goals and policies for achievement. The Board oversees the Company's strategic direction, makes strategic intervention, reviews corporate performance, authorises and monitors strategic decision, ensures regulatory compliance and safeguards interests of stakeholders.

Responsibilities of the Chairman and Managing Director

The Board of Directors at their Meeting held on August 09, 2017 delegated powers to Mr. K. S. Raju, Chairman and Mr. K. Rahul Raju, Managing Director to enable them to carry out the day-to-day operations of the Company. The powers encompass all areas such as finance, personnel, legal, general and miscellaneous powers.

SHARES HELD BY EXECUTIVE AND NON-EXECUTIVE DIRECTORS

Mr. K. S. Raju, Chairman and Mr. K. Rahul Raju, Managing Director do not hold any shares in the Company as on March 31, 2018. None of the Non-Executive Directors held shares in the Company as on March 31, 2018.

TRAINING FOR THE BOARD MEMBERS

As part of ongoing knowledge sharing, the Board of Directors are updated with relevant statutory amendments and landmark judicial pronouncements encompassing important laws such as Company law, SEBI Law, Income Tax Law, among others at meetings of the Board of Directors.

The Board of Directors met periodically with Senior Managerial Personnel and discuss areas of interest of the Company.

The Company, as a good governance practice, put in place a "Policy on Training of Board of Directors".

COMMITTEES TO THE BOARD

The Board of Directors constituted various committees with adequate delegation to focus on specific areas and take decisions so as to discharge the Company's day-to-day affairs. Each Committee is guided by its charter, which defines the composition, scope and powers of the Committee. All decisions and recommendations of the Committees are placed before the Board of Directors. The Committees constituted by the Board are:

AUDIT COMMITTEE

The Committee comprises of three Independent Directors, One Nominee Director and One Executive Director. The Company Secretary acts as secretary of the Audit Committee. The permanent invitees include Managing Director, Chief Financial Officer, representatives of statutory auditors and internal auditors. Further, the cost auditor and other executives of the Company are invited in the Audit Committee meetings, as and when required. The Chairman of the Audit Committee was present at the last Annual General Meeting.

All the Members of the Committee possess adequate knowledge of finance and accounts. The scope of the activities of the Committee is in conformity with Regulation 18 of Listing Regulations read with Section 177(4) of the Companies Act, 2013. All the recommendation made by the Audit Committee were accepted by the Board. The Members of the Audit Committee and the various dates on which meetings were held and the attendance particulars are as under:

Name of the Member	Category		Attendance at the Audit Committee Meetings held on			
			26.05.2017	09.08.2017	08.11.2017	09.02.2018
Dr. N. C. B. Nath	Chairman	Independent	Present	Present	Present	Present
Mr. S. R. Ramakrishnan*	Member	Independent	Present	Present	Not Applicable	Not Applicable
Mr. K. S. Raju	Member	Non-Independent	Present	Leave of Absence	Present	Present
Ms. Lalitha Raghuram	Member	Independent	Present	Leave of Absence	Present	Present
Mr. C B Mouli	Member	Independent	Present	Leave of Absence	Present	Present
Mr. Syed Shahabuddin§	Member	Non-Independent	Not Applicable	Present	Present	Present

* Ceased to be a member with effect from October 23, 2017

§ Inducted with effect from May 26, 2017.

The quorum for the Audit Committee is two Members or 1/3rd of the strength of the Audit Committee, whichever is higher with at least two Independent Directors present at the meeting.

Terms of Reference

- a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment remuneration and terms of appointment of auditors of the Company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgement by management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions.
 - vii. Qualifications in the draft audit report.
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- g) Review and monitor the auditor's independence and performance and effectiveness of audit process.
- h) Approval or any subsequent modification of transactions of the Company with related parties.
- i) Scrutiny of inter-corporate loans and investments.
- j) Valuation of undertakings or assets of the Company, wherever it is necessary.
- k) Evaluation of internal financial controls and risk management systems.
- l) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- n) Discussion with internal auditors any significant findings and follow up thereon.
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- r) To review the functioning of the Whistle Blower mechanism.
- s) To approve the appointment of CFO / Whole time Finance Director.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) To consider and commend to the Board appointment of Cost Auditor of the Company.

REPORT OF THE AUDIT COMMITTEE OF DIRECTORS FOR THE YEAR ENDED MARCH 31, 2018

To the shareholders of Nagarjuna Fertilizers and Chemicals Limited

- a. During the year under review, the Company's various departments, divisions spread all over India were audited by the In-house Internal Audit Department of the Company and the reports placed before the Audit Committee for consideration.
- b. The audits were carried out pursuant to an Audit Calendar prepared by the Internal Audit Department of the Company and approved by the Audit Committee at the beginning of the year.
- c. The Audit Committee noted the Audit Report, the view of the Auditee and the management on the observations of the Internal Audit Department.
- d. The Audit Committee's suggestions from time to time were implemented by the Company during the course of the year.
- e. The Internal Audit Department adopted a risk-based approach to the Internal Audit in accordance with the recommendations of the Institute of Chartered Accountants of India. This was in comparison to the earlier system of transaction mode of Audit.
- f. The Audit Committee sought clarifications from the Auditors, Cost Accountant and the Management of the Company, whenever required, in relation to the financial matters of the Company as per the scope and powers of the Audit Committee.
- g. The Audit Committee meetings were interactive.
- h. The Committee is recommending to the Board the ratification of the appointment of M/s. M Bhaskara Rao & Co., Chartered Accountants as statutory auditors of the Company for the Financial Year 2018-19. M/s M Bhaskara Rao & Co., have been appointed as Statutory Auditors of the Company, to carry out audit of the accounts of the Company for a term of five years commencing from the conclusion of Eighth Annual General Meeting till the conclusion of thirteenth Annual General Meeting subject to ratification at every Annual General Meeting. M/s. M Bhaskara Rao & Co., have confirmed their eligibility under Section 141 of the Companies Act, 2013.
- i. M/s. M Bhaskara Rao & Co., have also confirmed that they have a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as per the requirements of Regulation 33(1)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j. The Committee is recommending to the Board, the appointment of M/s. Sagar & Associates as Cost Accountant of the Company, for the financial year 2017-18.
- k. M/s. Sagar & Associates have confirmed that:
 - a. They are eligible to be appointed as Cost Auditor of the Company pursuant to Section 141 of the Companies Act, 2013.
 - b. They hold a valid certificate of practice.
 - c. They are not disqualified under any of the provisions of Section 148 of the Companies Act, 2013 and further stated that they are maintaining an arm's length relationship with the Company.

Hyderabad
July 27, 2018

Sd/-
Chairman, Audit Committee

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee comprises of two directors. The quorum is two Members present in person. The details as to Members of the Committee and the various dates on which meetings were held and their attendance particulars are as under:

Name of the Member	Category		Date of Meeting and attendance particulars	
			26.05.2017	09.02.2018
Dr. N. C. B. Nath	Chairman	Independent	Present	Present
Mr. S G Nadkarni*	Member	Non-Independent	Present	Not Applicable
Mr. Chintapalli Srinivasu **	Member	Non-Independent	Not Applicable	Present

* Ceased to be a member with effect from November 07, 2017.

** Inducted as a member with effect from November 07, 2017.

The Committee met two times during 2017-18. Mr. K Chandra Sekhar Naidu, Company Secretary acts as Compliance Officer.

Terms of Reference:

The matters that are considered necessary in relation to shareholders, debenture holders, investors and various other stakeholders of the Company in relation to Transfer of shares, Non- receipt of declared dividends, Non-receipt of balance sheet, Complaints directly concerning the shareholders/ investors as stakeholders of the Company but not limited to the above mentioned matters.

Investor Grievance Redressal

The Company had 4,41,223 investors as on March 31, 2018. During the year under review, the status of requests and complaints received was as follows:

Complaints

- Number of complaints pending as on April 1, 2017: NIL
- Number of shareholder complaints received: 3880
- Number of complaints resolved: 3880
- Number of complaints not resolved to the satisfaction of shareholders: NIL
- Number of complaints pending as on March 31, 2018: NIL

Requests

- Number of Requests pending as on April 1, 2017: NIL
- Number of shareholder Requests received: 6322
- Number of Requests resolved: 6322
- Number of Requests not resolved to the satisfaction of shareholders: NIL
- Number of Requests pending as on March 31, 2018: NIL

SHARE TRANSFER SYSTEM

The Company's transfer of shares is fully computerized. Applications for transfer of shares held in physical form are received at the office of the Registrars & Share Transfer Agents of the Company. All valid transfers are processed and registered within 15 days from the date of receipt.

Shares held in the dematerialised form are electronically traded in the Depository and the Registrars & Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records and send all corporate communications, dividend warrants, etc.

Physical shares received for dematerialisation are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

The Company obtains certificate from a practicing Company Secretary in terms of Regulation 40(9) of the Listing Regulations certifying that all the certificates have been issued within 15 days of the date of lodgment for transfer, and thereafter submit the same to the stock exchanges.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted by the Board of Directors in compliance with Section 178(1) of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

The Nomination and Remuneration Committee met only once on August 09, 2017. The details as to Members of the Nomination and Remuneration Committee and their attendance particulars are as under:

Name of the Member	Category		Attendance Particulars
Dr. N C B Nath	Chairman	Independent	Present
Mr. K. S. Raju	Member	Non-Independent	Present
Mr. S. R. Ramakrishnan *	Member	Independent	Present
Ms. Lalitha Raghuram	Member	Independent	Leave of absence
Mr. Srinivasu Chintapalli**	Member	Non-Independent	Not Applicable

* Ceased to be a Member with effect from October 23, 2017

** Inducted as a Member with effect from November 07, 2017.

Dr. NCB Nath, Chairman of the Nomination and Remuneration Committee attended the Annual General Meeting held on September 26, 2017.

Terms of Reference:

- 1) Formulate and recommend to the Board a Remuneration Policy, relating to the remuneration for the directors, key managerial personnel and other employees and review/ modify the same from time to time
- 2) Formulate criteria for determining qualifications, positive attributes and independence of a director and review/ modify the same from time to time
- 3) Identify persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal.
- 4) Carry out evaluation of every director's performance.
- 5) Devising a policy on Board diversity.
- 6) To select, retain and terminate the services of any consultant who shall assist the Committee in discharging its functions.

PERFORMANCE EVALUATION OF DIRECTORS AND CRITERIA FOR EVALUATION

As per the provisions of the Companies Act, 2013 and Listing Regulations, the company has devised a framework for performance evaluation of Independent Directors, Board, Committees and other Directors. A structured questionnaire was prepared after taking into consideration, inputs received from the Directors covering various aspects of the Board's functioning such as composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, information flows, decision making, Board dynamics, Company performance, etc.

Based on the responses to the questionnaires received from the Directors, the Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition of the Corporate Social Responsibility Committee and the details of Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Date of Meeting and attendance particulars		
		26.05.2017	09.08.2017	09.02.2018
Dr. N. C. B. Nath	Chairman	Present	Present	Present
Mr. K S Raju	Member	Present	Present	Present
Mr. K Rahul Raju	Member	Present	Present	Present
Mr. Chintapalli Srinivasu*	Member	Not Applicable	Not Applicable	Present

* Inducted as a Member with effect from November 7, 2017

The Corporate Social Responsibility Committee met thrice during 2017-18.

Terms of reference:

- 1) To formulate and recommend to the Board a CSR Policy in line with the activities mentioned in Schedule VII of the Companies Act, 2013
- 2) To recommend the amount of expenditure to be incurred
- 3) To institute a transparent monitoring mechanism for the implementation of the Policy from time to time.

The company under the aegis of Nagarjuna Foundation made significant contributions in the field of education, sports, healthcare, and community welfare activities. Even though the company is not under obligation to undertake Corporate Social Responsibility activities, has been undertaking the same to maintain the CSR activities already commenced and the need to sustain the same.

RISK MANAGEMENT COMMITTEE

Business Risk Evaluation and Management is an ongoing process within the Company. The Company has a robust risk management framework to identify, monitor, mitigate and minimize risks as also to identify business opportunities. Even though Regulation 21 of Listing Regulations is not applicable to the Company, the Board of Directors of the Company constituted a Risk Management Committee of the Board on May 29, 2014, as a good governance initiative. The scope of the activities of the Committee is in conformity.

The Risk Management Committee of Directors met four times during 2017-18.

The table below lists the Members of the Risk Management Committee and the various dates of meetings and their attendance particulars.

Name of the Member	Category	Dates of Meeting and attendance particulars			
		26.05.2017	09.08.2017	08.11.2017	09.02.2018
Dr. N. C. B. Nath	Chairman	Present	Present	Present	Present
Mr. S. R. Ramakrishnan*	Member	Present	Present	Not Applicable	Not Applicable
Mr. S G Nadkarni **	Member	Present	Leave of absence	Not Applicable	Not Applicable
Mr. K S Raju	Member	Present	Present	Present	Leave of absence
Mr. K Rahul Raju	Member	Present	Present	Present	Present
Mr. Syed Shahabuddin	Member	Not Applicable	Present	Present	Present
Mr.Chintapalli Srinivasu***	Member	Not Applicable	Not Applicable	Not Applicable	Present

* Ceased as a Member with effect from October 23, 2017

** Ceased as a Member with effect from November 07, 2017

*** Inducted as a Member with effect from November 7, 2017

The Chief Risk Officer of the Company and the Compliance Officer attend all the meetings of the Risk Management Committee.

Terms of reference:

- a. To lay down procedures to inform the Board of the risk assessment and risk minimization procedures in the Company.
- b. Framing, implementing and monitoring the risk management plan of the Company and such other functions as delegated by the Board from time to time.

SHARES AND DEBENTURES COMMITTEE

The Shares and Debentures Committee comprises of:

Mr. K. S. Raju	Chairman
Mr. K. Rahul Raju	Member

The Committee met 35 times during the year 2017-18 apart from considering the matters through circulation. The quorum is two Members present in person.

Terms of reference:

Allotment of shares, debentures, securities, accept calls in advance and/or share capital not called up, approve/reject or otherwise deal with applications for transfer, transmission, transposition, mutation of shares and debentures, issue share and debenture certificates including duplicate, split, sub-divide or consolidated certificates and to deal with all related matters.

MANAGEMENT COMMITTEE

The Management Committee of Directors met four times during 2017-18 apart from considering matters through circulation. The table below lists the Members of the Management Committee and the various dates of meetings and their attendance particulars.

The quorum is two Members present in person.

Name of the Member	Category	Dates of Meeting and attendance particulars			
		26.05.2017	09.08.2017	08.11.2017	09.02.2018
Mr. K. S. Raju	Chairman	Present	Leave of absence	Present	Present
Dr. N C B Nath	Member	Present	Present	Present	Present
Mr. S. R. Ramakrishnan*	Member	Present	Present	Not Applicable	Not Applicable
Mr. K. Rahul Raju	Member	Present	Present	Present	Present
Mr. S G Nadkarni**	Member	Present	Leave of absence	Not Applicable	Not Applicable
Mr. Syed Shahabuddin	Member	Not Applicable	Present	Present	Present
Mr. Chintapalli Srinivasu***	Member	Not Applicable	Not Applicable	Not Applicable	Present

* Ceased to be a member with effect from October 23, 2017

** Ceased to be a member with effect from November 07, 2017.

***Appointed as a member with effect from November 07, 2017.

Terms of reference:

1. To review the operations of the Company from time to time and also formulate and review corporate objectives and strategies including long range plans for expansion / diversification of the Company's activities.
2. To formulate annual budgets/business plans for the Company.
3. To approve capital expenditure other than proposals for expansion, diversification, modernization and de-bottlenecking, including Research Projects and R&D division and investment in immovable property, above Rs.5 crores up to Rs.10 crores per proposal, excluding the authority already delegated to Managing Director or Internal Management, as the case may be, as per Delegation of Authority.
4. To approve revenue expenditure above Rs.5 crores up to Rs.10 crores in case of procurements on a single tender basis or above Rs.10 crores up to Rs.15 crores on multi-tender basis excluding the authority already delegated to Managing Director or Internal Management, as the case may be, as per Delegation of Authority.
5. To make donations/contributions to charitable and other funds other than to any political party or for political purposes up to an aggregate amount of Rs.10 lakhs in any financial year.
6. To lay down and review from time to time the Company's employment policy.

BANKING COMMITTEE

The Banking Committee of Directors met two times during 2017-18 on May 22, 2017 and June 18, 2017. The quorum is two Members present in person. The Banking Committee comprises of:

Mr. K. S. Raju	- Chairman
Mr. K. Rahul Raju	- Member

Terms of reference:

Availment of fund-based and non-fund-based credit facilities by the Company from Financial Institutions and Banks, as per the limits delegated by the Board of Directors of the Company.

INVESTMENT COMMITTEE

The committee has not met during the year under review. The Investment Committee comprises:

Name of the Member	Category
Mr. K. S. Raju	Chairman
Mr. K. Rahul Raju	Member

The quorum is two Members present in person.

Terms of reference:

- Investment of surplus funds in units, discounting of LC backed bills, clean bill discounting, inter-corporate deposits and investment in shares.
- To disinvest or pledge the securities such as shares, debentures, government bonds, among others, held by the Company in its name from time to time and do all such acts, deeds and things that are necessary in this regard.

ASSET SALE COMMITTEE

The Board of Directors of the Company had constituted an Asset Sale Committee of the Board of Directors on July 23, 2015 to look into matters of asset monetization of the Company. The quorum is two Members present including one Institutional Nominee. The table below lists the Members of the Asset Sale Committee

Name of the Member	Category
Mr. S G Nadkrani *	Member
Mr. K S Raju	Member
Mr. K Rahul Raju	Member
Mr. Anil Kumar PR***	Member
Mr. Syed Shahabuddin	Member
Mr. Chintapalli Srinivasu **	Member

* Ceased as a Member with effect from November 7, 2017

** Inducted as a Member with effect from November 7, 2017

*** Ceased as a Member with effect from April 16, 2018

The term of reference of the Committee is to monitor the progress in asset monetization by sale of various assets considered non-performing. The Committee did not meet during the year in review.

RISK ASSESSMENT AND MINIMISATION PROCEDURE

The Company formulated an Enterprise Risk Management System to manage and mitigate unforeseen risks. The implementation of this system is through the Risk Management Steering Committee. The Committee is supported at the plant by the Plant Risk Management Committee and at the corporate office by Corporate Risk Management Committee.

The Committee at an early stage identifies, manages and responds to critical, cautionary and manageable risks in a systematic manner. To actively involve and inculcate the risk management right down the organization, 'Risk Owners and Risk Champions' were appointed for each department. Board members periodically review existing/new risks and action plans formulated to mitigate the risks.

SUBSIDIARY COMPANIES

The Company does not have any "material subsidiary" as defined in the Listing Regulations. The Company's policy on "material subsidiary" is placed on the Company's website and can be accessed through web link <http://www.nagarjunafertilizers.com/pdfs/Policy%20on%20Material%20subsidiary.pdf>

The Financial Statements and Minutes of Meeting of Board of Directors of Subsidiary Company are tabled at the Meetings of the Audit Committee and Board of Directors of the Company.

PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated the "CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS" which allows the formulation of a trading plan subject to certain conditions and requires preclearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares, by the Directors, designated employees and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period(s) when the Trading Window to deal in the Company's shares is closed. The Company Secretary is responsible for implementation of the Code. The Board of Directors, designated employees and connected persons have affirmed compliance with the Code.

The code can be accessed through web link:

<http://www.nagarjunafertilizers.com/pdfs/Code%20of%20Conduct%20to%20regulate,%20monitor%20and%20report%20trading%20by%20Insiders.pdf>

CODE OF CONDUCT AND ETHICS

The Company adopted the Code of Conduct and Ethics for Directors and Senior Management Personnel which forms the basis of its ethics and compliance program. The Code was circulated to all the Members of the Board and Senior Management and the same has been put on the Company's website www.nagarjunafertilizers.com.

The Board of Directors and Senior Managerial Personnel have affirmed their compliance with the Code and a declaration to this effect signed by Managing Director and Company Secretary appears as annexure to the Corporate Governance Report.

MANAGEMENT DISCLOSURES

Senior management of the company make annual disclosures to the Board on all material financial and commercial transactions in which they may have personal interest, if any, and which may have a potential conflict with the interest of the company. Transactions with key managerial personnel are listed in "Notes forming part of the financial statements for the year ended March 31, 2018" of this annual report under related party transactions.

C. MANAGEMENT

The management identifies, measures, monitors and minimizes the risk factors in the business and ensures safe, sound and efficient operation. The Company developed and implemented policies, procedures and practices that attempt to translate the Company's core purpose and mission into a reality.

All these policies, procedures and practices are elaborated hereunder:

1) Policy on Corporate Governance

The Company always makes conscious efforts to inculcate best global Corporate Governance practices and goes beyond adherence to regulatory framework. The Company towards its commitment to trusteeship, transparency, accountability and equality in all its dealings and to maintain positive bonding has put in place a 'Policy of Corporate Governance'.

2) Policy on Corporate Social Responsibility (CSR)

The Company's dedicated philosophy of "Serving Society through Industry" is envisaged through the above policy. At Nagarjuna, CSR is an initiative to "create new value" to economic, environmental and social issues and is intended to identify your Company with the society to establish rapport, increase competitiveness, and achieve sustainable growth, for better social development.

3) Policy on Vendor's Grievances

To ensure consistent smooth and timely supply of quality material and services at economically viable and competitive prices from various vendors, without any grievances, the Policy on Vendors' Grievances is adopted.

4) Policy on Supply Chain

Your Company, being the largest manufacturer and marketer of agri inputs in South India, introduced a 'Policy on Supply Chain', to ensure quality products are delivered on time to end customers through a network of suppliers.

5) Prohibition of Insider Trading

The Company had implemented a Policy prohibiting Insider Trading in conformity with regulations of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and now is aligned with the SEBI (Prohibition of Insider Trading) Regulations, 2015. Necessary procedures have been laid for insiders identified from time to time, prohibiting trading in the securities of the Company, based on unpublished price sensitive information.

6) Policy on Succession Planning

Your Company has put in place a policy on succession planning, which is an ongoing process that identifies necessary competencies, and then works to assess, develop, and retain a talent pool of associates, in order to ensure a continuity of leadership for all critical positions.

7) Policy on Employee Participation in Management (EPM)

Your Company framed a mechanism where the associates have an involvement and ownership in the decision making process of the organization. The purpose of EPM is to increase production and productivity, evaluate costs, develop personnel, expand markets and risk management.

8) Whistle Blower Policy / Vigil Mechanism

The Company formulated a policy in compliance with Regulation 22 of Listing Regulations and Section 177(9) of the Companies Act, 2013. The Policy aims to prohibit managerial personnel from taking adverse personnel action against employees disclosing in good faith, alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement, misappropriation of public funds, among others.

Employees aware of any alleged wrongful conduct are encouraged to make a disclosure to the Audit Committee.

No personnel of the Company were denied access to the Audit Committee.

9) Legal Compliance Policy

The Company has a Legal Compliance Policy for duly complying with central, state and local laws and regulations to achieve and maintain high business standards and benchmark the internal legal practices against international standards.

The Company uses an IT-enabled Company specific Legal Compliance Management System known as "nSure" to ensure legal and regulatory compliances of various central, state and local statutes applicable across the Company.

The system provides for tracking, monitoring and compliance at one point of control.

10) Policy on Conflict Management

The Company adopted a Policy on Conflict Management, which aims to resolve conflicts, at the lowest possible level, using procedures that address and respect the needs, interest and rights of associates in a fair and efficient manner. This is attained through the use of both, formal and informal conflict management processes. These tools are effectively coordinated through the Conflict Management System (CMS).

11) Policy on Training for Board of Directors

At Nagarjuna, we strongly believe in continuous learning. The policy ensures that the Board of Directors, being at the highest level in the organisation structure, too require training and development, to update themselves and provide best services to the Company. The training

requirements of Directors vary in view of their nature of nomination on the Board and their training needs are structured accordingly.

12) Policy on Induction of Directors

The policy places the responsibility on the Chairman of the Board to ensure that all new Board members are briefed and have access to all aspects of the Company's operations. The new Directors are briefed on several matters like, duties and powers of Directors, special duties or arrangements attaching to the position, requirement to disclose Directors interest, confidentiality and right to access Company information, among others. Additionally, new Directors are provided with other information like the Company's constitution, policies, organization structure and other relevant information.

13) Board Charter

This Charter sets out the role, structure, responsibilities and operations of the Board of the Company and its delegation of authority to the management.

The Charter sets out the role of the Board as a Trustee of the stakeholders and the Company, who provides strategic direction, review corporate performance, authorize and monitor strategic decisions, ensure regulatory compliances and safeguard their interest.

14) Forex Risk Management Policy

The Company constituted a Forex Risk Committee to achieve the specific objectives of managing treasury risks within the Company's strategic approach towards business and risk management.

The Company has drawn up a Forex Risk Management Policy with the objectives of forex risk management, the risk management organization structure, the benchmarks to measure performance, operational processes to identify, measure, monitor and manage forex risks, appropriate control parameters and MIS. The minutes of the Forex Risk Committee are reviewed by the Board of Directors at every Board meeting.

15) Policy on Corporate Sustainability

At Nagarjuna, the environmental and community responsibility extends beyond the narrow confines of compliance with statutorily-stipulated standards and aims to maintain long term harmony.

16) Policy on Sexual Harassment at workplace

Policy on Sexual harassment at the work place has been framed to be in line with The Sexual Harassment at the Workplace (Prevention, Prohibition and Redressal) Act 2013 and The Sexual Harassment at the Workplace (Prevention, Prohibition and Redressal) Rules 2013.

Any form of sexual harassment is unacceptable and therefore this policy is being framed to prohibit, prevent or deter the commission of acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment.

The Company has not received any complaint alleging sexual harassment during the year 2017-18.

17) Policy on Related Party Transactions

The Company has formulated a Policy on Materiality of Related Party Transactions In compliance with Regulation 23 of Listing Regulations. The Company to the extent possible does ensure that there are no related party transactions and if entered into due to exigencies and in the event entered into shall enter into the transaction as if entered into between unrelated parties.

No Related Party Transaction is entered into by the Company, except in accordance with the provisions of this Policy.

18) Policy on Board Evaluation

The purpose of the policy is to assess the effectiveness of the Board as a whole, Committees of Board and Individual Directors (Independent and Non-Independent) on regular basis and to take necessary steps for improving the effectiveness of the Directors involvement in decision making in the Board.

19) Policy on Nomination and Remuneration

This policy acts as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees

20) Policy for determining Material Subsidiaries

The Policy for determining Material Subsidiaries pursuant to Regulation 16 (c) of Chapter IV of Listing Regulations, determines the criteria for classifying a subsidiary as 'Material' in accordance with the provisions of this Policy.

21) Policy for preservation and archival of documents

The Policy sets out the standard for classifying, managing and storing of records of the Company and establishes a framework for effective record management and the process for subsequent archival of such records

22) Policy on Disclosure of Material Events

The Policy is drawn in accordance with Regulation 30 of Listing Regulations which states that every Company listed on the Stock Exchange shall make disclosures of any events or information which, in the opinion of the Board of Directors of the listed Company, is material.

23) Policy on Bio-diversity

Protecting and enhancing biodiversity which is an integral part of the Company's commitment to sustainable development.

24) Gift Policy

The purpose of this Policy is to inform one and all of the Company's philosophy on acceptance by associates and giving of gifts to others.

25) HSE Policy

To lay down a policy in relation to Health, Safety and Environment.

26) Human Rights Policy

The purpose of this policy is to ensure protecting human life and promoting social well-being.

MANAGEMENT DISCUSSION AND ANALYSIS

The Annual Report has a detailed annexure on Management Discussion and Analysis.

MANAGEMENT DISCLOSURES

Directors and Senior Management Personnel of the Company, as well as certain identified key associates, in compliance with Regulation 26 of Listing Regulations, make yearly disclosures to the Board relating to all material, financial and commercial transactions where they have interest, conflicting with the interest of the Company. The interested Directors do not participate in the discussion nor do they vote on such matters when the matter is considered by the Board of Directors.

D. STAKEHOLDERS

DISSEMINATION OF INFORMATION

The Company established systems and procedures to disseminate relevant information to its stakeholders including shareholders, auditors, suppliers, customers, employees and financiers. The primary source of information regarding the operations of the Company, including the quarterly results, can be viewed on the Company's website www.nagarjunafertilizers.com.

The quarterly and annual results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors and published in widely circulated English newspaper and in vernacular newspaper.

Green Initiative:

As a responsible corporate citizen, the Company accepts and supports the "Green Initiative" undertaken by the Ministry of Corporate Affairs, enabling delivery of documents including Annual Reports through electronic mode to shareholders at their e-mail address registered with the Depository Participants / Company.

The Company has proactively requested the shareholders to inform their email IDs. As an investor-friendly measure, the unaudited quarterly financial results and audited financial results for the year ended March 31, 2018 of the Company were emailed in addition to being published in newspapers.

The Company uses this channel of communication extensively to carry out substantial correspondence with the shareholders to reduce costs while maintaining reach to the shareholders. Shareholders, who have not yet registered their email IDs, may immediately do so at investors@nagarjunagroup.com

BSE Filing/ NEAPS facility

The Company has commenced filing information to the Stock Exchanges through BSE Listing website - www.listing.bseindia.com and NEAPS website - www.connect2nse.com pursuant to commencement of Trading of its Equity Shares on the Stock Exchanges.

Remote E-voting

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, the Company is providing remote e-voting facility of casting votes using an electronic voting system from a place other than venue of the General Meeting and voting at the

General Meeting through Ballot form on all the resolutions set forth in the Notice to the Twelfth Annual General Meeting to be held on Saturday i.e., September 29, 2018 at 10.00 AM. The Company shall also provide shareholders to cast their votes at the venue of the AGM. The Company has engaged the services of Central Depository Services (India) Limited to provide remote e-voting platform to the shareholders.

Shareholders holding shares in dematerialized form and shareholders who have registered their email addresses with the Company will also receive the remote e-voting instructions by email.

Shareholders who do not have access to remote e-voting facility may use the enclosed Ballot Form and send their assent or dissent so as to reach the company or scrutinizer, on or before closing of business hours of September 28, 2018.

Compliance Officer

Mr. K Chandra Sekhar Naidu, Company Secretary of the Company is the Compliance Officer for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and the Listing Regulations.

Share Transfer Agents

The Company has been functioning as Category II Share Transfer Agent (in-house) pursuant to the Securities and Exchange Board of India approval to the Company.

Nomination facility

Shareholders holding physical shares may file nominations in prescribed Form SH-13 of the Companies (Share Capital and Debentures) Rules 2014 to the Company. Those holding shares in dematerialized form may contact their respective Depository Participant to avail the nomination facility.

RECONCILIATION OF SHARE CAPITAL AUDIT

In terms of Regulation 55A(1) of SEBI (Depositories and Participants) Regulations, 1996 a Practicing Company Secretary of the Institute of Company Secretaries of India, has carried out the Reconciliation of Share Capital Audit every quarter 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 audit confirms that the total issued / paid-up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The Auditors Certificate in regard to the same is submitted to the Stock Exchanges and is also placed before the Board of Directors.

DISTRIBUTION OF SHAREHOLDING:

The table below lists the distribution of promoter and non-promoter shareholding as on March 31, 2018

	Category	No. of shares held	% of shareholding
A.	Promoter's holding	341700129	57.13%
B.	Non-promoters holding		
	I. Institutional investors		
	a. Mutual funds and UTI	233915	0.04%
	b. Banks, financial institutions, insurance companies (Central / State Government institutions / non-government institutions)	7287529	1.22%
	c. Foreign Institutional Investors	4964995	0.83%
	II. Others		
	a. Private corporate bodies	56341625	9.42%
	b. Indian public	180595552	30.20%
	c. NRIs/OCBs	6789206	1.14%
	d. Trusts	151552	0.03%
	e. Foreign National	500	0.00%
	GRAND TOTAL	598065003	100.00%

The table below lists the details of persons holding more than 1% shareholding in the Company as on March 31, 2018

S. No.	Name of the Company	%
	Core Promoters	
1	Amlika Mercantile Private Limited	49.51%
	Co-Promoters	
1	Governor of Andhra Pradesh	3.58%
2	KRIBHCO	1.84%
3	Fireseed Limited	1.47%
	Others - Private Corporate Bodies	
1	Zuari Agro Chemicals Limited	5.40%

LIST OF PROMOTER COMPANIES OF THE COMPANY

Core Promoters

1. Amlika Mercantile Private Limited

Co-Promoters

1. Fireseed Limited
2. Governor of Andhra Pradesh
3. Krishak Bharati Co-operative Limited
4. Saipem S.p.A. (formerly Snamprogetti S.p.A)

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at Sri Satya Sai Nigamagaram, 8-3-987/2, Srinagar Colony, Hyderabad - 500 073, Telangana as under:

Financial Year	No. of Annual General Meeting	Date	Time	Transactions / Business approved by Special Resolutions
2016-17	Eleventh	September 26, 2017	10.00 A.M	<ul style="list-style-type: none"> Re-appointment of Mr. K S Raju as Director and Chairman of the Company with effect from August 1, 2017. Re-appointment of Mr. K Rahul Raju as Director and Managing Director of the Company with effect from August 1, 2017. Approval to create mortgage and/ or charge on all immovable or movable properties or other assets in favour of the JLF lenders to create security. Approval for making contribution to Nagarjuna Foundation for amount not exceeding Rs. 1 crore during the Financial Year 2017-2018
2015-16	Tenth	September 30, 2016	10.00 A.M	To sell and transfer the realized net proceeds of the Fractional Entitlements arising out of the Scheme to Investor Education and Protection Fund (IEPF)
2014-15	Ninth	September 29, 2015	10.00 A.M	<ul style="list-style-type: none"> Contribution not exceeding Rs. 2 crores to Nagarjuna Foundation for undertaking CSR Activates on behalf of the Company. Borrowings money not exceeding Rs.7500 crores under Section 180(1)(c) of the Companies Act, 2013 Approval for creation of mortgages, charges and hypothecation to secure borrowings in accordance with Section 180(1)(a) of the Companies Act, 2013

The details of approvals accorded by Special Resolution by shareholders during the last three years, at the Extraordinary General Meeting held at Nagarjuna Hills, Punjagutta, Hyderabad -500082, Telangana are as under:

Date	Time	Transactions / Business approved by Special Resolutions
September 12, 2011	9.00 AM	<ul style="list-style-type: none"> Alteration of Articles of Association as per Section 31 of the Companies Act, 1956. Contribution of sum not exceeding Rs.1 crore per year to Nagarjuna Oil Refinery Limited (NORL) pursuant to Clause 29 of the Composite Scheme of Arrangement and Amalgamation and in accordance with Section 372A of the Companies Act, 1956
August 19, 2011	09.00AM	<ul style="list-style-type: none"> Change of Name of the Company from Kakinada Fertilizers Limited to Nagarjuna Fertilizers and Chemicals Limited as per Section 21 of the Companies Act, 1956 and Orders of the High Court of Andhra Pradesh and High Court of Mumbai Alteration of Articles of Association of the Company pursuant to the provisions of Section 31 of the Companies Act, 1956 and Orders of the High Court of Andhra Pradesh and High Court of Mumbai
February 25, 2011	02.30 PM	<ul style="list-style-type: none"> Cancellation of existing capital of Rs.5 Lakhs of the Company pursuant to Section 100 to 103 subject to sanction of Composite Scheme Approval of the Company to borrow any sum of money as per section 293(1)(d) of the Companies Act, 1956. Approval to create mortgage and/or charge as per Section 293(1)(a) of the Companies Act, 1956.

During the last year, no Extraordinary General Meeting was convened and also, the company has not passed any resolution through postal ballot. There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

Distribution of Shareholding

Distribution of Equity shareholding as at March 31, 2018:

Shareholding	Shareholders		Shareholding	
	Number	% to Total	Value in Rs.	% to Total
Up to 5000	437815	99.23	133553749	22.33
5001 – 10000	1885	0.43	13106936	2.19
10001 – 20000	842	0.19	11452511	1.91
20001 – 30000	243	0.06	5983796	1.00
30001 – 40000	124	0.03	4304354	0.72
40001 – 50000	61	0.01	2788782	0.47
50001 – 100000	136	0.03	9841055	1.65
100001 and Above	117	0.03	417033820	69.73
TOTAL	441223	100.00	598065003	100.00

Dematerialization of Shares and Liquidity

The Company's shares are available for dematerialization with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2018, 92.78% of the shares of the company are in dematerialization mode.

Total No. of equity shares: 59,80,65,003

Total No. of shareholders as on March 31, 2018: 4,41,223

Mode of Shareholding	No. of Shares	% to Total Equity Shares	No. of Shareholders	% to Total Shareholders
Physical form	4,31,73,810	7.22%	1,98,107	44.90%
Held in electronic mode	55,48,91,193	92.78%	2,43,116	55.10%
Total	59,80,65,003	100.00%	4,41,223	100.00%

The company's ISIN No. for dematerialization for both NSDL and CDSL is INE454M01024

DETAILS OF PUBLIC FUNDING IN THE LAST THREE YEARS

The Company has not raised any funds from the public. There are no GDRs / ADRs / Warrants or any convertible instruments as at the end of March 31, 2018.

Commodity Price Risk/ Foreign Exchange Risk and Hedging activities:

The commodity price risk of the Company may arise mainly out of imported fertilisers due to fluctuation of prices in the international market. The Company controls such risk through dynamic sourcing strategy and supply plan including constant review of market conditions and costing of competitors. In addition to the above, the prices of natural gas are subject to fluctuation on account of change in prices of crude oil and demand-supply factors. The Company is not affected by price volatility of natural gas as the cost of natural gas is pass through under the Urea pricing policy if the consumption is within the permissible norms. The Company did not enter into any transaction for hedging the commodity price risk.

The foreign exchange risk of the Company arises mainly out of import of fertilisers. The Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk exposure to the extent considered necessary through forward contracts and option structures.

MONEYS REMAINING UNCLAIMED WITH THE COMPANY

There are no unclaimed fixed deposits, unclaimed deposits and interest on deposits.

There are unclaimed dividends and the same shall be transferred to Investor Education and Protection Fund as and when due for transfer.

Certifications:

The Managing Director and Chief Financial Officer, certify every quarter that the unaudited financial results of the Company do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

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

As required under Regulation 17(8) of the Listing Regulations, the Managing Director / Chief Executive Officer and Chief Financial Officer of the Company have certified the accuracy of Financial Statements, the Cash Flow Statements and adequacy of Internal Control Systems for financial reporting for the year ended March 31, 2018 and the Certificate is annexed to this Report.

Code of Conduct and Ethics Certification:

The Company had adopted Code of Conduct and Ethics which is available on the website of the Company (www.nagarjunafertilizers.com). The declaration given by Managing Director of the Company affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during the Financial Year 2017-18 is enclosed to this Report.

Corporate Governance Compliance Certification:

A certificate from Practicing Company Secretary on Corporate Governance has been obtained and the same is appearing as an Annexure to the Report.

OTHER COMPLIANCES

Your Company, in recent years, undertook a series of initiatives, going beyond regulatory requirements, to ensure excellence in governance and to promote the interests of all stakeholders.

Secretarial Standards of Institute of Company Secretaries of India (ICSI)

The Company has, consequent to Institute of Company Secretaries of India notifying Secretarial Standard on Meetings of Board of Directors and Secretarial Standards on General Meetings with effect from July 1, 2015 been in compliance of the same.

Further Institute of Company Secretaries of India issued revised Secretarial Standards effective from October 1, 2017 and the company is in compliance with the same.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has not received any complaints alleging sexual harassment during the financial year 2017-18.

Means of Communication

The Company regularly interacts with the shareholders through multiple channels of communication. The financial results of the company as per the requirement of Listing Regulations are generally published in the main editions of national (Business Standard) and vernacular dailies (Andhra Prabha). The quarterly results, shareholding pattern, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre. Simultaneously, the information is also posted on the website of the company at <http://www.nagarjunafertilizers.com>.

The investors can also find on this website the Annual Reports, Quarterly Results, details of unpaid dividend, composition of various committees of the Board, terms and conditions for appointment of independent directors, guidance and procedure to be followed by the investors for transfer, transmission and transposition of the securities, dematerialisation, rematerialisation of shares, etc. The investor's complaints are also redressed through SEBI complaints redressal system viz., SCORES. Further, all other price sensitive information, press releases and other information is sent to the stock exchange where shares of the Company are listed and updated on Company's website.

The Company's website <http://www.nagarjunafertilizers.com>, contains a separate dedicated section "Investor's Desk" which provides comprehensive information sought by shareholders like the Annual Report of the Company, Quarterly, half yearly and annual financial results, Stock Exchange filing, applicable Policies and details about the Company, Board of Directors and Management are available.

GENERAL SHAREHOLDERS INFORMATION

Twelfth Annual General Meeting to be held for Financial Year 2017-18	
Day	Saturday
Date	September 29, 2018
Time	10.00 A.M.
Venue	Sri Satya Sai Nigamagaram, Srinagar Colony, Hyderabad – 500073, Telangana

The Financial year is 1st April to 31st March every year and for the FY 2018-19, the financial results are proposed to be declared as per the following tentative schedule:

Particulars	Schedule
Financial reporting for the quarter ended June 30, 2018	July 27, 2018
Financial reporting for the quarter / half year ending September 30, 2018	First fortnight of November 2018
Financial reporting for the quarter / nine months ending December 31, 2018	First fortnight of February 2019
Financial reporting for the quarter / year ending March 31, 2019	Second fortnight of May 2019
Annual General Meeting for the year ending March 31, 2019	August / September 2019

Book Closure Date

The Register of Members and Share Transfer Books of the Company will be closed from Saturday, September 22, 2018 to Saturday September 29, 2018 (both days inclusive) for the purpose of the Twelfth Annual General Meeting.

Dividend Payment Date

Your Directors have not recommended any dividend for the Financial Year 2017-18.

Listing on Stock Exchanges

The Company's equity shares are listed on the following Stock Exchanges

Name of the Stock Exchange	Address	Script Code
BSE Limited	Corporate Relationship Department, 1st Floor, New Trading Ring, Routunda Building, PJ Towers, Dalal Street, Fort Mumbai - 400 001	539917
National Stock Exchange of India Limited	Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai - 400 051	NAGAFERT

The Company paid Annual listing fees for the financial year 2018-19 to both Stock Exchanges.

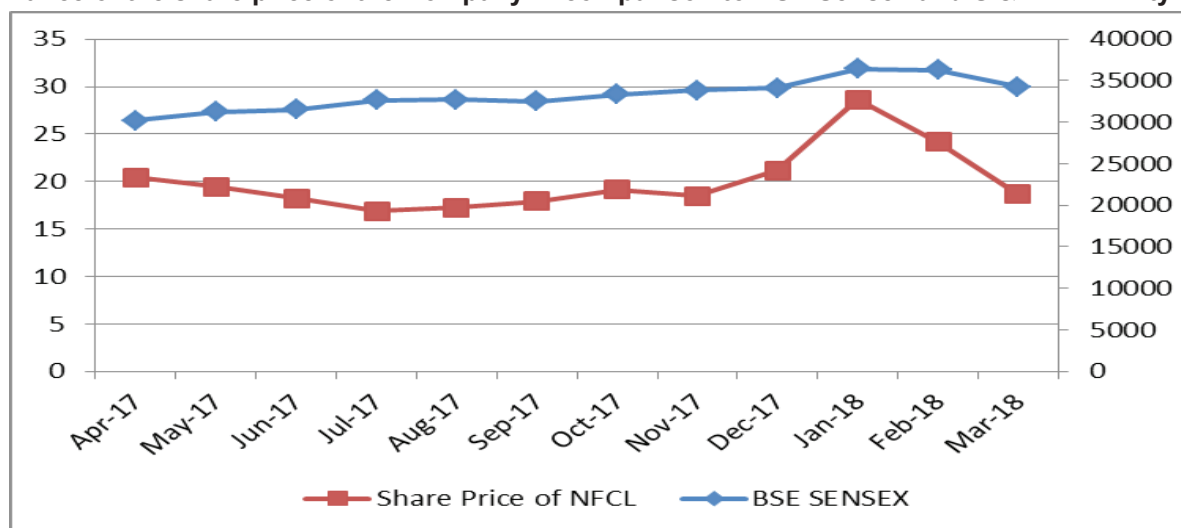
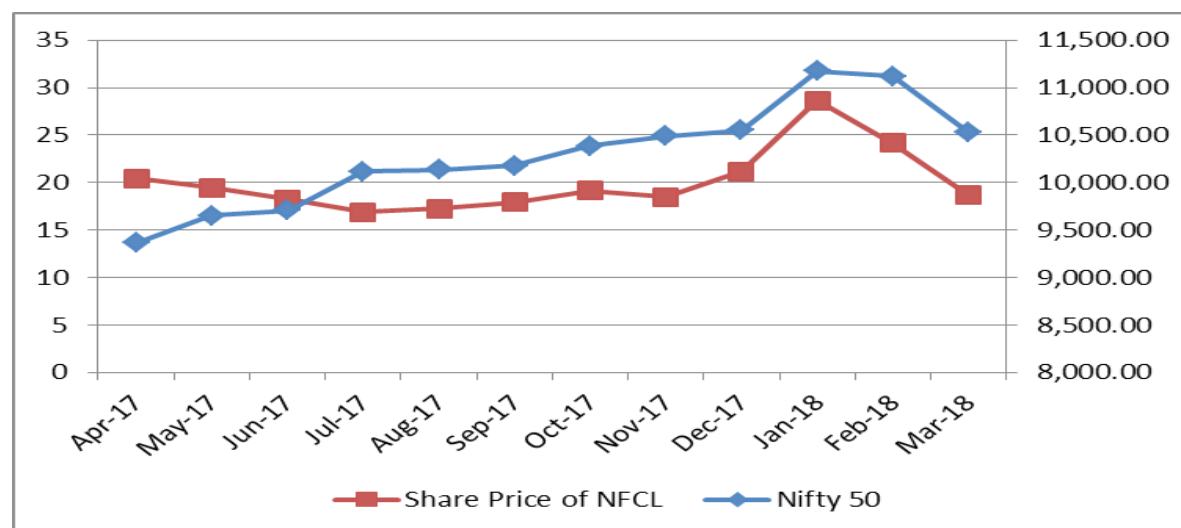
Market Price Data – high, low during each month in last financial year relating to Equity Shares listed

The monthly high and low prices of your Company's share at BSE and NSE for the year ended March 31, 2018 are as under:

Month	(Amount in Rs)			
	BSE		NSE	
	High	Low	High	Low
April 2017	20.45	16.25	20.40	16.25
May 2017	19.45	14.75	19.40	15.00
June 2017	18.25	15.20	18.05	15.05

July 2017	16.90	13.75	16.95	13.80
August 2017	17.26	13.61	17.30	13.75
September 2017	17.90	14.23	17.95	14.00
October 2017	19.15	15.35	19.05	15.40
November 2017	18.50	15.50	18.45	15.50
December 2017	21.15	15.40	21.15	15.40
January 2018	28.60	20.25	28.40	20.30
February 2018	24.15	16.65	24.10	16.85
March 2018	18.65	15.25	18.70	15.15

Performance of the share price of the Company in comparison to BSE Sensex and S & P CNX Nifty



Address for Correspondence:

The Investors can personally contact or send their correspondence either to Share Transfer Agents at the Company's Investor Service Centre at the following address:

Share Transfer Agent (in-house)
Nagarjuna Fertilizers and Chemicals Limited
 Investors Service Cell, Plot No 1, Punjagutta,
 Nagarjuna Hills, Hyderabad - 500 082
 Telangana, India
 Tel: +91-40-23358405
 Email: Investors@nagarjunagroup.com

Investor Services

The Company has an in-house Share Department located at the address specified above which offers all share related services to its Members and Investors. These services include transfer / transmission / dematerialization of shares / revalidation of dividend warrants / subdivision / consolidation/ renewal of share certificates and resolutions of investor grievances.

The Company is registered with SEBI as a Registrar to an Issue / Share Transfer Agent in Category II Share Transfer Agent and the Registration Code is INR200004114.

Exclusive email address: The Company has designated an e-mail ID to enable the Members and Investors to correspond with the Company. The e-mail address is investors@nagarjunagroup.com

Compliance Officer

Mr. K Chandra Sekhar Naidu, Company Secretary
 Phone No: (040) 23350247
 Email: chandrasekhar@nagarjunagroup.com

Plant Location

- The Company has two urea and one customised fertilizer plants located at Kakinada in Andhra Pradesh
- Micro-Irrigation System Manufacturing Facilities at
 - Nacharam, Telangana
 - Sadashivpet, Telangana
 - Halol, Gujarat

Disclosures:

Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, Directors or their relatives, management, its subsidiaries etc., that may have potential conflict with the interests of the Company at large:

None of the transactions with related parties during the Financial Year 2017-18 were material and were also not in conflict with the interests of the Company at large. The transactions with related parties are mentioned in note no. 37 of the financial statements.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalties or strictures have been imposed by the Stock Exchanges or SEBI or any statutory authority.

Whistle Blower Policy/Vigil Mechanism:

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organization, the Company has a Whistle Blower Policy/Vigil Mechanism in place, applicable to the Company. The vigil mechanism under the Whistle Blower Policy provides adequate safeguard against victimization of the Directors and employees who avail of the mechanism and also provide for direct access to Chairman of the Audit Committee in exceptional cases. No personnel was denied access to the Audit Committee.

This mechanism has been communicated to all concerned and posted on the Company's website www.nagarjunafertilizers.com/corporate-governance/Whistle_Blower_Policy.pdf

Compliance with Mandatory Requirements of Listing Regulations

Your Company is fully compliant with the applicable mandatory requirements of Listing Regulations. The details as to compliance with the applicable requirements specified in regulation 17 to 27 Listing Regulations are as under:

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes

Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2), (3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1), (5),(6), (7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4), (5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from Members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

The adoption of the non-mandatory requirements is as under:

Discretionary Requirements

A Non-Executive Chairman may be entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Not Applicable
A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.	The Unaudited Financial Results for the half year is sent to all shareholders who have provided their e-mail addresses
he listed entity may move towards a regime of financial statements with unmodified audit opinion	Yes
The listed entity may appoint separate persons to the post of Chairperson and Managing Director or Chief Executive Officer	There is a separate Chairman and Managing Director in the Company
The Internal auditor may report directly to the Audit Committee.	The Internal Auditor has direct access to Audit Committee.

The Company has formulated a "Policy for determining Material Subsidiaries" which has been uploaded on the website of the Company (<http://www.nagarjunafertilizers.com>) and can be accessed at www.nagarjunafertilizers.com/pdfs/Policy%20on%20Material%20subsidiary.pdf

The Company has formulated a "Policy for Related Party Transactions" which has been uploaded on the website of the Company (<http://www.nagarjunafertilizers.com>) and can be accessed at www.nagarjunafertilizers.com/pdfs/Policy_on_Related_Party_Transactions.pdf

During the Financial Year ended March 31, 2018, the Company did not engage in commodity price risk and commodity hedging activity.

CIN No.	L24129AP2006PLC076238
Registered Office	D.N 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad - 500 082, Telangana
Dividend history	<p>The Company has declared a dividend of Re. 1/- per share to the Equity Shareholders of the Company for the year ended March 31, 2012. No dividend was declared in the subsequent years till date.</p> <p>In terms of Section 124(6) of the Act, read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto, Notifications issued by the Ministry of Corporate Affairs from time to time, the Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government.</p> <p>As required under the said Rules, the Company has to transfer the required number of shares in the ensuing year.</p>
Financial Year	April 1, 2017 to March 31, 2018

For and on behalf of the Board

**Hyderabad
July 27, 2018**

**K S Raju
Chairman**

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, K Rahul Raju, Managing Director and Mr. H Muralidhar, Chief Financial Officer, of Nagarjuna Fertilizers and Chemicals Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed the Financial Statements including Cash Flow of the Company (standalone and consolidated) for the year ended March 31, 2018 and to the best of our knowledge and belief, these statements:
 - 1) do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - 2) together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
 - 1) Significant changes in internal control over financial reporting during the year
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Hyderabad
May 25, 2018**

**K Rahul Raju
Managing Director**

**H Muralidhar
Chief Financial Officer**

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT AND ETHICS

To,
The Members
Nagarjuna Fertilizers and Chemicals Limited

Sub: Declaration by the Managing Director under Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to inform you that the Company adopted a Code of Conduct and Ethics applicable to all the Members of the Board of Directors and Senior Management Personnel of the Company. The details of the Code of Conduct and Ethics are available at the Company's website at www.nagarjunafertilizers.com.

We confirm that the Company has in respect of the financial year ended March 31, 2018 received from all the Members of the Board of Directors and all the Senior Management Personnel of the Company a declaration of compliance with the Code of Conduct and Ethics as applicable to them.

Senior Management Personnel are personnel who are part of the core management team, comprising personnel one level below the Executive Directors and including all functional heads as on March 31, 2018.

Hyderabad
July 27, 2018

K Rahul Raju
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Nagarjuna Fertilizers and Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Nagarjuna Fertilizers and Chemicals Limited for the year ended on 31st March, 2018, as stipulated in Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 of the said Company.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India and has been limited to a review of the procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management that there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the company at large, as stated under Disclosures Column of the Company's Report on Corporate Governance.

Sl. No. Particulars

1. The Company has complied with the requirements under the LODR (earlier Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited) except the following compliances: The Company has complied with the requirements under the LODR (earlier Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited) except the following compliances: However, during the period under review, as on 31st March, 2018, the Board consisted of 13 directors including Independent and non- independent Directors. To be in compliance with Regulation 17 (1)(b), at least half of the board of directors shall comprise of independent directors (if the entity does not have a regular non-executive chairperson), whereas the Company has only 6 Independent Directors in the board during the period under review. Further as on the date of signing this report, we have been given to understand that due to resignation / withdrawal of Nominee Directors, the total number of Directors became 10 (from 13) and hence the

Company is having 5 Independent Directors, 3 Nominee Directors and 2 Executive Directors and thus complying the above mentioned provisions.

2. The company undertakes share transfer activity as a Category II Merchant Banker and the Company has certified the number of complaints received from the investors and the number of complaints resolved during the financial year and there are no complaints pending as at the year end as stated under Investor Grievance Redressal Column of the Company's Report on Corporate Governance.

We certify that the company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements Regulations) 2015.

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

**For KBG ASSOCIATES
Company Secretaries**

**(Srikrishna S Chintalapati)
Partner
CP # 6262**

**Place: Hyderabad
Date: 17 July, 2018**

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Scenario

The global economy grew at an average of 3.8% (2017) and is expected to accelerate to 3.9% in 2018 and 2019 (Source: IMF, Jan 2018). For the first time since the global financial crisis in the year 2007-08, all major regions of the world experienced an uptick in economic growth. However, increased protectionism, trade barriers and rising geo political tensions poses downside risk to this growth momentum.

Indian Economic Scenario

India clocked a GDP of 6.7% during financial year 2018. Financial Year 2018 began uncertainly with the economy still dealing with the impact of demonetisation. Further, during 2017-18 there was considerable disruption in economic activity on account of teething troubles that accompanied the rollout of the Goods and Services Tax. Fiscal deficit for 2017-18 stood at 3.5% of the GDP.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Agriculture Sector

Agriculture is the primary source of livelihood for about 58 per cent of India's population. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure (such as irrigation facilities, warehousing and cold storage etc) and modernization of agricultural produce market place through schemes like eNAM. During 2017-18 crop year, food grain production is estimated at 279.51 million tonnes.

Fertilizer Sector

Chemical fertilizers have played an important role in making India self-reliant in terms of production of food grains. However, lack of access to knowledge and balanced nutrition, imbalanced use of nutrients and micronutrients has reduced the capacity of farmers to increase crop yields.

Micro Irrigation

At present, the area under Micro-Irrigation (MI) is only 7.97 million hectares and as per government estimates about 69.5 million hectares can be cultivated using MI providing a substantial opportunity for growth in the industry. To bring in more area under MI, the Hon'ble Prime Minister has spearheaded a scheme called 'per drop more crop'. The Cabinet Committee on Economic Affairs has approved an initial Corpus of Rs.5000 Crore for setting up of a dedicated "Micro Irrigation Fund" with National Bank for Agriculture and Rural Development under Pradhan Mantri Krishi Sinchayee Yojana, which will further support adoption of MI.

Government Policies

Government of India, Ministry of Chemicals and Fertilizers notified New Urea Policy- 2015 (NUP 2015) in May 2015 for existing gas-based urea manufacturing units. NUP 2015 is applicable from June 2015 to March 2019.

Under NUP 2015, the Government notified revised energy norms for the period 1st June 2015 to 31st March, 2018

and target energy norms for the year 2018-19. The revised energy norms applicable from 1st June 2015 have been further extended on 26th March 2018 for certain units for the period of 2 years till 31st March 2020 with token penalty. The target energy norm as per NUP 2015 will be continued upto 31st March 2025. Accordingly, the revised energy norms are applicable to the company for the period from 1st June, 2015 to 31st March, 2020 and the target energy norms will be applicable for the period 1st April, 2020 to 31st March, 2025.

The recent policy intervention and measures taken by the Government will result in higher efficiency of plants and focused on lowering the subsidies to be paid by the Government. The policy affects the company's bottom-line as the investments are no recognition of investments and returns provided on the investments made for achieving the revised energy norms.

The policy states the lowest of the per MT fixed costs of all the indigenous urea units for the production beyond re-assessed capacity, shall be paid to all units that reduced profit margins of manufactured urea substantially.

NUP 2015 is implemented with the pooling of gas in Urea sector. The Gas pooling policy is notified by the Ministry of Petroleum and Natural Gas (MoPNG). Gas pooling policy has increased the working capital requirements of the Company, resulting in higher interest cost.

A pilot Project on Direct Benefit Transfer (DBT) in fertilizer sector was initiated in Krishna and West Godavari Districts of Andhra Pradesh with effect from 1st October 2016, the project was extended in phases to cover another 14 districts. Government of India has rolled out State wide DBT in fertilizer in phases from September 2017 onwards with PAN India rollout from March, 2018. All States in the country are in Go Live for DBT in Fertilizers from 1st March 2018 onwards.

The procedure for release of fertilizer subsidy is further modified by the Department of Fertilizers with introduction of DBT vide letter dated 31st July, 2017. All sales transactions to the beneficiary are mandatory through Point of Sales (POS) devices and 100% subsidy on fertilizers will be released to fertilizer companies only on actual sales to farmers as recorded in the ePOS device from 1st March, 2018 on all India basis.

The DBT policy being implemented does not transfer the subsidy to the farmer (as subsidy under this model is not credited to farmer's bank account but routed to the industry) as being done in past. DBT has only increased the subsidy delay which was earlier paid on receipt of fertilizers in a district, now it is paid only after sales to the farmers (It means delay of 4 to 6 months, since sale of urea are seasonal). The resultant increase in working capital cost are not recognized nor reimbursed by the Government.

RBI has issued a circular to all the schedule commercial banks and financial institution on 12th February, 2018, redefining rules with respect to regularization of the bank's dues. As per the said Circular for Companies where the banking exposure is Rs.2000 Crs and above, even one day delay in repayment of interest/principal or part of principal repayment will designate the account as default and this will be considered in the ambit of Resolution Plan. This not only contradicts with the DBT policy of the same government but will also lead more

companies towards insolvency.

Company's Strengths and Opportunities

Urea Business:

The Company's main strength lies in an excellent track record of project executions, plant operations (achieving high production levels and adhering to high environmental standards and safety). It also has the twin advantages of having access to low cost raw material and being in the urea deficit market.

MI:

The Company's MI division has a diverse product portfolio and sells across all the major agriculture markets in India. The Company is well positioned to address the growing demand in MI products and farmers needs of high yields.

ITES:

Initiated in the year 1999 with a vision to augment "Rural Prosperity through Enhanced Knowledge and Technology", iKisan has been conceiving, designing and implementing turnkey projects in agriculture for more than 15 years and played significant role in the emerging Information Technology Enabled Services (ITES) segment of Agriculture.

iKisan has been honored as the "Strategic Partner to the GOI for Implementation of the National Agriculture Market (eNAM)". Up to May 2018, 9.87 million farmers, 109,725 traders were registered on the e- NAM platform. 585 mandis in India have been linked while 415 additional mandis will be linked in 2018-19 and 2019-20. The project has been awarded "Gems of Digital India 2018" by Government of India for excellency in e-governance.

Risks and Concerns

Urea Policy:

The industry continues to face challenges such as insufficient subsidy allocation in budget, un-remunerative policies for urea policy (production, margins, gas pooling and DBT), urea prices, artificially depressing impacting crop yield, delays in subsidy payments, domestic gas availability and pricing;

The industry requires urgent and fundamental reforms in order to sustain production. The industry is plagued with increasing build-up of subsidy dues (which forms a substantial portion of the gross sales of fertilizer Companies) and delays are causing severe financial stress on the financials of the Company. Remove discrimination between New Urea units under New Investment policy 2012 and old urea units under New Urea Policy, 2015.

A major concern of the Company is the short supply of Natural Gas and at times low pressure, resulting in the plants running at low load operations resulting in higher energy consumption, though during the current year the issue has been mitigated to an extent. The pricing of raw materials including Natural Gas is not in parity with international prices resulting in the cost of production of fertilizers in India not being comparable and competitive with international prices of fertilizers resulting in unfair competition. This has resulted in a threat of cheaper

imports. The Fertilizer Industry need protection through tariff and other measures.

Debt Restructuring:

Due to the GAIL pipeline accident in 2015, the company had suffered substantially more losses compared to the other in the Urea Sector. The company approached its banks for debt restructuring under then S4A Scheme in order to arrest further losses and restore normalcy to operations. After arriving at an in principal scheme for the restructuring with the banks, before the scheme could be implemented, RBI announced a new debt resolution scheme dated the 12th of February 2018 (eliminating the earlier debt resolution schemes including the S4A scheme). The company has since appointed IDBI Capital as its Financial advisor to develop and submit a new debt resolution plan to the Lenders.

Outlook/ Future plans

The Urea Policy announced during the year 2015 is ending on 31st March 2019. The Industry expects a suitable policy will be formulated by the Government addressing genuine concerns of the industry. The company expects to restructure its debt during the year 2018-19. It expects the debt restructure and its turn around strategy would start yielding value during the ensuing year 2019-20.

Financial Performance vis-a-vis Operational Performance

Financial Summary

The loss after the tax for the year is Rs.21.52 Crore against loss after tax of Rs.121.77 Crore for the previous year.

The Company reduced losses during the current year on account of higher production of manufactured urea due to adequate supply of Natural Gas by the suppliers, resulting in higher contribution and energy incentives. Further, higher other income and reduction in under recovery of transport costs are also contributed to reduction of losses.

Plant Operations

The Company during the year manufactured 15.90 LMT of urea as against 14.98 LMT in the previous year. The Micro-Irrigation business achieved a production of 1270.93 Lakh Mtrs against 1236.43 Lakh Mtrs during the previous year.

The Company achieved a sale of manufactured urea of 15.99 LMT compared to 15.27 LMT in the previous year, with the total urea sales for both manufactured and imported being 20.82 LMT compared to 18.91 LMT of previous year.

INTERNAL CONTROL SYSTEMS

The Company has a strong internal control system comprising various levels of authorization, supervision, checks and balances and procedures through documented policy guidelines and manuals. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. With a view to maintain independence and objectivity in its working, the Internal Audit function reports directly to the Audit Committee.

The internal financial controls within the Company are commensurate with the size, scale and complexity of its operations. The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company during the previous year continued to have good industrial relations with all its employees. Various initiatives have been taken to impart training and development activities so that employees are prepared to take up new challenges for their own development and also for the overall well-being of the Company. There are 1623 employees on the rolls of the Company as on March 31, 2018.

CAUTIONARY STATEMENT

The Board's Report and Management Discussion and Analysis Report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" within the meaning of applicable securities law and regulations. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to Government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements and the company is not obliged to update any such forward looking statements.

For and on behalf of the Board

**Hyderabad
July 27, 2018**

**K S Raju
Chairman**

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Nagarjuna Fertilizers and Chemicals Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of Nagarjuna Fertilizers and Chemicals Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as "the Standalone Ind AS Financial Statements").

Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the 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) prescribed 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

Opinion

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

Emphasis of Matter

Attention is invited to following notes to the Standalone Ind AS Financial Statements:

- a) Note 5.1 regarding the provision for diminution in the value of investments made for the value of Investment in Jaiprakash Engineering and Steel Company Limited (JESCO), a subsidiary and its adequacy based on Management assessment, for the reasons stated in the said note
- b) Note 25.1 regarding recognizing Income from urea operations including reimbursement claims for additional fixed cost, input escalation/de-escalation, and for production beyond reassessed capacity based on prices and provisions applicable under NPS III, Modified NPS III, pending notification of final prices under New Urea Policy 2015 and consequential adjustments, if any that may arise.
- c) Note 36.1.1 regarding Arbitration awards passed against the Company for USD 15,275,688, GBP 11,45,630 and INR 221.39 Lakhs; the impact of which has not been recognised in the Financial Statements, for reasons stated in the said note;

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements; –Refer Note 36.1 to the Standalone Ind AS Financial Statements.
 - ii. The Company did not, as at March 31, 2018, have any material foreseeable losses relating to long-term contracts including derivative contracts.
 - iii. There were no amounts, as at 31st March 2018, which are required to be transferred to the Investor Education and Protection Fund by the Company.

for M. Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Anilkumar Mehta
Partner
Membership No. 14284

Hyderabad,
May 25, 2018

Re: Nagarjuna Fertilizers and Chemicals Limited

Annexure A to the Independent Auditors' report

((Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nagarjuna Fertilizers and Chemicals Limited of even date)

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

We have audited the internal financial controls over financial reporting of Nagarjuna Fertilizers and Chemicals Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk whether 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 auditors' judgement, including the assessment

of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for M. Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Anilkumar Mehta
Partner

Membership No.14284

Hyderabad,
May 25, 2018

Re: Nagarjuna Fertilizers and Chemicals Limited

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

(i) In respect of its fixed assets:

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

(b) A major portion of the fixed assets have been physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) According to the information and explanations furnished to us, and based on our review, title deeds of its immovable properties are not held in the name of the Company in respect of land to the extent of 340.11 acres in 104 cases, situated in Nellore District, Andhra Pradesh, in the possession of the Company, pending registration of the titles thereto in its name.

(ii) According to the information and explanations furnished to us, in respect of the Company's inventories, physical verification of inventories at plants and warehouses has been conducted by the management at reasonable intervals during the year. In our opinion, having regard to the nature of its business and location of its stocks, the frequency of verification is reasonable. Further, the discrepancies noticed on such verification, between the physical stocks and the respective records were not material in relation to the size of operations of the Company and the same have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under clauses (a), (b) and (c) of paragraph 3(iii) of the Order does not arise.

(iv) According to the information and explanations furnished to us, the Company has not granted any loans, nor made any investments or given any guarantees or securities during the year to any of the parties specified in Sections 185 and 186 of the Companies Act, 2013, except Moneys advances to Nagarjuna Oil Refinery Limited, pursuant to the Composite Scheme of Arrangement and Amalgamation, which the Company has been legally advised does not come under the purview of the aforesaid sections.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Accordingly, reporting under provisions of paragraph 3(v) of the Order does not arise.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules in force made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) There were a few delays in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, GST, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities, and there were no amounts payable in respect of the aforesaid undisputed statutory dues in arrears, as at March 31, 2018, for a period of more than six months from the date they became payable.
- (b) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax which have not been deposited as on March 31, 2018 on account of dispute are as below:

Name of statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax	Tax	32.15 102.00 174.00	2012-13 2013-14 2014-15	ITAT Hyderabad ITAT Hyderabad CIT(A), Hyderabad
VAT & CST	Tax	7.92	2008-09	DC Appeals, Maharashtra
VAT		0.78	2009-10	DC Appeals, Ernakulam
VAT		6.93	2011-12	DC Appeals, Ernakulam
CST		139.00	2013-14	AP Appellate Tribunal – Visakhapatnam
VAT		463.72	2014-15	ACCT, Trichy
VAT		20.95	2015-16	AP High Court
Central Excise	Tax	103.00	2009-10 & 2010-11 (Dec 2009 to July 2010)	CESTAT, Bangalore
Service Tax	Tax	1.88 10.55	2013-14 2013-14	CSETAT, Hyderabad Commissioner Appeals, Vizag
Total		1,062.88		

- (viii) According to be information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or from debenture holders.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for M. Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Anilkumar Mehta
Partner

Hyderabad,
May 25, 2018

Membership No.14284

Nagarjuna Fertilizers and Chemicals Limited

Balance Sheet As At March 31, 2018

₹ in Lakhs

Particulars	Note	As At March 31, 2018	As At March 31, 2017
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	3A	2,56,370.89	2,63,792.29
(b) Capital work-in-progress	3B	2,212.95	809.58
(c) Other Intangible Assets	4	1,474.20	1,965.60
(d) Financial Assets			
(i) Investments	5	1,796.17	1,796.17
(ii) Loans	6	2,744.45	2,417.97
(iii) Other Financial Assets	7	36.92	33.22
(e) Other Non-Current Assets	9	256.20	66.46
Total non-current Assets		2,64,891.78	2,70,881.29
2. Current Assets			
(a) Inventories	10	14,526.91	21,248.75
(b) Financial Assets			
(i) Trade Receivables	11	1,69,790.31	1,19,232.27
(ii) Cash and Cash Equivalents	12	1,323.91	5,688.82
(iii) Bank Balances other than (ii) above	13	5,874.50	5,742.45
(iv) Loans	6	3,309.16	3,317.01
(v) Other Financial Assets	7	762.71	725.17
(c) Current Tax Assets (Net)	8	664.37	573.48
(d) Other Current Assets	9	8,016.15	2,020.05
Total Current Assets		2,04,268.02	1,58,548.00
Total - Assets		4,69,159.80	4,29,429.29
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	5,980.65	5,980.65
(b) Other Equity	15	1,01,346.61	1,03,257.32
Total Equity		1,07,327.26	1,09,237.97
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	40,824.74	55,880.97
(ii) Other Financial Liabilities	17	7,814.61	7,525.65
(b) Provisions	18	530.10	709.56
(c) Deferred Tax Liabilities (Net)	19	37,750.22	38,181.60
(d) Government Grants	20	1,737.43	2,089.58
Total Non-Current Liabilities		88,657.10	1,04,387.36
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,04,516.70	1,01,306.76
(ii) Trade Payables	22	1,46,274.04	94,743.79
(iii) Other Financial Liabilities	23	19,895.56	18,347.47
(b) Other Current Liabilities	24	1,815.90	933.58
(c) Government Grants	20	347.91	343.67
(d) Provisions	18	325.33	128.69
Total Current Liabilities		2,73,175.44	2,15,803.96
Total Liabilities		3,61,832.54	3,20,191.32
Total Equity and Liabilities		4,69,159.80	4,29,429.29
Corporate Information and Significant Accounting Policies	1 & 2		

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.0004595

K.S Raju
Chairman

Anil Kumar Mehta
Partner
Membership No. 14284

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
Directors

Hyderabad
May 25, 2018

K. Rahul Raju
Managing Director

Nagarjuna Fertilizers and Chemicals Limited

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

₹ in Lakhs

Particulars	Note	Year ended March 31, 2018		Year ended March 31, 2017	
Income					
Revenue from Operations	25				
Sale of Products (including Subsidy)		3,90,567.59		3,36,439.22	
Sale of Services		1,687.45		1,865.83	
Other Operating Revenues		112.59	3,92,367.63	201.57	3,38,506.62
Other Income	26		4,497.14		3,527.32
Total			3,96,864.77		3,42,033.94
Expenses					
Cost of Materials Consumed	27		1,38,145.65		1,16,457.86
Purchase of Stock-in-Trade	28		45,854.23		46,156.44
Changes in inventories of finished goods, stock-in-trade and work in progress	29		6,604.67		1,309.75
Power and Fuel			1,00,242.57		84,068.01
Employee Benefits Expense	30		17,350.53		15,451.61
Finance Cost	31		30,820.99		32,489.97
Depreciation and Amortization Expense	32		8,928.10		8,920.56
Excise Duty			228.19		879.40
Other Expenses	33		51,344.03		52,108.60
Total			3,99,518.96		3,57,842.20
Loss before exceptional items and tax			(2,654.19)		(15,808.26)
Exceptional Items			-		-
Loss before tax			(2,654.19)		(15,808.26)
Tax Expense					
(a) Current Tax			-		-
(b) Adjustments relating to earlier years			56.91		(628.84)
(c) Deferred Tax	19		(559.09)		(3,001.71)
Loss after tax			(2,152.01)		(12,177.71)
Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss					
Re-measurement gains (losses) on defined benefit plans			369.01		46.44
(ii) Income tax relating to these items	19		(127.71)		(16.07)
B (i) Items that will be reclassified to profit or loss			-		-
(ii) Income tax relating to these items			-		-
Total Other Comprehensive income, net of tax			241.30		30.37
Total Comprehensive income			(1,910.71)		(12,147.34)
Earnings per equity share of face value of ₹ 1/- each					
Basic and Diluted	44		(0.36)		(2.04)
Corporate Information and Significant Accounting Policies	1 & 2				

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.0004595

K.S Raju
Chairman

Anil Kumar Mehta
Partner
Membership No. 14284

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

For and on behalf of the Board
Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
Directors

Hyderabad
May 25, 2018

K. Rahul Raju
Managing Director

Nagarjuna Fertilizers and Chemicals Limited
Statement of Change in Equity for the year ended March 31, 2018

(a) Equity Share Capital

Particulars	No.	₹ in Lakhs
Equity shares of ₹ 1 each issued, subscribed and fully paid		
At April 1, 2016	59,80,65,003	5,980.65
Issue of share capital (Refer Note 14)	-	-
At March 31, 2017	59,80,65,003	5,980.65
Issue of share capital (Refer Note 14)	-	-
At March 31, 2018	59,80,65,003	5,980.65

(b) Other Equity

₹ in Lakhs

Particulars	Reserve and Surplus					Total
	Capital Reserve	Security premium reserve	Debenture redemption reserve	General reserve	Retained Earnings	
As at April 01, 2016 (Refer Note 15)	51,853.85	1,09,619.35	2,087.99	11,291.73	(59,448.26)	1,15,404.67
Profit for the year					(12,177.71)	(12,177.71)
Other Comprehensive Income					30.37	30.37
Total Comprehensive Income	-	-	-	-	(12,147.34)	(12,147.34)
As At March 31, 2017	51,853.85	1,09,619.35	2,087.99	11,291.73	(71,595.60)	1,03,257.32
Profit for the year					(2,152.01)	(2,152.01)
Other Comprehensive Income					241.30	241.30
Total Comprehensive Income	-	-	-	-	(1,910.71)	(1,910.71)
Transfer to general reserve			(2,087.99)	2,087.99	-	-
As At March 31, 2018	51,853.85	1,09,619.35	-	13,379.72	(73,506.31)	1,01,346.61

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.0004595

K.S Raju
Chairman

Anil Kumar Mehta
Partner
Membership No. 14284

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
Directors

Hyderabad
May 25, 2018

K. Rahul Raju
Managing Director

Nagarjuna Fertilizers and Chemicals Limited

Cash Flow Statement for the year ended March 31, 2018

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash Flow from Operating Activities		
Loss before Tax	(2,654.19)	(15,808.26)
<i>Adjustments:</i>		
Depreciation and Amortisation	8,928.10	8,920.56
Provision for Impairment	222.70	-
Provision for Doubtful Debts / Advances	762.60	911.35
Finance Cost	30,820.99	32,489.97
Provision/write off for Diminution in value of Investments	-	7.12
Deferred government grant	(347.91)	(316.08)
(Profit) / Loss on sale of assets / assets discarded / assets decapitalised	198.50	98.88
Operating Profit before working capital changes	37,930.79	26,303.54
<i>Movements in working capital:</i>		
Increase/(decrease) in trade payables	53,013.71	(70,832.79)
Increase/(decrease) in long term provisions	189.55	312.68
Increase/(decrease) in short term provisions	196.64	1.05
Increase/(decrease) in other current liabilities	882.32	(66.92)
Increase/(decrease) in other current financial liabilities	907.12	196.15
Increase/(decrease) in other long term liabilities	288.96	141.18
Decrease/(increase) in trade receivables	(51,302.22)	78,876.10
Decrease/(increase) in inventories	6,721.84	1,566.97
Decrease/(increase) in long term loans and advances	(341.48)	(548.46)
Decrease/(increase) in short term loans and advances	4.44	(3,089.78)
Decrease/(increase) in other current assets	(5,996.10)	2,850.42
Decrease/(increase) in other financial assets	(37.54)	(197.59)
Decrease/(increase) in other non current assets	5.52	(16.38)
Cash generated from/(used) in operations	42,463.55	35,496.17
(Direct Taxes Paid -net of refunds)	(147.80)	515.05
Net cash flow from / (used) in operating activities	42,315.75	36,011.22
B. Cash Flow from Investing activities		
Purchase of fixed assets and CWIP	(3,043.79)	(871.52)
Margin Money Deposits	(135.75)	843.28
Proceeds from Sale of fixed assets	8.66	4,871.72
Net cash flow from / (used) in investing activities	(3,170.88)	4,843.48
C. Cash flow from Financing activities		
Proceeds from long term borrowings	-	1,248.54
Increase/(decrease) in Buyers/Suppliers credit	(7,434.18)	6,751.64
Repayment of long term borrowings	(14,389.63)	(15,135.73)
Finance Costs paid	(30,706.25)	(32,043.13)
Dividend Paid	(140.37)	(3.07)
Net cash flow from / (used) in financing activities	(52,670.43)	(39,181.75)
Net Increase/(decrease) in Cash and Cash Equivalents	(13,525.56)	1,672.95
Cash and Cash Equivalents as at beginning of the year	(88,183.76)	(89,856.71)
Cash and Cash Equivalents as at end of the year	(1,01,709.32)	(88,183.76)

Notes:

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and Cash Equivalents comprises of		
Balances with Banks		
In Current Accounts		
Unclaimed Dividend - earmarked accounts	513.40	653.77
Others	52.98	3,590.12
Cheques, drafts on hand	736.32	1,422.03
Cash on hand	21.21	22.90
Cash and Cash Equivalents (Refer Note 12)	1,323.91	5,688.82
Less: Cash Credit (Refer Note 21)	1,03,033.23	93,872.58
Cash and Cash Equivalents in Cash Flow Statement	(1,01,709.32)	(88,183.76)

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.0004595

K.S Raju
Chairman

Anil Kumar Mehta
Partner
Membership No. 14284

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
Directors

Hyderabad
May 25, 2018

K. Rahul Raju
Managing Director

Notes forming part of the financial statements for the year ended March 31, 2018

1 CORPORATE INFORMATION

The company is a public listed company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on The Bombay Stock Exchange and The National Stock Exchange of India, the two recognised stock exchanges in India. The registered office of the company is located at D.No 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad - 500082.

The Company is principally engaged in the business of manufacturing and marketing Fertilizers, Micro Irrigation Equipments and Agri Informatic Services.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation:

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) on accrual basis and under the historical cost convention except for Derivative financial instruments and certain financial instruments which are measured at fair value, pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amended Rules, 2016.

The Financial Statements are presented in INR and all values are rounded to two decimals to the nearest lakhs, except when otherwise indicated

2.2. Use of estimates:

The preparation of Financial Statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- i. Measurement of defined benefit obligations - Note 30
- ii. Recognition of deferred tax assets/liability - Note 19
- iii. Fair Value Measurement of financial Instruments - Note 39 & 40
- iv. Recognition of subsidy income - Note 25.1
- v. Provision for doubtful trade receivables

2.3. Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.4. Property, plant and equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised 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 the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Notes forming part of the financial statements for the year ended March 31, 2018

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

Depreciation is provided on a pro-rata basis under the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the following exception:

► Continuous Process Plants' are depreciated for 37 years based on the technical evaluation of useful life done by the management

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

2.5. Intangible assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Trademarks and Services: 10 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

2.6. Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date for any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or 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 Statement of Profit and Loss. Recoverable amount is the higher of an asset's or 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 or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date for any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, in which case, a reversal of an impairment loss for an asset is recognised in the Statement of Profit and Loss account.

2.7. Inventories

Inventories are valued at the lower of cost and net realisable value. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs for different categories of materials are as follows:

- Raw materials and Traded Products: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

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

Net realisable value in the case of Urea –

- the Group Concession Price notified by the Government of India in respect of finished goods lying at the factory, and
- the net sale price in respect of finished goods lying in the warehouses outside the factory.

Work-in-process, raw materials, stores, spares, packing material and loose tools are valued at weighted average cost, less provision for depletion in value, if any.

Notes forming part of the financial statements for the year ended March 31, 2018

2.8. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.9. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Initial recognition

On initial recognition, financial assets are recognised at fair value. Transaction cost that are directly attributable to acquisition of financial assets that are not at fair value through profit and loss (FVTPL) are added to fair value on initial recognition.

Subsequent measurement:

Financial assets which are debt instruments are subsequently measured on the following basis, depending on their classification

- ▶ amortized cost
- ▶ fair value through profit and loss (FVTPL)
- ▶ fair value through other comprehensive income (FVOCI)

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

When financial assets are Equity Instruments:

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income (OCI) subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI.

Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

De-recognition:

The Company derecognizes a financial asset when the contractual right to the cash flows from the financial asset expires or it transfers the financial asset at the transfer qualifies for de-recognition under IND AS 109.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Impairment:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

"For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial liabilities:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost as appropriate.

Notes forming part of the financial statements for the year ended March 31, 2018

All financial liabilities are recognised initially at fair value and, in the case of liabilities measured at amortised cost, net of directly attributable transaction costs.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

Derecognition:

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

2.10. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate risk of changes in exchange rates on foreign currency exposure.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any gains or losses arising from re-measurement are dealt in Statement of profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS109, Financial Instruments and hence categorized as financial assets or liability at fair value through profit or loss.

2.11. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes forming part of the financial statements for the year ended March 31, 2018

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.13. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has 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 can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 are not recognised. They are disclosed only when an inflow of economic benefit is probable from such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.14. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue is inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax and amounts collected on behalf third parties.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

In case of goods which are shipped subject to installation and inspection, revenue is normally recognized when the buyer accepts delivery, and installation and inspection are complete.

Subsidy:

Group Concession Price under Group Concession Scheme (GCS) and Equated Freight are recognized in accordance with the norms prescribed by the Government of India – Fertiliser Industry Co-ordination Committee, with adjustments for escalation / de-escalation in the prices of inputs and other adjustments as estimated by the management in accordance with known policy parameters in this regard.

Rendering of services:

Revenue from sale of services is recognised as per the terms of the contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably."

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable using effective interest method .

Dividends:

Revenue is recognised when the Company's right to receive the payment is established, which is generally when share-holders approve the dividend.

2.15. Employee benefits

Gratuity:

In accordance with the Payment of Gratuity Act, 1972 the Company provides gratuity as a defined benefit plan, to eligible Employees. Liability with regard to gratuity is determined by an independent actuary at every Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in the Balance Sheet as asset or liability. Gains or

Notes forming part of the financial statements for the year ended March 31, 2018

losses on re-measurements are recognized in Other Comprehensive Income (OCI). Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss.

Superannuation fund and provident fund

Superannuation and Provident Fund are in the nature of defined contribution plans. The Company makes monthly contribution to approved superannuation fund covered by a policy with LIC of India. The Company has no further obligation beyond monthly contribution. The obligations under the said policy are accounted for on accrual."

The Company makes monthly contribution to the Provident Fund scheme and recognizes it as an expense, in the year in which employee renders the related service. The Company's Contribution towards Provident Fund is administered and managed by an approved trust. The Company has no obligation, other than the contribution payable to the Fund.

Compensate absences:

Liability for compensated absence is treated as a long term liability and is covered by a policy with Life Insurance Corporation ('LIC'). The estimated liability at each Balance Sheet date is determined by an independent actuary using the projected unit credit method and is recognised in the accounts accordingly.

2.16. Taxes

Current income tax

Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognized directly in equity or Other Comprehensive Income (OCI), in which case the tax is also recognized in equity or Other Comprehensive Income (OCI).

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax asset/liability is measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent there is no longer probable that the related tax benefit will be realized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.17. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

In the case of a loan or assistance provided by government or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The Grant is initially recognised and measured at fair value and subsequently measured in accordance with the recognition and measurement principles of Ind AS 109, Financial Instruments (financial liabilities). The government grant is measured as the difference between the initial carrying value of the loan and the proceeds received and recognised as income on a systematic basis over the periods the related costs, for which it is intended to compensate, are expensed.

2.18. Leases

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

Notes forming part of the financial statements for the year ended March 31, 2018

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term. Accordingly, the Company's leasing arrangements, are mostly in the nature of operating lease for premises, and are cancellable / renewable by mutual consent. The rentals thereunder are recognised in the Statement of Profit and Loss.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

2.19. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset in the period in which they are incurred, until such time the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest earned on temporary investments out of specific borrowings made for qualifying assets is deducted from the borrowing costs eligible for capitalisation to those assets.

2.20. Research and development costs

Expenditure relating to capital items is treated as fixed assets and depreciated at applicable rates. Revenue expenditure during research period is charged to Statement of Profit and Loss in the year in which it is incurred.

2.21. Foreign currency transactions

The Company's Financial Statements are presented in Rupees, which is its functional currency.

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency denominated monetary assets and liabilities remaining unsettled at the end of the year are translated into functional currency at exchange rates prevailing at the Balance Sheet date. Exchange differences arising on translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated using exchange rate prevalent on the date of transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated using the exchange rates at the date when the fair value was determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

2.22. Earnings per share

Basic earnings per equity share, is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.23. Investments

Investments are classified as Non Current and Current. Non Current Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

2.24. Exceptional Items

Exceptional items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

Notes forming part of the financial statements for the year ended March 31, 2018

3A. Property, Plant and Equipment:

₹ in lakhs

Particulars	Gross Block (At Cost)				Depreciation				Net Block		
	As at March 31, 2017	Additions during the year	Deduc- tions / Ad- justments during the year	As at March 31, 2018	Upto March 31, 2017	For the year	Deduc- tions / Adjust- ments during the year	Impair- ment for the year	Upto March 31, 2018	As at March 31, 2018	As at March 31, 2017
Tangible Assets											
Land	1,15,995.36	32.40	-	1,16,027.76	-	-	-	-	-	1,16,027.76	1,15,995.36
Buildings	12,865.79	7.67	-	12,873.46	1,521.85	762.49	-	-	2,284.34	10,589.12	11,343.94
Plant & Equipments	1,49,719.89	1,251.96	247.72	1,50,724.13	14,558.90	7,367.72	41.75	222.70	22,107.57	1,28,616.56	1,35,160.99
Furniture, Fixtures & Office Equipment	1,462.59	152.47	1.64	1,613.42	451.68	259.99	0.93	-	710.74	902.68	1,010.91
Vehicles	198.52	0.66	1.44	197.74	74.08	35.49	0.96	-	108.61	89.13	124.44
Roads, Drains & Culverts	132.14	-	-	132.14	22.12	11.01	-	-	33.13	99.01	110.02
Railway Siding	46.63	-	-	46.63	-	-	-	-	-	46.63	46.63
Total	2,80,420.92	1,445.16	250.80	2,81,615.28	16,628.63	8,436.70	43.64	222.70	25,244.39	2,56,370.89	2,63,792.29
Previous Year	2,84,514.28	1,398.20	5,491.56	2,80,420.92	8,769.87	8,425.72	566.96	-	16,628.63	2,63,792.29	2,75,744.41

3A.1. Additions to Land during the year represents enhanced compensation paid for land at Kakinada ₹ 32.40 Lakhs (Previous Year ₹ 2.26 Lakhs).

3A.2. Land & Buildings

- Includes 5 acres, the possession of which is yet to be taken, title of seller being under dispute.
- Excludes value of 33.35 acres, which is in the possession and use of the Company pending fixation of compensation by the State Government, value not ascertained, and hence pending registration of title in the name of the Company.
- Excludes value of 14.06 acres pending completion of alienation and handing over of possession to the Company by Govt of Andhra Pradesh, out of which 3.14 acres covered by restrictive provisions of Andhra Pradesh Land Reforms Act, 1973.
- Includes value of 340.11 acres (104 cases) in possession of the Company pending registration.

3A.3. Refer Note 16.1 to 16.4 for details of assets pledged with lenders.

3B. Capital Work-In-Progress

₹ in Lakhs

Particulars	Gross Block (At Cost)				Impairment			Net Block	
	As at March 31, 2017	Additions during the year	Transfer to Tangible asset / Disposals / Deductions	As at March 31, 2018	Upto March 31, 2017	For the year	Deductions / Adjustments during the year	As at March 31, 2018	As at March 31, 2017
Capital Work In Progress	809.58	2,848.52	1,445.15	2,212.95	-	-	-	2,212.95	809.58
Total	809.58	2,848.52	1,445.15	2,212.95	-	-	-	2,212.95	809.58
Previous Year	708.61	1,552.38	1,451.41	809.58	-	-	-	809.58	708.61

4. Other Intangible Assets

₹ in Lakhs

Particulars	Gross Block (At Cost)				Amortisation			Net Block	
	As at March 31, 2017	Additions during the year	Deductions / Adjust- ments during the year	As at March 31, 2018	Upto March 31, 2017	For the year	Deduc- tions / Adjust- ments during the year	As at March 31, 2018	As at March 31, 2017
Trade Marks & Ser- vices	2,948.40	-	-	2,948.40	982.80	491.40	-	1,474.20	1,965.60
Total	2,948.40	-	-	2,948.40	982.80	491.40	-	1,474.20	1,965.60
Previous Year	2,948.40	49.44	49.44	2,948.40	491.40	494.84	3.44	1,965.60	2,457.00

5. Investments - Unquoted (At Cost):

Particulars	March 31, 2018		March 31, 2017	
	No. of shares	₹ in Lakhs	No. of shares	₹ n Lakhs
Long Term				
In Subsidiaries				
In Equity Shares of ₹ 10/- each fully paid up Jaiprakash Engineering and Steel Company Limited (Refer Note 5.1 and 5.2)	2,25,61,693	2,256.17	2,25,61,693	2,256.17
Total - (A)		2,256.17		2,256.17
In Associates				
In Equity Shares of ₹ 10/- each fully paid up Nagarjuna Agricultural Research and Development Institute Private Limited	25,020	2.50	25,020	2.50
K V K Raju International Leadership Limited	1,50,000	15.00	1,50,000	15.00
Total - (B)		17.50		17.50
Total - (A+B)		2,273.67		2,273.67
Less: Provision for diminution		477.50		477.50
		1,796.17		1,796.17
Aggregate amount of Quoted Investments		-		-
Aggregate amount of Un-Quoted Investments		2,273.67		2,273.67
Aggregate amount of impairment in value of Investments		477.50		477.50

5.1. In respect of Jaiprakash Engineering and Steel Company Ltd (JESCO), the project envisaged has not materialised. Karnataka Industrial Area Development Board (KIADB) had given possession of 986.52 acres of land (lease hold and free hold) for the project against deposit of ₹ 3,053.65 Lakhs in earlier years. JESCO approached KIADB for surrender of land allotted and refund of amount paid. KIADB agreed to refund the deposit with a condition that as and when KIADB receives request from potential investors, JESCO's lands will be offered and upon acceptance by the potential investors, such sale proceeds will be paid to JESCO in refund of its deposit. As at the year end, JESCO is in possession of 388.70 acres of land (Previous year 548.70 acres of land), the realisable value of which, in the opinion of JESCO's management is adequate to recover the deposit outstanding as at March 31, 2018.

JESCO also applied for approval to implement two projects i.e. Fertilizers and Chemicals Complex and Integrated Township to Karnataka Government for the balance land held. The Government of Karnataka has approved the projects vide Government Order (GO) No. CI 175 SPI 2011, Bangalore dated August 18, 2011, May 07, 2012 and GO No. CI 176 SPI 2011 dated August 18, 2011.

Government of Karnataka has passed order No. CI 175 SPI 2011 dated November 11, 2013 cancelling the Land Allotment made stating that JESCO has not implemented the approved projects and also advised KIADB to resume the balance land. JESCO has filed a writ petition in the Hon'ble High Court of Karnataka challenging the above cited GO and the Hon'ble High Court of Karnataka has prohibited the Government of Karnataka from dispossessing the land in possession of JESCO.

The High Court of Karnataka on April 23, 2018 has lifted the stay and permitted the Government of Karnataka from taking possession of 160 acres of land from the Company for handing over the same to prospective applicants.

The stay of the High Court of Karnataka in relation to dis-possession of land in the possession of the Company for 388.70 acres continues.

Pending crystallization of plans and considering the above said developments, the Financial Statements of the Company for the year have been prepared on going concern basis, notwithstanding the project initially planned been shelved.

In view of the above in the opinion of the management, the provision of ₹ 460 lakhs is adequate and no further provision is required as of March 31, 2018.

5.2. These shares were pledged in favour of Banks / Financial Institutions for the term loans availed by the Company, which are repaid in full awaiting release of pledge.

6. Loans:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans (Unsecured, considered good)				
Security Deposits	966.07	933.17	3,309.16	3,302.07
Loans and advances to related parties	1,778.38	1,484.80	-	11.53
Loans (Unsecured, considered doubtful)				
Security Deposits	15.00	-	-	-
Loans to Employees	-	-	3.41	3.41
	15.00	-	3.41	3.41
Less: Provision for Doubtful advances	15.00	-	3.41	-
	-	-	-	3.41
Total	2,744.45	2,417.97	3,309.16	3,317.01

7. Other Financial Assets

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non current margin money deposit	36.92	33.22	-	-
Interest Accrued on Deposits and advances	-	-	638.85	599.64
Unbilled Revenue	-	-	-	120.42
Claims receivable	-	-	123.86	5.11
	36.92	33.22	762.71	725.17

8. Current Tax Assets (Net)

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Current tax Assets		
Advance Income Tax	1,003.82	10,031.43
Current tax liabilities		
Provision for Income tax	339.45	9,457.95
Total (net)	664.37	573.48

9. Other Assets:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Capital Advances				
Secured (considered good)	186.06	12.63	-	-
Unsecured (considered good)	53.57	31.74	-	-
Unsecured (considered doubtful)	-	20.27	-	-
	239.63	64.64	-	-
Less: Provision for Doubtful advances	-	20.27	-	-
Total - (A)	239.63	44.37	-	-
Advance Recoverable in Cash or in Kind				
- Unsecured (considered good)	-	-	6,133.51	503.21
- Unsecured (considered doubtful)	-	-	362.11	362.11
	-	-	6,495.62	865.32
Less: Provision for Doubtful advances	-	-	362.11	362.11
Total - (B)	-	-	6,133.51	503.21
Prepaid Expenses	16.57	22.09	1,499.76	970.28
Gratuity fund - excess of plan assets over liability	-	-	360.37	518.82
Balance with Customs Authorities	-	-	22.51	27.74
Total - (C)	16.57	22.09	1,882.64	1,516.84
Total - (A+B+C)	256.20	66.46	8,016.15	2,020.05

10. Inventories:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Raw materials	858.49	435.94
Work in process	57.07	118.56
Finished Goods - Manufactured goods	5,273.79	8,022.29
Stock In Transit - Manufactured goods	2,282.72	1,234.31
Traded goods	3,082.87	7,929.26
Stock In Transit - Traded goods	31.58	28.29
Packing materials	433.45	695.98
Stores and Spares	2,499.65	2,775.14
Loose tools	7.29	8.98
Total	14,526.91	21,248.75

11. Trade Receivables: (Unsecured) (Refer Note 11.1)

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Debts outstanding		
Considered good	1,69,790.31	1,19,232.27
Considered doubtful	2,598.94	1,854.76
	1,72,389.25	1,21,087.03
Less: Provision for doubtful debts	2,598.94	1,854.76
Total	1,69,790.31	1,19,232.27

11.1. Includes subsidy and other dues ₹ 1,39,243.37 Lakhs (Previous Year ₹ 87,654.52 Lakhs) from Government of India and ₹ 13,136.42 Lakhs (Previous Year ₹ 11,432.18 Lakhs) from State Governments.

12. Cash and Cash Equivalents

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Balances with Banks		
In Current Accounts		
Unclaimed Dividend - earmarked accounts	513.40	653.77
Others	52.98	3,590.12
Cheques, drafts on hand	736.32	1,422.03
Cash on hand	21.21	22.90
Total	1,323.91	5,688.82

13. Other Bank Balances

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Earmarked balances with Banks		
In Term Deposits (Refer Note 13.1)	-	5.37
In Deposit Accounts		
Margin Money Deposits	5,874.50	5,737.08
Total	5,874.50	5,742.45

13.1. Amount in deposit towards 15% of the portion of the debentures redeemable in pursuance of Notification issued by Ministry of Corporate Affairs, vide Circular No. 04/2013, dated February 11, 2013.

14. Share Capital:

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorised				
Equity Shares of ₹ 1/- each	6,21,00,00,000	62,100.00	6,21,00,00,000	62,100.00
Preference Shares of ₹ 1/- each	1,80,00,00,000	18,000.00	1,80,00,00,000	18,000.00
Issued, Subscribed and Paid Up				
Equity Shares of ₹ 1/- each	59,80,65,003	5,980.65	59,80,65,003	5,980.65

Notes forming part of the financial statements for the year ended March 31, 2018

14.1. Reconciliation of the Number of shares outstanding at the beginning and at the end of the reporting year.

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹ 1/- each				
Balance at the beginning of the year	59,80,65,003	5,980.65	59,80,65,003	5,980.65
Add: On allotment during the year	-	-	-	-
Balance at the end of the year	59,80,65,003	5,980.65	59,80,65,003	5,980.65

14.2. Rights, Preferences and Restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.3. Details of shareholders holding more than 5% of the Shares

Particulars	March 31, 2018		March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Equity Shares of ₹ 1/- each				
Amlika Mercantile Private Limited	29,60,72,140	49.51	29,60,72,140	49.51
Zuari Agro Chemicals Limited	3,22,67,741	5.40	3,22,67,741	5.40

14.4. Aggregate number of shares issued for consideration other than cash

59,80,65,003 equity shares of ₹1/- each (aggregating to ₹ 5,980.65 lakhs) were allotted as fully paid up pursuant to a Composite scheme of Arrangement and Amalgamation during the year 2011-12.

15. Other Equity:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Capital Reserve		
Opening Balance	51,853.85	51,853.85
Changes during the year	-	-
Closing Balance	51,853.85	51,853.85
Securities Premium Reserve		
Opening Balance	1,09,619.35	1,09,619.35
Add: On allotments during the year	-	-
Closing Balance	1,09,619.35	1,09,619.35
Debenture Redemption Reserve		
Opening Balance	2,087.99	2,087.99
Less: Transfer to General Reserve	2,087.99	-
Closing Balance	-	2,087.99
General Reserve		
Opening Balance	11,291.73	11,291.73
Add: Transfer from Debenture Redemption Reserve	2,087.99	-
Closing Balance	13,379.72	11,291.73
Retained Earnings		
Opening Balance	(71,595.60)	(59,448.26)
Add: Loss after tax for the year	(2,152.01)	(12,177.71)
Items of other comprehensive income directly recognised in retained earnings		
- Remeasurement of post employment benefit obligations, net of tax	241.30	30.37
Closing Balance	(73,506.31)	(71,595.60)
Total	1,01,346.61	1,03,257.32

Nature and purpose of reserves

- (a) **Capital Reserve:** During the composite scheme of arrangement and amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
- (b) **Securities Premium Reserve:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.
- (c) **Debenture Redemption Reserve:** This reserve was created for redemption of non-convertible debentures.
- (d) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- (e) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

16. Borrowings:

₹ In Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non Convertible Debentures of ₹ 1/- each (Secured) (Refer Note 16.1) 92,43,91,006 Debentures 10.25% Redeemable Non-convertible of ₹ 1/- each	-	-	-	3,031.30
	-	-	-	3,031.30
Term Loans (Secured) From Banks In Rupees (Refer Note 16.2)	36,018.75	49,085.00	13,087.92	9,755.00
From Others (Refer Note 16.3) In Rupees	128.93	283.39	160.00	160.00
Corporate Loan (Secured) From Banks In Rupees (Refer Note 16.4)	1,198.61	2,698.61	1,500.00	1,100.00
Deferred Payment Liabilities (Unsecured) (Refer Note 16.5) Sales tax Deferral	3,478.45	3,813.97	732.24	703.28
Total	40,824.74	55,880.97	15,480.16	14,749.58
The above amount includes: Secured Borrowings	37,346.29	52,067.00	14,747.92	14,046.30
Unsecured Borrowings	3,478.45	3,813.97	732.24	703.28
Amount disclosed under the head " Other Financial Liabilities " (Refer Note 23)	-	-	(15,480.16)	(14,749.58)
	40,824.74	55,880.97	-	-

16.1. Debentures (Secured):

- 16.1.1.** The Company had issued 1,00,41,00,000 Non Convertible Debentures of ₹ 1/- each to banks and financial institutions towards settlement of recompense amount determined by the Corporate Debt Restructuring - Empowered Group, which are redeemable in 18th, 30th and 42nd months from the date of exit of CDR package i.e., June 20, 2014 being the date of allotment. The Debentures carry an interest rate of 10.25% per annum. The third installment has been paid during the year. The outstanding amount as on March 31, 2018 is NIL.

- 16.1.1.1.** The above NCD's are secured by subservient charge on the fixed assets of the Company.

16.2. Working Capital Term Loan: In Rupees from Banks

- 16.2.1.** Working Capital Term loans from banks together with interest accrued thereon, are secured by way of:

- a first charge on the fixed assets of the Company present and future ranking pari-passu, inter se, those lenders other than those mentioned in Note 16.3 and 16.4. Charge created through an equitable mortgage by deposit of title deeds of immovable property(except some land parcel) of the Company.
- a first charge on the current assets of the Company ranking pari-passu, inter se, the lenders.
- Pledge, on pari passu basis, a portion of their shares in the company by it's core promoters.

Notes forming part of the financial statements for the year ended March 31, 2018

16.2.2. Also personally guaranteed by Shri K.S.Raju and Shri K Rahul Raju.

16.2.3. The details of rate of interest and repayment of above Working Capital Term Loans are as follows: ₹ in Lakhs

S.No.	Bank	Rate of Interest %	Balance as on March 31, 2018	Repayment Schedule		
				Number of Instalments	Frequency	Commencing from
a)	IDBI Bank Limited	BBR +3.00	23,500.00	23	Quarterly	Jul-16
b)	State Bank of India	BBR +3.40	17,760.00	23	Quarterly	Jul-16
c)	ICICI Bank Limited	I-MCLR+4.35	6,720.00	23	Quarterly	Jul-16
d)	UCO Bank	SBI Base rate + 4.50	1,126.67	23	Quarterly	Jul-17
Total			49,106.67			

16.2.4. There were no amounts in default as at March 31, 2018 in respect of the above loans.

16.3. Term Loans – In Rupees from Others:

16.3.1. The term loan from Department of Bio Technology (DBT) availed for Process Development Unit is secured by way of hypothecation of all equipment, apparatus, machineries, spare tool and other accessories and goods and / or the other movable properties of the Company acquired for the project.

16.3.2. Details of rate of interest and repayment are as under. ₹ in Lakhs

Name	Rate of Interest %	Balance as on March 31, 2018	Repayment Schedule
Department of Bio Technology	2	216.00	10 Semi annual Instalments commencing from October 31, 2014
Department of Bio Technology	2	16.00	10 Semi annual Instalments commencing from June 30, 2014
Department of Bio Technology	2	56.93	10 Semi annual Instalments commencing from Oct 18, 2018

16.3.3. There were no amounts in default as at March 31, 2018 in respect of the above loans.

16.4. Corporate Loan

16.4.1. Rupee loan availed from State Bank of India is secured by first charge on chargeable current assets of the Company ranking pari-passu with other banks in the consortium and collateral security on the Company's immoveable properties ranking pari-passu with working capital lenders. This loan is personally guaranteed by Shri K.S.Raju.

16.4.2. Details of rate of interest and repayment are as under.

₹ in Lakhs

Bank / Institution	Rate of Interest %	Balance as on March 31, 2018	Repayment Schedule		
			Number of Instalments	Frequency	Commencing from
State Bank of India	BBR +4.40	2,698.61	20	Quarterly	Dec-14

16.4.3. There were no amounts in default as at March 31, 2018 in respect of the above loans.

16.5. Sales Tax Deferral:

The Govt. of Andhra Pradesh has extended to the Company, the incentive of sales tax deferral scheme pursuant to which the sales tax attributable to the sales effected out of production is deferred (interest-free) for a period of 14 years from March 19, 1998. The deferred sales tax in respect of above outstanding as on March 31, 2018 is ₹ 6,075.75 Lakhs (Previous Year ₹ 6,440.75 Lakhs) based on the sales tax returns for which repayments commenced from March 19, 2012

The Company has defaulted in payment of installment of ₹ 338.28 Lakhs for a period of 12 days as at the year end.

17. Other Financial Liabilities (Non-current):

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Deposits from dealers	7,543.89	7,250.95
Other Deposits - (Retention, EMD etc.)	270.72	274.70
Total	7,814.61	7,525.65

18. Provisions:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Provision for employee benefits (Refer Note 30.1) - for Leave Benefit (net of plan assets)	530.10	709.56	325.33	128.69
Total	530.10	709.56	325.33	128.69

19. Deferred Tax Liabilities (Net):

Deferred Tax Liability as at year end comprises the following:

₹ in Lakhs

Particulars	Nature	March 31, 2018	March 31, 2017
On account of -			
Depreciation / amortization	Liability	44,750.61	46,583.74
Land	Liability	2,984.03	2,970.77
Employee benefit provision	Asset	298.92	290.09
Unabsorbed Loss and Depreciation under tax laws	Asset	9,497.87	9,793.71
Disallowances u/s 43B of Income Tax Act	Asset	-	1,122.09
Government grant	Asset	187.63	167.02
Total	Net Liability	37,750.22	38,181.60

Charge / (Credit) for the year

(431.38)

20. Government Grants:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Government Grant related to				
- Sales tax deferral	1,718.33	2,061.99	343.67	343.67
- Loan from DBT	19.10	27.59	4.24	-
Total	1,737.43	2,089.58	347.91	343.67

21. Borrowings:

₹ in Lakhs

Particulars	Current	
	March 31, 2018	March 31, 2017
Loans repayable on demand		
Secured (Refer Note 21.1)		
From Banks		
In Rupees - Cash Credit	1,03,033.23	93,872.58
In Rupees - Short Term Loan	1,483.47	-
In Foreign Currency - Suppliers / Buyers Credit	-	7,434.18
Total	1,04,516.70	1,01,306.76

21.1. Working Capital facilities from banks are secured by hypothecation by way of first charge on current assets (stock in trade, book debts and stores and spares), present and future and second charge on the fixed assets of the Company.

Notes forming part of the financial statements for the year ended March 31, 2018

Working Capital facilities from banks are personally guaranteed by Shri K.S.Raju and personal guarantee of Shri. K Rahul Raju to some of the banks.

22. Trade Payables:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Trade Payables - Other than Acceptances		
(A) Micro, Small, Medium Enterprises (MSMEs)	-	-
(B) Other than MSMEs	1,46,274.04	94,743.79
Total	1,46,274.04	94,743.79

22.1. Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:

₹ in Lakhs

	March 31, 2018	March 31, 2017
A. Principal amount remaining unpaid	-	-
B. Interest due thereon	Nil	Nil
C. Interest paid by the Company in terms of Section 16 of 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 year.	Nil	Nil
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
E. Interest accrued and remaining unpaid	Nil	Nil
F. Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

23. Other Financial Liabilities (Current):

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Financial Liabilities at Fair value through Profit or loss		
Derivative Liability - Foreign exchange forward contracts	6.02	611.81
Financial Liabilities at amortised cost		
Current maturities of long term debt (Refer Note 16)	15,480.16	14,749.58
Interest accrued but not due	16.11	251.07
Interest accrued and due	686.90	739.46
Unclaimed Dividends (Refer Note 23.1)	513.40	653.77
Overdue Deferred Payment Liabilities (Refer Note 16.5)	338.28	-
Other payables		
Deposits	201.78	122.89
Others	1,516.03	1,038.94
Payable on purchase of fixed assets	1,136.88	179.95
Total	19,895.56	18,347.47

23.1. There are no amounts due for remittance to the Investor Education Protection Fund as at the Balance Sheet date.

Notes forming part of the financial statements for the year ended March 31, 2018

24. Other Current Liabilities:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Other payables		
Statutory Payables	1,815.90	933.58
Total	1,815.90	933.58

25. Revenue from Operations:

₹ in Lakhs

Particulars	2017-18	2016-17	
Sales, including Subsidy on products			
Manufactured goods			
Urea (Refer Note 25.1) *	3,02,813.40	2,60,815.68	
Customised Fertilizers	2,989.42	3,209.33	
Wind Energy	-	106.50	
Extruded Irrigation systems	17,470.27	12,664.12	
Total - A	3,23,273.09	2,76,795.63	
Traded goods			
Pool Urea \$	36,207.94	27,813.87	
Bulk Fertilizers @	-	9,328.90	
Specialty Fertilizers	13,865.00	12,500.88	
Extruded Irrigation systems	3,745.92	2,706.65	
Others #	13,475.64	7,293.29	
Total - B	67,294.50	59,643.59	
Sale of Products	Total - (A+B)	3,90,567.59	3,36,439.22
Sale of Services	1,687.45	1,865.83	
Other Operating revenues (sale of scrap, etc.)	112.59	201.57	
Total	3,92,367.63	3,38,506.62	

* including Government Subsidy ₹ 2,16,381.12 Lakhs (Previous Year ₹ 1,77,709.19 Lakhs)

\$ including reimbursements from Government ₹ 10,319.64 Lakhs (Previous Year ₹ 8,038.31 Lakhs)

@ including Government Subsidy ₹ Nil Lakhs (Previous Year ₹ 3,050.11 Lakhs)

including Government Subsidy ₹ 62.64 Lakhs (Previous Year ₹ Nil Lakhs)

25.1. Group Concession Scheme-(GCS) Subsidy

- Nitrogenous fertilizers (Urea) are under the Group Concession Subsidy Scheme of Government of India (GOI), Department of Fertilizers. GOI has notified New Urea Policy (NUP) -2015 and Gas Pooling Policy applicable to Fertilizer industry effective from June 1, 2015. Concession rates for Plant-1 and Plant-2 for the period April 1, 2017 to March 31, 2018 have been recognized based on notified rates as per respective policies.

Income towards reimbursement claims towards additional fixed cost ₹ 4,181.10 Lakhs (Previous Year ₹ 4,181.10 Lakhs), Input escalation ₹ 17,568.14 Lakhs (Previous year de-escalation ₹ 22,726.43 Lakhs), and for production beyond reassessed capacity ₹ 8,943.10 Lakhs (Previous year ₹ 7,026.14 Lakhs) have been accounted for during the year as per the prices and provisions applicable under NPS III and Modified NPS-III, based on the Management estimates since the same were not notified under NUP 2015.

- Government of India / Department of Fertilizers has decided to implement Direct Benefit Transfer (DBT) in Fertilizer Sector. The Pilot Project in 16 Districts in the country was under implementation during the period October 2016 to August 2017. Department of Fertilizers has drawn a schedule Phase wise roll out of DBT Scheme in Fertilizer for all States in the country and implemented during the period September 01, 2017 to March 01, 2018. The facility of generation of DBT Claim in Integrated Fertilizer Management System (iFMS) has become operational. The Subsidy for the period April 2017 to March 2018, has been recognized in the accounts for the entire quantities received in the Pilot Districts and for quantities received in States under DBT scheme.

Adjustments, if any, required will be considered on notification of final prices.

26. Other Income:

₹ in Lakhs

Particulars	2017-18	2016-17
Interest on Bank Deposits and others	861.58	790.22
Government grants	347.91	345.79
Grants in Aid	-	19.64
Other non-operating income	3,287.65	2,371.67
Total	4,497.14	3,527.32

27. Cost of Materials consumed:

₹ in Lakhs

Particulars	2017-18	2016-17
Natural Gas	1,22,022.33	98,904.80
Plastic Granules	6,142.11	7,107.41
PVC resin	1,857.25	1,845.39
Others	2,717.31	2,825.94
Packing Material	5,406.65	5,774.32
Total	1,38,145.65	1,16,457.86

28. Purchase of Stock-in-Trade:

₹ in Lakhs

Particulars	2017-18	2016-17
Pool Urea	21,738.69	18,122.79
Bulk Fertilizers	-	7,821.62
Specialty Fertilizers	8,523.45	7,867.84
Packing Material	1,592.10	1,528.56
Others	13,999.99	10,815.63
Total	45,854.23	46,156.44

29. Changes in inventories of finished goods, stock-in-trade and work in progress:

₹ in Lakhs

Particulars	2017-18	2016-17
Inventories at the beginning of the year		
Traded goods	7,957.55	10,205.71
Finished Goods	9,256.59	8,286.89
Work in Process	118.56	149.85
Total - (A)	17,332.70	18,642.45
Inventories at the end of the year		
Traded goods	3,114.44	7,957.55
Finished Goods	7,556.52	9,256.59
Work in Process	57.07	118.56
Total - (B)	10,728.03	17,332.70
Total - (A-B)	6,604.67	1,309.75

30. Employee Benefits Expense:

₹ in Lakhs

Particulars	2017-18	2016-17
Salaries and Wages	15,347.21	13,392.54
Contribution to Provident and Other Funds	924.98	1,031.09
Staff Welfare Expenses	1,078.34	1,027.98
Total	17,350.53	15,451.61

Notes forming part of the financial statements for the year ended March 31, 2018

30.1 Employee benefits

Defined Contribution Plans:

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees including whole time directors. Under the plans the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Provident Fund scheme additionally requires the Company to guarantee payment of interest at rates notified by the Central Government from time to time, for which shortfall if any, shall be provided for by the Company.

Contributions to these Defined Contribution Plans, charged to Statement of Profit and Loss during the year are as under:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Employer's contribution to provident fund	365.91	319.05
Employer's contribution to Superannuation fund	213.42	368.13
Employer's contribution to Pension scheme	213.69	203.97

Defined Benefit Plans

The employees' gratuity fund and leave encashment (PL) schemes managed by Life Insurance Corporation of India are defined benefit plans. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Changes in the present value of the defined benefit obligation are as follows :

₹ in Lakhs

Particulars	Gratuity Funded	Leave Encashment Funded
Defined benefit obligation at April 1, 2016	2,065.04	1,159.31
Current service cost	152.59	299.12
Interest expense	148.09	83.53
Benefits paid	(159.73)	(151.88)
Actuarial (gain)/ loss on obligations - OCI	20.84	(4.32)
Defined benefit obligation at March 31, 2017	2,226.83	1,385.76
Current service cost	164.90	379.51
Interest expense	141.49	87.17
Benefits paid	(223.82)	(159.07)
Actuarial (gain)/ loss on obligations - OCI	77.80	(420.01)
Defined benefit obligation at March 31, 2018	2,387.20	1,273.36

Changes in the fair value of plan assets are, as follows :

₹ in Lakhs

Particulars	Gratuity Funded	Leave Encashment Funded
Fair value of plan assets as at April 1, 2016	2,468.33	1,013.50
Contribution by employer	238.69	99.93
Contribution by Employees	-	-
Interest income	187.53	75.94
Benefits paid	(159.73)	(151.88)
Return on plan assets (excluding amounts included in net interest expense) - OCI	10.83	4.88
Fair value of plan assets as at March 31, 2017	2,745.65	1,042.37
Contribution by employer	26.41	0.05
Contribution by Employees	-	-
Interest income	212.64	76.77
Benefits paid	(223.82)	(165.66)
Return on plan assets (excluding amounts included in net interest expense) - OCI	(13.31)	(7.79)
Fair value of plan assets as at March 31, 2018	2,747.57	945.74

Notes forming part of the financial statements for the year ended March 31, 2018

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

₹ in Lakhs

Particulars	Gratuity Funded	Leave Encashment Funded
Fair value of plan assets at April 1, 2016	2,468.33	1,013.50
Defined benefit obligation at April 1, 2016	2,065.04	1,159.31
Amount recognised in the Balance Sheet at April 1, 2016	403.29	(145.81)
Fair value of plan assets at March 31, 2017	2,745.65	1,042.37
Defined benefit obligation at March 31, 2017	2,226.83	1,385.76
Amount recognised in the Balance Sheet at March 31, 2017	518.82	(343.39)
Fair value of plan assets at March 31, 2018	2,747.57	945.74
Defined benefit obligation at March 31, 2018	2,387.20	1,273.36
Amount recognised in the Balance Sheet at March 31, 2018	360.37	(327.62)

Amount recognised in Statement of Profit and Loss :

₹ in Lakhs

Particulars	Gratuity Funded	Leave Encashment Funded
Current service cost	164.90	379.51
Net interest expense	(71.15)	10.40
Remeasurement of Net Benefit Liability/ Asset	-	-
Amount recognised in Statement of Profit and Loss for year ended March 31, 2018	93.75	389.91
Current service cost	152.59	299.12
Net interest expense	(39.44)	7.59
Remeasurement of Net Benefit Liability/ Asset	-	-
Amount recognised in Statement of Profit and Loss for year ended March 31, 2017	113.15	306.71

Amount recognised in Other Comprehensive income :

₹ in Lakhs

Particulars	Gratuity Funded	Leave Encashment Funded
Actuarial (gain)/ loss on obligations	77.80	(420.01)
Return on plan assets (excluding amounts included in net interest expense)	13.31	7.79
Amount recognised in Other Comprehensive Income for year ended March 31, 2018	91.11	(412.22)
Actuarial (gain)/ loss on obligations	20.84	(4.32)
Return on plan assets (excluding amounts included in net interest expense)	(10.83)	(4.88)
Amount recognised in Other Comprehensive Income for year ended March 31, 2017	10.01	(9.20)

The major categories of plan assets of the fair value of the total plan assets are as follows:

₹ in Lakhs

Investment Details	March 31, 2018		March 31, 2017	
	Gratuity Funded	Leave Encashment Funded	Gratuity Funded	Leave Encashment Funded
Gratuity Fund (LIC)	2,747.57	945.74	2,745.65	1,042.37

Notes forming part of the financial statements for the year ended March 31, 2018

The Principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2018	March 31, 2017
Discount rate (in %)		
Gratuity	8.00%	6.69%
Leave Encashment	8.00%	6.69%
Salary Escalation (in %)		
Gratuity	6.00%	6.00%
Leave Encashment	6.00%	6.00%
Rate of return in plan assets (in %)		
Gratuity	8.00%	6.69%
Leave Encashment	8.00%	6.69%
Expected average remaining working lives of employees (in years)		
Gratuity	22.03	15.93
Leave Encashment	21.00	15.98

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 is as shown below:

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

If the discount rate increases (decreases) by 1%, the defined benefit obligations would decrease by ₹ 175.16 Lakhs (increase by ₹ 201.71 Lakhs) as of March 31, 2018.

If the expected salary growth increases (decreases) by 1%, the defined benefit obligations would increase by ₹ 204.44 Lakhs (decrease by ₹ 182.55 Lakhs) as of March 31, 2018.

The following payments are expected contributions to the defined benefit plan in future years: ₹ in Lakhs

Particulars	Gratuity 2018	Leave encashment 2018
Year ending March 31,		
2019	185.39	230.94
2020	248.31	228.24
2021	174.05	182.36
2022	199.24	155.69
2023	192.98	139.60
2024 - 2028	1,346.66	545.04
Total expected payments	2,346.63	1,481.87

No of years

Particulars	March 31, 2018	March 31, 2017
The average duration of the defined benefit plan obligation		
- for gratuity	13.84	8.76
- for leave encashment	6.93	9.84

31. Finance cost:

₹ in Lakhs

Particulars	2017-18	2016-17
Interest	25,593.10	26,857.07
Other borrowing costs		
LC Charges	1,802.89	1,835.71
Others	3,206.68	3,797.19
Interest on shortfall in payment of Advance Tax	218.32	-
Total	30,820.99	32,489.97

32. Depreciation and amortization expense:

₹ in Lakhs

Particulars	2017-18	2016-17
Depreciation of property, plant and equipment	8,436.70	8,425.72
Amortisation of intangible assets	491.40	494.84
Total	8,928.10	8,920.56

33. Other Expenses:

₹ in Lakhs

Particulars	2017-18	2016-17
Catalysts charge	-	1,243.95
Chemicals and consumables	1,094.88	1,461.65
Conversion Charges	194.24	132.85
Rent	852.50	891.44
Rates and Taxes	419.27	517.64
Electricity and Water	201.43	200.62
Stores and Spares Consumed	636.88	902.38
Repairs and Maintenance		
Buildings	30.13	117.80
Plant and Machinery	465.62	842.33
Others	864.16	785.89
Insurance	498.15	470.94
Printing and Stationery	114.03	108.28
Postage, Telephone and Telex	205.48	218.28
Travelling and Conveyance	1,494.85	1,431.91
Advertisement and Publicity	1,326.63	1,455.63
Employee Recruitment and Training	132.62	62.46
Legal, Secretarial and Share Registry	753.95	722.67
Professional and Consultancy	936.78	1,469.31
Directors Sitting Fees	12.35	17.23
Loss on Sale of Assets / Assets discarded	198.50	52.89
Investments written off	-	7.12
Auditors' remuneration (Refer Note 43)	109.54	103.11
Corporate Social Responsibility Expenditure (Refer Note 33.1)	69.00	75.00
Transport and Handling	36,487.09	33,952.05
Distribution	882.78	1,439.27
Sales Commission / discounts / rebates	1,291.79	931.51
Bad Debts / Advances written off	268.41	5.55
Provision for doubtful debts / advances	762.60	911.35
Intangible assets written off	-	45.99
Impairment of assets	222.70	-
Loss on foreign currency transactions	22.31	489.67
Miscellaneous	795.36	1,041.83
Total	51,344.03	52,108.60

Notes forming part of the financial statements for the year ended March 31, 2018

33.1 Details of Corporate Social Responsibility Expenditures

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount spent by the Company during the year	69.00	75.00
c) Amount spent by the company represents contribution to Nagarjuna Foundation, a not-for-profit company incorporated under Section 25 of the Companies Act, 1956 (section 8 of the Companies Act, 2013). The foundation undertakes CSR activities in areas of social welfare, health care, public health, education, natural calamities, upliftment of society, sports etc.,		

34. Details of Capital and Revenue expenditure incurred on Research and Development included under fixed assets, employee benefits expense, other expenses and finance cost are as below:

₹ in Lakhs

Particulars	2017-18	2016-17
A. Capital Expenditure		
Plant and equipments, Computers, Buildings etc.,	157.50	48.63
Total	157.50	48.63
B. Revenue Expenditure		
Salaries and Wages	929.90	711.27
Contribution to Provident and Other funds	62.19	63.09
Staff welfare	60.50	48.77
Electricity and Water	53.87	49.46
Chemicals and Consumables	87.42	96.87
Professional Charges	122.87	127.72
Depreciation	138.31	129.62
Finance cost	11.90	13.43
Others	228.61	305.46
Total	1,695.57	1,545.69
Less: Grants in Aid received (included in Other Income)	-	19.64
Total	1,695.57	1,526.05
Grand Total	1,853.07	1,574.68

34.1. Out of the above expenditure, ₹ 1,362.37 Lakhs (Previous Year ₹ 1,048.55 Lakhs) is eligible for weighted deduction u/s 35 (2AB) of Income Tax Act, 1961 as per the Guidelines of Department of Scientific and Industrial Research.

35. Tax Reco

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2018 and March 31, 2017 are as follows:

(i) Profit or loss section

₹ in Lakhs

Particulars	2017-18	2016-17
Current tax expense	-	-
Tax expense relating to earlier years	56.91	(628.84)
Deferred tax	(559.09)	(3,001.70)
Total income tax expense recognised in statement of Profit & Loss	(502.18)	(3,630.54)

(ii) OCI Section

₹ in Lakhs

Net (gain) on remeasurement of defined benefit plans	369.01	46.44
Income tax charged to OCI	(127.71)	(16.07)

Notes forming part of the financial statements for the year ended March 31, 2018

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017:

Particulars	31-Mar-18	31-Mar-17
Accounting profit before income tax	(2,654.19)	(15,808.26)
At India's statutory income tax rate of 34.608% (March 31, 2017: 34.608%)	(918.56)	(5,470.92)
Adjustments in respect of current income tax of previous years	56.91	(628.84)
Current year losses for which we have not created deferred tax assets	-	2,026.02
Previous year losses for which created deferred tax assets	-	-
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	434.84	341.36
Deferred tax on land	(13.26)	-
Impact of rate difference on deferred tax	362.98	-
Intangible assets	-	514.01
Deductible expenses for tax purposes:		
Other Deductible expenses	(297.39)	(396.10)
Income tax Expense	(374.47)	(3,614.48)

The Company has unabsorbed losses and depreciation of ₹ 57,901.91 lakhs (March 31, 2017: ₹ 59,020.62 Lakhs). Deferred tax assets in respect of unabsorbed depreciation and carried forward losses under the Tax Laws are recognised only if there is reasonable certainty that there will be sufficient future taxable income available to realise such assets. The Company has not created deferred tax assets on unabsorbed business losses of ₹ 30,721.66 Lakhs (March 31, 2017: ₹ 30,721.66 Lakhs).

₹ in Lakhs

Particulars	As at 1-Apr-16	Provided during the Year	As at 31-Mar-17	Provided during the Year	As at Mar 31, 2018
Deferred tax liability:					
Related to Fixed Assets (Depreciation/ Amortisation)	52,764.98	(3,210.47)	49,554.51	(1,819.87)	47,734.64
Total deferred tax liability (A)	52,764.98	(3,210.47)	49,554.51	(1,819.87)	47,734.64
Deferred tax assets:					
Carry forward Business Loss / Unabsorbed Depreciation	8,829.11	964.60	9,793.71	(295.84)	9,497.87
Employee benefit provisions	197.60	92.49	290.09	8.83	298.92
43B Disallowances etc.	2,439.30	(1,317.21)	1,122.09	(1,122.09)	-
Amalgamation expenses	-	-	-	-	-
Others	131.74	35.28	167.02	20.61	187.63
Total deferred tax assets (B)	11,597.75	(224.84)	11,372.91	(1,388.49)	9,984.42
Deferred Tax liability (Net) (A-B)	41,167.23	(2,985.63)	38,181.60	(431.38)	37,750.22

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes forming part of the financial statements for the year ended March 31, 2018

36. Contingent Liabilities and Commitments:

36.1. Contingent Liabilities not provided for:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
i) Claims against the Company not acknowledged as debt:		
a) Tax matters in appeal:		
- Income Tax	308.15	282.15
- Other taxes	754.73	-
b) Matters under arbitration (Refer Note 36.1.1)	13,410.49	11,020.87
c) Others	11,880.52	3,846.11
ii) Other money for which the Company is contingently liable :		
a) Counter guarantees given to Bankers in respect of Bank guarantees	1,721.97	3,647.91
b) Compensation in respect of 33.35 acres (Previous year 33.35 acres) of land in possession - amount not ascertained	-	-
Total	28,075.86	18,797.04

36.1.1. (a) In relation to some of the contracts for purchase of fertilisers, an international Arbitration Award has been passed against the Company in September 2016 for USD 1,43,98,188 and GBP 690,630 and interest as applicable apart from costs based on a claim filed by one of the Suppliers of Fertilizers to the Company.

The Company is of the view that the Award has been obtained based on documents tampered with and mis-representations of facts by said supplier. The Company is contesting the enforcement of the Award in the Courts in India and has also filed a Criminal Complaint before the Metropolitan Magistrate of Hyderabad against the supplier and its officials.

(b) The Company entered into two Contracts dated December 15, 2012 on Early Works, Offshore and Onshore towards certain engineering drawings to be utilised towards its plant for third ammonia and urea project on conditions that balance amounts payable only upon (a) the announcement of a fertilizer policy and (b) that the fertilizer policy being found favorable for the Project of the Company. The Company could not proceed further as the policy was not conducive for the project.

The service provider raised invoices for the balance amounts claiming that the work carried out was per contract. As the amounts were not paid the service provider invoked arbitration. The arbitral Tribunal passed an award on October 23, 2017 for USD 877,500, EUR 455,000 and INR 221.39 Lakhs and interest as applicable apart from costs in favour of the claimant. NFCL challenged the Awards by filing two petitions separately for each case under section 34 of Arbitration & Conciliation Act as the tribunal ignored vital evidence such as Govt communication dt 9th May 2013 where in the industries were asked not to proceed further without necessary approvals from Govt, amongst other grounds.

Accordingly the said claims have been disclosed as contingent liabilities as at March 31, 2018 in these financial statements.

36.2. Commitments:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
36.2.1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	2,840.90	513.64

36.2.2. In terms of Composite Scheme of Arrangement and Amalgamation approved by Jurisdictional Courts, the Company has Commitment towards contribution to Nagarjuna Oil Refinery Limited (NORL) a sum of ₹ 100.00 Lakhs per year or such amount as may be required from time to time for a period of five years or until such time that NORL is able to manage its financial affairs.

37. Related party transactions: (Disclosures as required by Ind AS 24 - Related Party Disclosures)

37.1. List of related parties and their relationships

Subsidiaries

- (i) Jaiprakash Engineering and Steel Company Limited

Associates

- (i) Nagarjuna Agricultural Research and Development Institute Private Limited
- (ii) KVK Raju International Leadership Limited

Notes forming part of the financial statements for the year ended March 31, 2018

Key Management Personnel

- (i) Mr.K.S.Raju, Chairman
- (ii) Mr.K.Rahul Raju, Managing Director
- (iii) Mr. Chandra Pal Singh Yadav, Nominee director of KRIBHCO
- (iv) Mr. M P Radhakrishnan, Nominee director of State Bank of India (part of the year)
- (v) Dr. NCB Nath
- (vi) Mr. S R Ramakrishnan (part of the year)
- (vii) Mr. Anil Kumar P R, Nominee director of ICICI Bank Ltd
- (viii) Mr. Shailendra Govind Nadkarni, Nominee director of IDBI Bank Ltd (part of the year)
- (ix) Mr. O Ramesh Babu, Nominee director of IFCI Ltd
- (x) Ms.Lalitha Raghuram
- (xi) Mr. C B Mouli
- (xii) Mr. Uday Kumar Jha
- (xiii) Mr. Hari Haran Ramanathan (Retired capt), Independent Director wef 20.10.18
- (xiv) Mr. Syed Shahabuddin, Nominee director of State Bank of India wef 26.05.17
- (xv) Mr.Chintapalli Srinivasu, Nominee director of IDBI Bank Ltd wef 07.11.2017
- (xvi) Mr.Ranga Raju

Relatives of Key Management Personnel.

- (i) Smt. K Lakshmi Raju (Daughter of Shri K S Raju and Sister of Shri K Rahul Raju)
- (ii) Smt. K Lakshmi Raju (Sister of Shri K S Raju)

Enterprises able to exercise significant influence

- (i) Amlika Mercantile Private Limited

Enterprises significantly influenced by Key Management personnel or their relatives

- (i) NACL Industries Limited (formerly known as Nagarjuna Agrichem Limited)
- (ii) Nagarjuna Oil Refinery Limited
- (iii) Nagarjuna Impex Private Limited
- (iv) Nagarjuna Foundation

37.2. Related party transactions during the year ended March 31, 2018 are as under

₹ in Lakhs

Nature of transaction	Subsidiaries	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Enterprises significantly influenced by Key Management personnel or their relatives
Advances given				
Nagarjuna Oil Refinery Limited	-	-	-	293.58
	-	-	-	(366.00)
Recovery of remuneration				
Shri K S Raju	-	-	-	-
	-	0.52)	-	-
Shri K Rahul Raju	-	-	-	-
	-	(0.81)	-	-
Rent paid				
Shri K Rahul Raju	-	590.32	-	-
	-	(624.00)	-	-
Smt. K Lakshmi Raju (Daughter of Shri K S Raju and Sister of Shri K Rahul Raju)	-	-	31.13	-
	-	-	(34.47)	-
Nagarjuna Impex Private Limited	-	-	-	21.79
	-	-	-	(24.13)
NACL Industries Limited	-	-	-	1.50
	-	-	-	(6.00)
Corporate Social responsibility (Donation)				
Nagarjuna Foundation	-	-	-	69.00
	-	-	-	(75.00)

Note: Figures in brackets represent previous year transactions

37.3 Balances outstanding at the year end March 31, 2018.

₹ in Lakhs

Nature of transaction	Subsidiaries	Associates	Key Mgmt. Personnel	Relatives of Key Mgmt. Personnel	Enterprises significantly influenced by Key Management personnel or their relatives
Loans and Advances					
Nagarjuna Oil Refinery Limited					
- 31.03.2018	-	-	-	-	1,778.38
- 31.03.2017	-	-	-	-	(1,484.80)
Investments					
Jaiprakash Engineering and Steel Company Limited					
- 31.03.2018	2,256.17	-	-	-	-
- 31.03.2017	(2,256.17)	-	-	-	-
Nagarjuna Agricultural Research and Development Institute Private Limited					
- 31.03.2018	-	2.50	-	-	-
- 31.03.2017	-	(2.50)	-	-	-
KVK Raju International Leadership Limited					
- 31.03.2018	-	15.00	-	-	-
- 31.03.2017	-	(15.00)	-	-	-
Provision for diminution in the value of investment					
- 31.03.2018	460.00	17.50	-	-	-
- 31.03.2017	(460.00)	(17.50)	-	-	-
Rental and other deposits with					
NACL Industries Limited					
- 31.03.2018	-	-	-	-	0.40
- 31.03.2017	-	-	-	-	(0.40)
Smt. K Lakshmi Raju (Daughter of Shri K S Raju and Sister of Shri K Rahul Raju)					
- 31.03.2018	-	-	-	85.00	-
- 31.03.2017	-	-	-	(85.00)	-
Nagarjuna Impex Private Limited					
- 31.03.2018	-	-	-	-	5.00
- 31.03.2017	-	-	-	-	(5.00)
Shri.K Rahul Raju					
- 31.03.2018	-	-	284.49	-	-
- 31.03.2017	-	-	(246.26)	-	-

Trade Payables					
Shri.K Rahul Raju					
- 31.03.2018	-	-	62.42	-	-
- 31.03.2017	-	-	(133.02)	-	-
Nagarjuna Impex Private Limited					
- 31.03.2018	-	-	-	-	1.89
- 31.03.2017	-	-	-	-	(1.84)
Other Current Financial Liabilities					
Shri K S Raju					
- 31.03.2018	-	-	2.13	-	-
- 31.03.2017	-	-	(3.90)	-	-
Shri K Rahul Raju					
- 31.03.2018	-	-	7.03	-	-
- 31.03.2017	-	-	(3.19)	-	-

Note: Figures in brackets represent previous year transactions

Terms and Conditions of transactions with related parties.

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

₹ in Lakhs

Compensation of key management personnel of the Company	March 31, 2018	March 31, 2017
(a) short-term employee benefits;	117.82	116.28
(b) post-employment benefits;	19.09	19.09
(c) Sitting fees to non-executive directors;	12.35	15.00
Total compensation paid to key management personnel	149.26	150.37

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

38. Segment Reporting

The financial results comprise the combined operations of the Company relating to the Fertilizer, Micro Irrigation, Agri Services and Wind Energy generation businesses. The financial results of Micro Irrigation, Wind Energy and Agri Services being below the reportable thresholds, and since they do not have similar economic characteristics and do not they share any of the aggregation criteria, are neither disclosed as separate segments nor combined as "all other segments" for the purpose of disclosures under Ind AS 108 - Operating Segments.

Entity wide disclosures

Geographical information

₹ in Lakhs

Particulars	Revenue from external customers		Non-current assets*	
	Year Ended	Year Ended	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
India	3,91,650.26	3,37,766.35	2,60,314.24	2,66,633.93
Outside India	717.37	740.27	-	-
Total	3,92,367.63	3,38,506.62	2,60,314.24	2,66,633.93

* Non-current assets excluding financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.

Information about revenue from major customers which is included in revenue

₹ in Lakhs

Particulars	Year Ended	Year Ended
	March 31, 2018	March 31, 2017
Subsidy claims on Government of India pursuant to its Fertilizer subsidy policies	2,26,763.40	1,88,797.61
	2,26,763.40	1,88,797.61

39. Fair Value

Category-wise classification of Financial Instruments

₹ in Lakhs

Particulars	Refer Note	Non-current		Current	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Financial assets measured at amortised cost					
Security deposits	6	966.07	933.17	3,309.16	3,302.07
Loans and advances to related parties	6	1,778.38	1,484.80	-	11.53
Loans to employees	6	-	-	3.41	3.41
Non current margin money deposit	7	36.92	33.22	-	-
Interest accrued on deposit and advances	7	-	-	638.85	599.64
Unbilled revenue	7	-	-	-	120.42
Claims receivable	7	-	-	123.86	5.11
Trade receivables	11	-	-	1,69,790.31	1,19,232.27
Cash and cash equivalents	12	-	-	1,323.91	5,688.82
Other Bank balances	13	-	-	5,874.50	5,742.45
Financial liabilities measured at fair value through profit or loss					
Foreign exchange forward contract	23	-	-	6.02	611.81
Financial liabilities measured at amortised cost					
Non Convertible Debentures of ₹ 1/- each	16	-	-	-	3,031.30
Term loans from banks	16	36,018.75	49,085.00	13,087.92	9,755.00
Term loans from others	16	128.93	283.39	160.00	160.00
Corporate loan from banks	16	1,198.61	2,698.61	1,500.00	1,100.00
Deferred Payment Liabilities	16	3,478.45	3,813.97	732.24	703.28
Deposits from dealers	17	7,543.89	7,250.95	-	-
Other Deposits - (Retention, EMD etc.)	17	270.72	274.70	-	-
Loans repayable on demand - cash credit	21	-	-	1,03,033.23	93,872.58
Loans repayable on demand - short term loan	21	-	-	1,483.47	-

Notes forming part of the financial statements for the year ended March 31, 2018

Loans repayable on demand - suppliers/buyers credit	21	-	-	-	7,434.18
Trade payables	22	-	-	1,46,274.04	94,743.79
Interest accrued but not due	23	-	-	16.11	251.07
Interest accrued and due	23	-	-	686.90	739.46
Unclaimed dividends	23	-	-	513.40	653.77
Overdue term loans	23	-	-	-	-
Overdue Deferred Payment Liabilities	23	-	-	338.28	-
Payables towards deposits	23	-	-	201.78	122.89
Payables towards others	23	-	-	1,516.03	1,038.94
Payables towards purchase of fixed assets	23	-	-	1,136.88	179.95

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables and short term loans approximate their carrying amounts largely due to the short-term maturities of these instruments.

The foreign exchange forward contracts approximate their carrying amounts largely due to the mark to market of these instruments as provided by the banks.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

40. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for liabilities :

₹ in Lakhs

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial liabilities measured at fair value through profit or loss (Refer Note 39)					
Foreign exchange forward contracts	31-Mar-18	6.02	-	6.02	-
Foreign exchange forward contracts	31-Mar-17	611.81	-	611.81	-

The fair values of the foreign exchange forward contracts have been determined based in the valuation report obtained from the bank. Significant observable inputs used in the valuation report are quoted forward exchange rates.

41. Financial risk management objectives and policies

Financial Risk Management Framework

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans and advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also entered into derivative transactions.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company's senior management oversees the management of these risks. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company based on the policies agreed by the Company's senior management. The same are summarised below:

A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk except trade receivables where more than 50% is due from Government of India. The same are realisable in due course.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 2 years past due. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Exposure to credit risk
₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Long-term loans and advances	2,744.45	2,417.97
Other long term financial assets	36.92	33.22
Short-term loans and advances	3,309.16	3,317.01
Other financial assets	762.71	725.17
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	1,72,389.25	1,21,087.03

Balances with bank subject to low credit risk due to good credit rating assigned to this bank.

Trade receivables:

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients based on ageing.

The ageing analysis of trade receivables as of the reporting date is as follows:

₹ in Lakhs

Particulars	Neither past due not impaired	Past due but not impaired			Above 90 days	Total
		Less than 30 days	30 to 60 days	60 to 90 days		
Trade receivables as of March 31, 2018	1,21,991.75	22,285.38	12,396.32	2,379.83	13,335.96	1,72,389.25
Trade receivables as of March 31, 2017	73,224.69	6,055.10	2,860.59	3,331.73	35,614.92	1,21,087.03

Notes forming part of the financial statements for the year ended March 31, 2018

The following table summarizes the changes in the allowances for doubtful accounts for trade receivables :

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Start of the year	1,854.76	963.68
Provision for Impairment	744.18	891.08
Receivables written off during the year as uncollectible	-	-
Unused amounts reversed	-	-
End of year	2,598.94	1,854.76

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

B. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Year ended March 31, 2018

₹ in Lakhs

Particulars	Less than 1 year	1 to 5 years	>5 years	Total
Loans from Banks / Financial institutions	14,747.92	37,346.29	-	52,094.21
Interest-free sales tax deferral loans from State Government	1,070.52	2,487.90	2,517.33	6,075.75
Deposits payable	-	7,814.61	-	7,814.61
Working capital demand loan from bank	1,03,033.23	-	-	1,03,033.23
Short term loan from bank	1,483.47	-	-	1,483.47
Trade payables	1,46,274.04	-	-	1,46,274.04
Other financial liabilities	4,077.12	-	-	4,077.12

Year ended March 31, 2017

₹ in Lakhs

Particulars	Less than 1 year	1 to 5 years	>5 years	Total
Loans from Banks / Financial institutions	11,015.00	51,653.61	413.39	63,082.00
Non-convertible debentures	3,031.30	-	-	3,031.30
Interest-free sales tax deferral loans from State Government	703.28	2,382.99	3,354.48	6,440.75
Deposits payable	-	7,525.65	-	7,525.65
Working capital demand loan from bank	93,872.58	-	-	93,872.58
Trade payables	94,743.79	-	-	94,743.79
Other financial liabilities	3,597.89	-	-	3,597.89

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the entity comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2017 and March 31, 2016.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company uses a mix of interest rate sensitive loan facilities from the lenders to manage the liquidity and fund requirement for its day to day operations like working capital, short term loans and suppliers / buyers credit etc.,

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings with floating rate of interest affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/de-crease in basis points	Effect on profit before tax
	INR Lacs	
31-Mar-18		
INR	+50	288.00
INR	-50	(288.00)
31-Mar-17		
INR	+50	(236.20)
US dollar	+25	(12.31)
INR	-50	236.20
US dollar	-25	12.31

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and borrowings in foreign currency.

Particulars	USD in Million	₹ in Lakhs	Euro in Million	₹ in Lakhs
Foreign currency exposure as at March 31, 2018				
Trade receivables	0.15	100.20	-	-
Loans and other receivables	-	-	0.44	362.11
Trade payables	1.88	(1,222.32)	-	-
Foreign exchange forward contracts	2.17	(1,409.50)	-	-
Foreign currency exposure as at March 31, 2017				
Trade receivables	0.20	126.77	-	-
Loans and other receivables	0.01	4.60	0.48	330.07
Trade payables	5.32	(3,450.09)	0.24	(162.93)
Borrowings	10.83	(7,434.18)	-	-
Foreign exchange forward contracts	16.38	(10,620.22)	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	₹ in Lakhs			
	2017-18		2016-17	
	5% increase	5% decrease	5% increase	5% decrease
USD	(126.58)	126.58	(1,047.90)	1,047.90
Euro	18.11	(18.11)	8.36	(8.36)
Increase/(decrease) in profit or loss	(108.47)	108.47	(1,039.54)	1,039.54

42. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short term deposits.

Particulars	₹ in Lakhs	
	At Mar 31, 2018	At March 31, 2017
Interest bearing loans and borrowings (Note 16 & 21)	1,56,610.91	1,67,420.06
Less: Cash and short term deposits (Note 12 & 13)	7,198.41	11,425.90
Net debts	1,49,412.50	1,55,994.16
Equity share capital (Note 14)	5,980.65	5,980.65
Other Equity (Note 15)	1,01,346.61	1,03,257.32
Total Capital	1,07,327.26	1,09,237.97
Capital and net debt	2,56,739.76	2,65,232.13
Gearing ratio(%)	58.20%	58.81%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

43. Auditor's Remuneration:

₹ in Lakhs

Fee towards:	2017-18*	2016-17*
Statutory Audit	60.00	57.50
Tax Audit	7.50	8.66
Limited Review	15.00	17.83
Certification and other Services	21.29	13.39
Reimbursement of Expenses	5.75	5.73
Total	109.54	103.11

*Inclusive of Service Tax ₹ 2.02 Lakhs (Previous year ₹ 13.45 Lakhs)

44. Earnings per Share:

₹ in Lakhs

Particulars	Unit of Measurement	2017-18	2016-17
Net (Loss) after tax	(₹ in Lakhs)	(2,152.01)	(12,177.71)
Number of Equity shares (fully paid up)	(Numbers)	59,80,65,003	59,80,65,003
Earnings per share – Basic & Diluted	[1] / [2]	(0.36)	(2.04)
(Face value of ₹ 1/- per share)			

Note: The Company has no dilutive instruments as at March 31, 2018, as such dilutive earnings per share equals to Basic Earnings per share.

45. Particulars of Loans and Advances in the nature of Loans as required by Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

₹ in Lakhs

	Name of the company	Balance as at		Maximum outstanding during	
		March 31, 2018	March 31, 2017	2017-18	2016-17
A	Subsidiaries				
	Nagarjuna Industrial Services and Investments Private Limited	-	11.53	-	11.53
B	Associates				
	Nagarjuna Oil Refinery Limited *	1,778.38	1,484.80	1,778.38	1,484.80
C	Advances in the nature of Loans where there is no repayment schedule				
	Nagarjuna Industrial Services and Investments Private Limited	-	11.53	-	11.53
	Nagarjuna Oil Refinery Limited *	1,778.38	1,484.80	1,778.38	1,484.80
D	Advances in the nature of Loans where no interest is charged or interest is below section 186 of the Companies Act, 2013				
	Nagarjuna Industrial Services and Investments Private Limited	-	11.53	-	11.53
	Nagarjuna Oil Refinery Limited *	1,778.38	1,484.80	1,778.38	1,484.80
E	Advances in the nature of Loans to firms / companies in which directors are interested:	Nil	Nil	Nil	Nil

* Pursuant to the Composite Scheme of Arrangement and Amalgamation

46. Particulars of Loans, Guarantees or Investments in accordance with Section 186 of the Companies Act, 2013**Loans, Guarantees given or Investments made during the Financial Year 2017-18**

Name of the entity	Relation	₹ in Lakhs	Particulars of Loans, Guarantees given or Investments made	Purpose for which the loans, guarantees and investments are proposed to be utilised
Nagarjuna Industrial Services and Investments Private Limited	Wholly owned subsidiary	11.53	Loan recovered	For day to day operations
Nagarjuna Oil Refinery Limited	Enterprises significantly influenced by Key Management personnel	293.58	Loan	For day to day operations in terms of Composite Scheme of Arrangement and Amalgamation.

47. The year-end Foreign Currency exposures that have not been hedged by a derivative instrument or otherwise are given below: (as mandated by the Institute of Chartered Accountants of India in its announcement dated 05.12.2005)

Particulars	Currency	March 31, 2018		March 31, 2017	
		In foreign currency	₹ in Lakhs	In foreign currency	₹ in Lakhs
Sundry Debtors	USD	154,044	100.20	195,516	126.77
Advances receivables	USD	-	-	7,094	4.60
	EUR	435,000	350.71	460,000	318.54
Loans and advances to related parties	EUR	-	-	16,650	11.53
Trade Payables	USD	30,000	19.51	16,712	10.84
	EUR	-	-	235,280	162.93

48. Balances in the accounts of various parties appearing in these statements are subject to confirmations and reconciliations.**49. The figures for the previous year have been restated / regrouped, wherever necessary, to make them comparable.****Signatories to Notes**

For and on behalf of the Board

K.S Raju
ChairmanK. Chandra Sekar Naidu
Company SecretaryH. Muralidhar
Chief Financial OfficerChandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
DirectorsK. Rahul Raju
Managing DirectorHyderabad
May 25, 2018

INDEPENDENT AUDITORS' REPORT

To

**The Members of
Nagarjuna Fertilizers and Chemicals Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of Nagarjuna Fertilizers and Chemicals Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2018, and 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 (herein referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. 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.

We conducted our audit in accordance with the Standards on

Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

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

Emphasis of Matter

Attention is invited to following notes to the consolidated financial statements:

- Note 25.1 regarding recognizing Income from urea operations including reimbursement claims for additional fixed cost, input escalation/de-escalation, and for production beyond reassessed capacity based on prices and provisions applicable under NPS III, Modified NPS III, pending notification of final prices under New Urea Policy 2015 and consequential adjustments, if any that may arise.
- Note 35.1.1 regarding Arbitration awards passed against the Company for USD 15,275,688, GBP 11,45,630 and INR 221.39 Lakhs; the impact of which has not been recognised in the Financial Statements, for reasons stated in the said note;
- Note 43 regarding the financial statements of one of the subsidiaries, Jaiprakash Engineering and Steel Company Limited (JESCO) being drawn up on a going concern basis, despite, the project initially envisaged being shelved and Orders of the Government of Karnataka for

dispossessing the land from JESCO, which has been stayed by Hon'ble High Court of Karnataka.

Our opinion is not modified in respect of these matters.

Other Matter

The Consolidated Ind AS Financial Statements includes the Group's share of loss of Rs. 1.72 Lakhs for the year ended March 31, 2018, as considered in the Consolidated Annual Financial Statements, in respect of its Subsidiary, whose financial statements have not been audited by us. The financial statements of the Subsidiary have been audited by other auditors whose reports have been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of the said Subsidiary is based solely on the report of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
 - (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our Report in "Annexure A".
 - (g) With respect to the other matters to be included in the

Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 35.1 to the Consolidated Financial Statements.
- ii. The Group did not have any material foreseeable losses relating to long-term contracts including derivative contracts.
- iii. The Group did not have any amounts which are required to be transferred to the Investor Education and Protection Fund as at March 31, 2018.

for M. Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Anilkumar Mehta
Partner
Membership No.14284

Hyderabad,
May 25, 2018

Annexure A to the Independent Auditors' report

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

We have audited the internal financial controls over financial reporting of Nagarjuna Fertilizers and Chemicals Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's and its Subsidiary Company incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the

“Guidance Note on Audit of Internal Financial Controls over Financial Reporting” (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk whether 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 auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary Company which is incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and, such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for M. Bhaskara Rao & Co
Chartered Accountants
Firm Registration No. 000459S

Anilkumar Mehta
Partner
Membership No.14284

Hyderabad,
May 25, 2018

Nagarjuna Fertilizers and Chemicals Limited
Consolidated Balance Sheet As At March 31, 2018



Particulars	Note	As At March 31, 2018	As At March 31, 2017
ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	3A	2,56,370.89	2,63,792.29
(b) Capital work-in-progress	3B	2,212.95	809.58
(c) Other Intangible Assets	4	1,474.20	1,965.60
(d) Financial Assets			
(i) Investments	5	-	-
(ii) Loans	6	4,558.30	4,231.82
(iii) Other Financial Assets	7	49.79	49.09
(e) Other Non-Current Assets	9	256.20	66.46
Total Non-Current Assets		2,64,922.33	2,70,914.84
2. Current Assets			
(a) Inventories	10	14,526.91	21,248.75
(b) Financial Assets			
(i) Trade Receivables	11	1,69,790.31	1,19,232.27
(ii) Cash and Cash Equivalents	12	1,324.93	5,689.03
(iii) Bank Balances other than (ii) above	13	5,874.50	5,742.45
(iv) Loans	6	3,309.16	3,317.01
(v) Other Financial Assets	7	764.14	725.86
(c) Current Tax Assets (Net)	8	664.60	573.73
(d) Other Current Assets	9	8,016.15	2,020.05
Total Current Assets		2,04,270.70	1,58,549.15
Total - Assets		4,69,193.03	4,29,463.99
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	5,980.65	5,980.65
(b) Other Equity	15	1,01,341.39	1,03,253.81
Equity attributable to shareholders of the Company		1,07,322.04	1,09,234.46
Non-Controlling Interest	15	2.82	2.83
Total Equity		1,07,324.86	1,09,237.29
Liabilities			
1. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	40,824.74	55,880.97
(ii) Other Financial Liabilities	17	7,814.61	7,525.65
(b) Provisions	18	530.10	709.56
(c) Deferred Tax Liabilities (Net)	19	37,750.22	38,181.60
(d) Government Grants	20	1,737.43	2,089.58
Total Non-Current Liabilities		88,657.10	1,04,387.36
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1,04,516.70	1,01,306.76
(ii) Trade Payables	22	1,46,274.62	94,744.08
(iii) Other Financial Liabilities	23	19,930.61	18,382.56
(b) Other Current Liabilities	24	1,815.90	933.58
(c) Government Grants	20	347.91	343.67
(d) Provisions	18	325.33	128.69
Total Current Liabilities		2,73,211.07	2,15,839.34
Total Liabilities		3,61,868.17	3,20,226.70
Total Equity and Liabilities		4,69,193.03	4,29,463.99
Corporate Information and Significant Accounting Policies	1 & 2		

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.0004595

K.S Raju
Chairman

Anil Kumar Mehta
Partner
Membership No. 14284
Hyderabad
May 25, 2018

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
Directors

K. Rahul Raju
Managing Director

Consolidated Statement of Profit and Loss for the year ended March 31, 2018 ₹ in Lakhs

Particulars	Note	Year ended March 31, 2018		Year ended March 31, 2017	
Income					
Revenue from Operations	25				
Sale of Products (including Subsidy)		3,90,567.59		3,36,439.22	
Sale of Services		1,687.45		1,865.83	
Other Operating Revenues		112.59	3,92,367.63	201.57	3,38,506.62
Other Income	26		4,498.18		3,528.57
Total			3,96,865.81		3,42,035.19
Expenses					
Cost of Materials Consumed	27		1,38,145.65		1,16,457.86
Purchase of Stock-in-Trade	28		45,854.23		46,156.44
Changes in inventories of finished goods, stock-in-trade and work in progress	29		6,604.67		1,309.75
Power and Fuel			1,00,242.57		84,068.01
Employee Benefits Expense	30		17,352.20		15,453.89
Finance Cost	31		30,821.00		32,489.98
Depreciation and Amortization Expense	32		8,928.10		8,920.56
Excise Duty			228.19		879.40
Other Expenses	33		51,345.11		52,109.21
Total			3,99,521.72		3,57,845.10
Loss before exceptional items and tax			(2,655.91)		(15,809.91)
Exceptional Items			-		-
Loss before tax			(2,655.91)		(15,809.91)
Tax Expense					
(a) Current Tax			-		-
(b) Adjustments relating to earlier years			56.91		(628.84)
(c) Deferred Tax	19		(559.09)		(3,001.71)
Loss after tax for the year			(2,153.73)		(12,179.36)
Attributable to:					
Equity holders of the parent			(2,153.73)		(12,179.36)
Non-Controlling interests			0.00		0.00
Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss					
Re-measurement gains/(losses) on defined benefit plans			369.01		46.44
(ii) Income tax relating to these items	19		(127.71)		(16.07)
B (i) Items that will be reclassified to profit or loss			-		-
(ii) Income tax relating to these items			-		-
Total Other Comprehensive income, net of tax			241.30		30.37
Total Comprehensive income for the year			(1,912.43)		(12,148.99)
Attributable to:					
Equity holders of the parent			(1,912.43)		(12,148.99)
Non-Controlling interests			(0.00)		(0.00)
Earnings per equity share of face value of ₹ 1/- each					
Basic and Diluted	44		(0.36)		(2.04)
Corporate Information and Significant Accounting Policies	1 & 2				

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

 for **M. Bhaskara Rao & Co.**
 Chartered Accountants
 Firm Registration No.0004595

K.S Raju
 Chairman

Anil Kumar Mehta
 Partner
 Membership No. 14284

K. Chandra Sekar Naidu
 Company Secretary

H. Muralidhar
 Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav
 C.B. Mouli
 Lalitha Raghuram
 N.C.B Nath
 Uday Shankar Jha
 Hariharan Ramanathan
 O. Ramesh Babu

Directors

K. Rahul Raju
 Managing Director

 Hyderabad
 May 25, 2018

Nagarjuna Fertilizers and Chemicals Limited

Statement of Change in Equity for the year ended March 31, 2018

(a) Equity Share Capital

Particulars	No.	₹ in Lakhs
Equity shares of ₹ 1 each issued, subscribed and fully paid		
At April 1, 2016	59,80,65,003	5,980.65
Issue of share capital (Refer Note 14)	-	-
At March 31, 2017	59,80,65,003	5,980.65
Issue of share capital (Refer Note 14)	-	-
At March 31, 2018	59,80,65,003	5,980.65

(b) Other equity

Particulars	Reserve and Surplus						Non Controlling Interest	Total
	Capital Reserve	Security premium reserve	Deben-ture re-demption reserve	Foreign Currency Translation reserve	General reserve	Retained Earnings		
As at April 01, 2016 (Refer Note 15)	52,289.68	1,09,619.35	2,087.99	1,299.56	11,294.58	(61,191.55)	2.83	1,15,402.44
Profit for the year						(12,179.36)	(0.00)	(12,179.36)
Other Comprehensive Income						30.37		30.37
Total Comprehensive Income	-	-	-	-	-	(12,148.99)	(0.00)	(12,148.99)
Adjustment on account of consolidation	(435.83)	-	-	(1,299.56)	-	1,738.58		3.19
As At March 31, 2017	51,853.85	1,09,619.35	2,087.99	-	11,294.58	(71,601.96)	2.83	1,03,256.64
Profit for the year						(2,153.73)	(0.00)	(2,153.73)
Other Comprehensive Income						241.30		241.30
Total Comprehensive Income	-	-	-	-	-	(1,912.43)	(0.00)	(1,912.43)
Transfer to general reserve			(2,087.99)		2,087.99	-		-
As At March 31, 2018	51,853.85	1,09,619.35	-	-	13,382.57	(73,514.38)	2.82	1,01,344.21

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.0004595

K.S Raju
Chairman

Anil Kumar Mehta
Partner
Membership No. 14284

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu

Directors

K. Rahul Raju
Managing Director

Hyderabad
May 25, 2018

Nagarjuna Fertilizers and Chemicals Limited

Consolidated Cash Flow Statement for the year ended March 31, 2018

₹ in Lakhs

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash Flow from Operating Activities		
Loss before Tax	(2,655.91)	(15,809.91)
Adjustments:		
Depreciation and Amortisation	8,928.10	8,920.56
Provision for Impairment	222.70	-
Provision for Doubtful Debts / Advances	762.60	911.35
Finance Cost	30,821.00	32,489.98
Provision/write off for Diminution in value of Investments	-	7.12
Deferred government grant	(347.91)	(316.08)
Loss on sale of assets / assets discarded / assets decapitalised	198.50	98.88
Operating Profit before working capital changes	37,929.08	26,301.90
Movements in working capital:		
Increase/(decrease) in trade payables	53,014.00	(70,876.82)
Increase/(decrease) in long term provisions	189.55	312.68
Increase/(decrease) in short term provisions	196.64	1.05
Increase/(decrease) in other current liabilities	882.32	(66.92)
Increase/(decrease) in other current financial liabilities	907.08	196.20
Increase/(decrease) in other long term liabilities	288.96	141.18
Decrease/(increase) in trade receivables	(51,302.22)	78,876.09
Decrease/(increase) in inventories	6,721.84	1,566.97
Decrease/(increase) in long term loans and advances	(341.48)	(548.46)
Decrease/(increase) in short term loans and advances	4.44	(3,093.36)
Decrease/(increase) in other current assets	(5,996.10)	2,850.42
Decrease/(increase) in other financial assets	(38.28)	(197.38)
Decrease/(increase) in other non current assets	5.52	(16.38)
Cash generated from operations	42,461.35	35,447.17
Direct Taxes Paid (net of refunds)	(147.78)	515.07
Net cash flow from operating activities	42,313.57	35,962.24
B. Cash Flow from Investing activities		
Purchase of fixed assets and CWIP	(3,043.79)	(827.58)
Term deposits / Margin Money Deposits	(132.75)	843.90
Proceeds from Sale of fixed assets	8.66	4,871.72
Net cash flow from / (used) in investing activities	(3,167.88)	4,888.04
C. Cash flow from Financing activities		
Proceeds from long term borrowings	-	1,248.54
Increase/(decrease) in Buyers/Suppliers credit	(7,434.18)	6,751.64
Repayment of long term borrowings	(14,389.63)	(15,135.73)
Finance Costs paid	(30,706.26)	(32,043.14)
Dividend Paid	(140.37)	(3.07)
Net cash flow used in financing activities	(52,670.44)	(39,181.76)
Net Increase/(decrease) in Cash and Cash Equivalents	(13,524.75)	1,668.52
Cash and Cash Equivalents as at beginning of the year	(88,183.55)	(89,852.07)
Cash and Cash Equivalents as at end of the year	(1,01,708.30)	(88,183.55)

Notes:

₹ in Lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and Cash Equivalents comprises of		
Balances with Banks		
In Current Accounts		
Unclaimed Dividend - earmarked accounts	513.40	653.77
Others	54.00	3,590.33
Cheques, drafts on hand	736.32	1,422.03
Cash on hand	21.21	22.90
Cash and Cash Equivalents (Refer Note 12)	1,324.93	5,689.03
Less: Cash Credit (Refer Note 21)	1,03,033.23	93,872.58
Cash and Cash Equivalents in Cash Flow Statement	(1,01,708.30)	(88,183.55)

Accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

for **M. Bhaskara Rao & Co.**

Chartered Accountants

Firm Registration No.0004595

K.S Raju

Chairman

Anil Kumar Mehta

Partner

Membership No. 14284

Hyderabad

May 25, 2018

K. Chandra Sekar Naidu

Company Secretary

H. Muralidhar

Chief Financial Officer

For and on behalf of the Board

Chandra Pal Singh Yadav

C.B. Mouli

Lalitha Raguram

N.C.B Nath

Uday Shankar Jha

Hariharan Ramanathan

O. Ramesh Babu

Directors

K. Rahul Raju

Managing Director

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

1 CORPORATE INFORMATION

The company is a public listed company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on The Bombay Stock Exchange and The National Stock Exchange Of India, the two recognised stock exchanges in India. The registered office of the company is located at D.No 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad - 500082.

The Company is principally engaged in the business of manufacturing and marketing Fertilizers, Micro Irrigation and Agri Informatic Services.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1. Consolidated Accounts:

(a) The subsidiaries considered in the preparation of these consolidated financial statements are

	Country of Incorporation	Percentage of voting power	
		March 31, 2018	March 31, 2017
(i) Jaiprakash Engineering and Steel Company Limited	India	99.84%	99.84%

(b) The details of associates of the Company as defined in Indian Accounting Standard 28 "Investments in Associates and Joint Ventures" .

	Country of Incorporation	Percentage of voting power	
		March 31, 2018	March 31, 2017
(i) Nagarjuna Agricultural Research and Development Institute Private Limited	India	25.00%	25.00%
(ii) K V K Raju International Leadership Limited	India	42.85%	42.85%

The investments in associates are not considered for consolidation as the Company has already made provision for diminution in the entire value of investment. These investments are accounted for in accordance with Indian Accounting Standard 28 "Investments in Associates and Joint Ventures".

2.2. Principles of Consolidation:

The Consolidated Financial Statements relate to Nagarjuna Fertilizers and Chemicals Limited and its subsidiary companies (together referred to herein as "the Company" or "Group"), and have been prepared on the following basis:

- The Financial Statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and un realised profits or losses on intra group transactions as per Indian Accounting Standard (Ind AS) 110 – "Consolidated Financial Statements" notified by the Companies (Accounts) Rules, 2014.
- In case of associates where the Company directly or indirectly through its subsidiaries holds more than 20% of Equity, Investments in Associates are accounted under the equity method as per Indian Accounting Standard (Ind AS) 110 – "Consolidated Financial Statements" notified by the Companies (Accounts) Rules, 2016.
- The Financial Statements of the subsidiaries and the associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e., March 31, 2018.
- The excess of the cost to the Company of its investment in the subsidiaries over the Company's share of equity is recognized in the Financial Statements as Goodwill and tested for impairment annually.
- The excess of the Company's share of equity of the subsidiaries on the acquisition date, over its cost of investment is treated as Capital Reserve.
- Non-controlling interest in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet separately from current liabilities and equity of the Company. Non-controlling Minority interest in the net assets of consolidated subsidiaries consists of:
 - The amount of equity attributable to non-controlling interest at the date on which investment in a subsidiary is made; and
 - The non-controlling interest's share of movements in the equity since the date the parent subsidiary relationship came into existence.
- Non-controlling interest in the net profit / (loss) for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- Intra-group balances and intra-group transactions and resulting unrealized profits / losses have been eliminated.
- In case of foreign subsidiaries being non integral foreign operations, revenue items are consolidated at monthly average of exchange rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in "Foreign Currency Translation Reserve".
- The consolidated Financial Statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements.

2.3. Basis of preparation:

The Financial Statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) on accrual basis and under the historical cost convention except for Derivative financial instruments and certain financial instruments which are mea-

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

measured at fair value, pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amended Rules, 2016.

The Financial Statements are presented in INR and all values are rounded to two decimals to the nearest lakhs, except when otherwise indicated.

2.4. Use of estimates:

The preparation of Financial Statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- i. Measurement of defined benefit obligations
- ii. Recognition of deferred tax asset/Liability- Note 19
- iii. Fair Value Measurement of financial Instruments - Note 38 & 39
- iv. Recognition of subsidy income - Note 25.1
- v. Provision for doubtful trade receivables

2.5. Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the group's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

For the purpose of current/non-current classification of assets and liabilities, the group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.6. Property, plant and equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised 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 the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

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

Depreciation is provided on a pro-rata basis under the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013 with the following exception:

- Continuous Process Plants' are depreciated for 37 years based on the technical evaluation of useful life done by the management

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

2.7. Intangible assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful lives by major class of finite-life intangible assets are as follows:

Trademarks and Services: 10 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

Upon first-time adoption of Ind AS, the Company has elected to measure all its intangible assets at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

2.8. Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date for any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or 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 Statement of Profit and Loss. Recoverable amount is the higher of an asset's or 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 or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date for any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, in which case, a reversal of an impairment loss for an asset is recognised in the Statement of Profit and Loss account.

2.9. Inventories

Inventories are valued at the lower of cost and net realisable value. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs for different categories of materials are as follows:

► Raw materials and Traded Products: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

► Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

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

Net realisable value in the case of Urea –

► the Group Concession Price notified by the Government of India in respect of finished goods lying at the factory, and
► the net sale price in respect of finished goods lying in the warehouses outside the factory.”

Work-in-process, raw materials, stores, spares, packing material and loose tools are valued at weighted average cost, less provision for depletion in value, if any.

2.10. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.”

2.11. Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Initial recognition

On initial recognition, financial assets are recognised at fair value. Transaction cost that are directly attributable acquisition of financial assets that are not at fair value through profit and loss (FVTPL) are added to fair value on initial recognition.”

Subsequent measurement

Financial assets which are debt instruments are subsequently measured on the following basis, depending on their classification

- amortized cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVTOCI)”

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

When financial assets are Equity Instruments:

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income (OCI) subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

De-recognition:

The Company derecognizes a financial asset when the contractual right to the cash flows from the financial asset expires or it transfers the financial asset at the transfer qualifies for de-recognition under IND AS 109.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective

interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Impairment:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of liabilities measured at amortised cost, net of directly at attributable transaction costs.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

2.12. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate risk of changes in exchange rates on foreign currency exposure.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any gains or losses arising from re-measurement are dealt in Statement of Profit and Loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments and hence categorized as financial assets or liability at fair value through profit or loss.

2.13. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.14. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
 - ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
 - ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair

value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.15. Provisions, contingent liabilities and contingent assets:

Provisions are recognised when the Company has 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 can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 are not recognised. They are disclosed only when an inflow of economic benefit is probable from such assets. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.16. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue is inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax and amounts collected on behalf third parties.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods :

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

In case of goods which are shipped subject to installation and inspection, revenue is normally recognized when the buyer accepts delivery, and installation and inspection are complete.

Subsidy:

Group Concession Price under Group Concession Scheme (GCS) and Equated Freight are recognized in accordance with the norms prescribed by the Government of India – Fertiliser Industry Co-ordination Committee, with adjustments for escalation / de-escalation in the prices of inputs and other adjustments as estimated by the management in accordance with known policy parameters in this regard.

Rendering of services:

Revenue from sale of services is recognised as per the terms of the contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably.

Interest income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable using effective interest method .

Dividends:

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.17. Employee benefits

Gratuity:

In accordance with the Payment of Gratuity Act, 1972 the Company provides gratuity as a defined benefit plan, to eligible Employees. Liability with regard to gratuity is determined by an independent actuary at every Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in the Balance Sheet as asset or liability. Gains or losses on re-measurements are recognized in Other Comprehensive Income (OCI). Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss.

Superannuation fund and provident fund :

Superannuation and Provident Fund are in the nature of defined contribution plans.

The Company makes monthly contribution to approved superannuation fund covered by a policy with LIC of India. The Company has no further obligation beyond monthly contribution. The obligations under the said policy are accounted for on accrual."

The Company makes monthly contribution to the Provident Fund scheme and recognizes it as an expense, in the year in which employee renders the related service. The Company's Contribution towards Provident Fund is administered and managed by an approved trust. The Company has no obligation, other than the contribution payable to the Fund.

Compensated absences :

Liability for compensated absence is treated as a long term liability and is covered by a policy with Life Insurance Corporation ('LIC'). The estimated liability at each Balance Sheet date is determined by an independent actuary using the projected unit credit method and is recognised in the accounts accordingly.

2.18. Taxes

Current income tax :

Income tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or Other Comprehensive Income (OCI), in which case the tax is also recognized in equity or Other Comprehensive Income (OCI). The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax asset/liability is measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax :

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent there is no longer probable that the related tax benefit will be realized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.19. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

In the case of a loan or assistance provided by government or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The Grant is initially recognised and measured at fair value and subsequently measured in accordance with the recognition and measurement principles of Ind AS 109, Financial Instruments (financial liabilities). The government grant is measured as the difference between the initial carrying value of the loan and the proceeds received and recognised as income on a systematic basis over the periods the related costs, for which it is intended to compensate, are expensed.

2.20. Leases

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

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term. Accordingly, the Company's leasing arrangements, are mostly in the nature of operating lease for premises, and are cancellable / renewable by mutual consent. The rentals there under are recognised in the Statement of Profit and Loss.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee.

2.21. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset in the period in which they are incurred, until such time the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Interest earned on temporary investments out of specific borrowings made for qualifying assets is deducted from the borrowing costs eligible for capitalisation to those assets.

2.22. Research and development costs

Expenditure relating to capital items is treated as fixed assets and depreciated at applicable rates. Revenue expenditure during research period is charged to Statement of Profit and Loss in the year in which it is incurred.

2.23. Foreign currency transactions

The Company's Financial Statements are presented in Rupees, which is its functional currency, which is also the parent company's functional currency. For each entity, the group determines its functional currency and item included in the Financial Statements is measured using their functional currency.

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency by applying

to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency denominated monetary assets and liabilities remaining unsettled at the end of the year are translated into functional currency at exchange rates prevailing at the Balance Sheet date. Exchange differences arising on translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated using exchange rate prevalent on the date of transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

2.24. Earnings per share

Basic earnings per equity share, is computed by dividing the net profit for the year attributable to the Equity Shareholders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.25. Investments

Investments are classified as Non Current and Current. Non Current Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

2.26. "Exceptional Items"

Exceptional items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

3A. Property, Plant and Equipment:

Particulars	Gross Block (At Cost)				Depreciation				Net Block		₹ in Lakhs
	As at March 31, 2017	Additions during the year	Deductions / Adjustments during the year	As at March 31, 2018	Upto March 31, 2017	For the year	Deduc-tions / Ad-justments during the year	Impair-ment for the year	Upto March 31, 2018	As at March 31, 2018	
Tangible Assets											
Land	1,15,995.36	32.40	-	1,16,027.76	-	-	-	-	-	1,16,027.76	1,15,995.36
Buildings	12,865.78	7.67	-	12,873.45	1,521.85	762.49	-	-	2,284.34	10,589.11	11,343.93
Plant & Equipments	1,49,719.89	1,251.96	247.72	1,50,724.13	14,558.92	7,367.72	41.75	222.70	22,107.59	1,28,616.54	1,35,160.97
Furniture, Fixtures & Office Equipment	1,462.58	152.47	1.64	1,613.41	451.66	259.99	0.93	-	710.72	902.69	1,010.92
Vehicles	198.53	0.66	1.44	197.75	74.07	35.49	0.96	-	108.60	89.15	124.46
Roads, Drains & Culverts	132.14	-	-	132.14	22.12	11.01	-	-	33.13	99.01	110.02
Railway Siding	46.63	-	-	46.63	-	-	-	-	-	46.63	46.63
Total	2,80,420.91	1,445.16	250.80	2,81,615.27	16,628.62	8,436.70	43.64	222.70	25,244.38	2,56,370.29	2,63,792.29
Previous Year	2,84,514.27	1,398.20	5,491.56	2,80,420.91	8,769.87	8,425.71	566.96	-	16,628.62	2,63,792.29	2,75,744.40
3A.1. Additions to Land during the year represents enhanced compensation paid for land at Kakinada ₹ 32.40 Lakhs (Previous Year ₹ 2.26 Lakhs).											
3A.2. Land & Buildings											
a) Includes 5 acres, the possession of which is yet to be taken, title of seller being under dispute.											
b) Excludes value of 33.35 acres, which is in the possession and use of the Company pending fixation of compensation by the State Government, value not ascertained, and hence pending registration of title in the name of the Company.											
c) Excludes value of 14.06 acres pending completion of alienation and handing over of possession to the Company by Govt of Andhra Pradesh, out of which 3.14 acres covered by restrictive provisions of Andhra Pradesh Land Reforms Act, 1973.											
d) Includes value of 340.11 acres (104 cases) in possession of the Company pending registration.											
3A.3. Refer Note 16.1 to 16.4 for details of assets pledged with lenders.											

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

3B. Capital Work In Progress

Particulars	Gross Block (At Cost)				Impairment			Net Block	
	As at March 31, 2017	Additions during the year	Transfer to Tangible asset / Disposals / Deductions	As at March 31, 2018	Upto March 31, 2017	For the year	Deductions / Adjustments during the year	Upto March 31, 2018	As at March 31, 2017
Capital Work In Progress	809.58	2,848.52	1,445.15	2,212.95	-	-	-	-	809.58
Total	809.58	2,848.52	1,445.15	2,212.95	-	-	-	-	809.58
Previous year	708.61	1,552.38	1,451.41	809.58				809.58	708.61

4. Intangible Assets

Particulars	Gross Block (At Cost)				Amortisation			Net Block	
	As at March 31, 2017	Additions during the year	Deductions / Adjustments during the year	As at March 31, 2018	Upto March 31, 2017	For the year	Deductions / Adjustments during the year	Upto March 31, 2018	As at March 31, 2017
Trade Marks & Services	2,948.40	-	-	2,948.40	982.80	491.40	-	1,474.20	1,965.60
Total	2,948.40	-	-	2,948.40	982.80	491.40	-	1,474.20	1,965.60
Previous year	2,997.21	49.44	98.25	2,948.40	496.28	494.84	8.32	1,965.60	2,500.93

5. Investments - Unquoted (At Cost):

Particulars	March 31, 2018		March 31, 2017	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
In Equity Shares				
In Associates				
Nagarjuna Agricultural Research and Development Institute Private Limited- ₹10/- each fully paid up	25,020	2.50	25,020	2.50
K V K Raju International Leadership Limited - ₹10/- each fully paid up	1,50,000	15.00	150,000	15.00
Total		17.50		17.50
Less: Provision for diminution		17.50		17.50
		-		-
Aggregate amount of Quoted Investments		-		-
Aggregate amount of Un-Quoted Investments		17.50		17.50
Aggregate amount of impairment in value of Investments		17.50		17.50

6. Loans:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Loans (Unsecured, considered good)				
Security Deposits	966.07	933.17	3,309.16	3,302.07
Security Deposit with KIADB	54.38	54.38	-	-
Deposit with KIADB - Land	1,759.47	1,759.47	-	-
Loans and advances to related parties	1,778.38	1,484.80	-	11.53
Loans (Unsecured, considered doubtful)				
Security Deposits	15.00	-	-	-
Loans to Employees (considered good)	-	-	3.41	3.41
	15.00	-	3.41	3.41
Less: Provision for Doubtful advances	15.00	-	3.41	-
	-	-	-	3.41
Total	4,558.30	4,231.82	3,309.16	3,317.01

7. Other Financial Assets

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Margin money deposits with more than 12 months of original maturity	36.92	33.22	-	-
Bank deposits with more than 12 months maturity	12.87	15.87	-	-
Interest Accrued on Deposits and advances	-	-	640.28	600.33
Unbilled Revenue	-	-	-	120.42
Claims receivable	-	-	123.86	5.11
Total (net)	49.79	49.09	764.14	725.86

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

8. Current Tax Assets (Net)

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Current tax Assets		
Advance Income Tax	1,004.05	10,031.68
Current tax liabilities		
Provision for Income tax	339.45	9,457.95
Total (net)	664.60	573.73

9. Other Assets:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Capital Advances				
Secured (considered good)	186.06	12.63	-	-
Unsecured (considered good)	53.57	31.74	-	-
Unsecured (considered doubtful)	-	20.27	-	-
	239.63	64.64	-	-
Less: Provision for Doubtful advances	-	20.27	-	-
Total - (A)	239.63	44.37	-	-
Advance Recoverable in Cash or in Kind				
- Unsecured (considered good)	-	-	6,133.51	503.21
- Unsecured (considered doubtful)	-	-	362.11	362.11
	-	-	6,495.62	865.32
Less: Provision for Doubtful advances	-	-	362.11	362.11
Total - (B)	-	-	6,133.51	503.21
Prepaid Expenses	16.57	22.09	1,499.76	970.28
Gratuity fund - excess of plan assets over liability	-	-	360.37	518.82
Balance with Customs Authorities	-	-	22.51	27.74
Total - (C)	16.57	22.09	1,882.64	1,516.84
Total - (A+B+C)	256.20	66.46	8,016.15	2,020.05

10. Inventories:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Raw materials	858.49	435.94
Work in process	57.07	118.56
Finished Goods - Manufactured goods	5,273.79	8,022.29
Stock In Transit - Manufactured goods	2,282.72	1,234.31
Traded goods	3,082.87	7,929.26
Stock In Transit - Traded goods	31.58	28.29
Packing materials	433.45	695.98
Stores and Spares	2,499.65	2,775.14
Loose tools	7.29	8.98
Total	14,526.91	21,248.75

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

11. Trade Receivables: (Unsecured) (Refer Note 11.1)

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Debts outstanding		
Considered good	1,69,790.31	1,19,232.27
Considered doubtful	2,598.94	1,854.76
	1,72,389.25	1,21,087.03
Less: Provision for doubtful debts	2,598.94	1,854.76
Total	1,69,790.31	1,19,232.27

11.1. Includes subsidy and other dues ₹ 1,39,243.37 Lakhs (Previous Year ₹ 87,654.52 Lakhs) from Government of India and ₹ 13,136.42 Lakhs (Previous Year ₹ 11,432.18 Lakhs) from State Governments.

12. Cash and Cash Equivalents

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Balances with Banks		
In Current Accounts		
Unclaimed Dividend - Earmarked accounts	513.40	653.77
Others	54.00	3,590.33
Cheques, drafts on hand	736.32	1,422.03
Cash on hand	21.21	22.90
Total	1,324.93	5,689.03

13. Other Bank Balances

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Earmarked balances with Banks		
In Term Deposits (Refer Note 13.1)	-	5.37
in Deposit Accounts		
Margin Money Deposits	5,874.50	5,737.08
Total	5,874.50	5,742.45

13.1. Amount deposited towards 15% of the portion of the debentures redeemable in pursuance of Notification issued by Ministry of Corporate Affairs, vide Circular No. 04/2013, dated February 11, 2013.

14. Share Capital:

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorised				
Equity Shares of ₹ 1/- each	6,21,00,00,000	62,100.00	6,21,00,00,000	62,100.00
Preference Shares of ₹ 1/- each	1,80,00,00,000	18,000.00	1,80,00,00,000	18,000.00
Total		80,100.00		80,100.00
Issued, Subscribed and Paid Up				
Equity Shares of ₹ 1/- each	59,80,65,003	5,980.65	59,80,65,003	5,980.65

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

14.1. Reconciliation of the Number of shares outstanding at the beginning and at the end of the reporting year.

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹ 1/- each				
Balance at the beginning of the year	59,80,65,003	5,980.65	59,80,65,003	5,980.65
Balance at the end of the year	59,80,65,003	5,980.65	59,80,65,003	5,980.65

14.2. Rights, Preferences and Restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.3. Details of shareholders holding more than 5% of the Shares

Particulars	March 31, 2018		March 31, 2017	
	No. of shares	% of holding	No. of shares	% of holding
Equity Shares of ₹ 1/- each				
Amlika Mercantile Private Limited	29,60,72,140	49.51	29,60,72,140	49.51
Zuari Agro Chemicals Limited	3,22,67,741	5.40	3,22,67,741	5.40

14.4. Aggregate number of shares issued for consideration other than cash

59,80,65,003 equity shares of ₹ 1/- each (aggregating to ₹ 5,980.65 Lakhs) were allotted as fully paid up pursuant to a Composite Scheme of Arrangement and Amalgamation during the year 2011-12.

15. Other Equity:

Particulars	₹ in Lakhs	
	March 31, 2018	March 31, 2017
Capital Reserve		
Opening Balance	51,853.85	52,289.68
Add: Reversal of capital reserve on account of consolidation	-	(435.83)
Closing Balance	51,853.85	51,853.85
Securities Premium Reserve		
Opening Balance	109,619.35	109,619.35
Add: On allotments during the year	-	-
Closing Balance	1,09,619.35	1,09,619.35
Foreign Currency Translation Reserve		
Opening Balance	-	1,299.56
Add: Effect of Foreign exchange variation during the year	-	(1,299.56)
Closing Balance	-	-
Debenture Redemption Reserve		
Opening Balance	2,087.99	2,087.99
Less: Transfer to General Reserve	2,087.99	-
Closing Balance	-	2,087.99
General Reserve		
Opening Balance	11,294.58	11,294.58
Add: Transfer from Debenture Redemption Reserve	2,087.99	-
Closing Balance	13,382.57	11,294.58

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

Retained Earnings		
Opening Balance	(71,601.95)	(61,191.54)
Add: Loss after tax for the year	(2,153.73)	(12,179.36)
Adjustment on account of consolidation	-	1,738.58
Items of other comprehensive income directly recognised in retained earnings		
- Remeasurement of post employment benefit obligations, net of tax	241.30	30.37
Closing Balance	(73,514.38)	(71,601.95)
Non-Controlling Interest	2.82	2.83
Total	1,01,344.21	1,03,256.64

Nature and purpose of reserves

- (a) **Capital Reserve:** During the composite scheme of arrangement and amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.
- (b) **Securities Premium Reserve:** The difference between the fair value of equity shares and face value of equity shares, pursuant to the Composite Scheme of arrangement and amalgamation is considered as Securities Premium Reserve.
- (c) **Debenture Redemption Reserve:** This reserve was created for redemption of non-convertible debentures.
- (d) **General Reserve:** Comprises the amounts specifically transferred from the profits earned by the Company for respective years.
- (e) **Retained Earnings:** Retained earnings are the post tax profits/losses that the Company has retained in its books after transfers to general reserve, dividends or other distributions paid to shareholders, if any.

16. Borrowings:

₹ In Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Non Convertible Debentures of ₹ 1/- each (Secured) (Refer Note 16.1)				
92,43,91,006 Debentures 10.25% Redeemable				
Non-convertible of ₹ 1/- each	-	-	-	3,031.30
	-	-	-	3,031.30
Term Loans (Secured)				
From Banks				
In Rupees (Refer Note 16.2)	36,018.75	49,085.00	13,087.92	9,755.00
From Others (Refer Note 16.3)				
In Rupees	128.93	283.39	160.00	160.00
Corporate Loan (Secured)				
From Banks				
In Rupees (Refer Note 16.4)	1,198.61	2,698.61	1,500.00	1,100.00
Deferred Payment Liabilities (Unsecured) (Refer Note 16.5 and 23)				
Sales tax Deferral	3,478.45	3,813.97	732.24	703.28
Total	40,824.74	55,880.97	15,480.16	14,749.58
The above amount includes:				
Secured Borrowings	37,346.29	52,067.00	14,747.92	14,046.30
Unsecured Borrowings	3,478.45	3,813.97	732.24	703.28
Amount disclosed under the head "Other Financial Liabilities" (Refer Note 23)			(15,480.16)	(14,749.58)
Total	40,824.74	55,880.97	-	-

16.1. Debentures (Secured):

16.1.1. The Company had issued 1,00,41,00,000 Non Convertible Debentures of ₹ 1/- each to banks and financial institutions towards settlement of recompense amount determined by the Corporate Debt Restructuring - Empowered Group, which are redeemable in 18th, 30th and 42nd months from the date of exit of CDR package i.e., June 20, 2014 being the date of allotment. The Debentures carry an interest rate of 10.25% per annum. The third installment has been paid during the year. The outstanding amount as on March 31, 2018 is NIL.

16.1.1.1. The above NCD's are secured by a subservient charge on the fixed assets of the Company.

16.2. Working Capital Term Loan: In Rupees from Banks

16.2.1. Working Capital Term loans from banks together with interest accrued thereon, are secured by way of:

- a first charge on the fixed assets of the Company present and future ranking pari-passu, inter se, those lenders other than those mentioned in Note 16.3 and 16.4. Charge created through an equitable mortgage by deposit of title deeds of immovable property(except some land parcel) of the Company.
- a first charge on the current assets of the Company ranking pari-passu, inter se, the lenders.
- Pledge, on pari passu basis, a portion of their shares in the company by it's core promoters.

16.2.2. Also personally guaranteed by Shri K.S.Raju and Shri K Rahul Raju.

16.2.3. The details of rate of interest and repayment of above Working Capital Term Loans are as follows:

₹ in Lakhs

S.No.	Bank	Rate of Interest %	Balance as on March 31, 2018	Repayment Schedule		
				Number of Instalments	Frequency	Com-mencing from
a)	IDBI Bank Limited	BBR +3.00	23,500.00	23	Quarterly	Jul-16
b)	State Bank of India	BBR +3.40	17,760.00	23	Quarterly	Jul-16
c)	ICICI Bank Limited	I-MCLR+4.35	6,720.00	23	Quarterly	Jul-16
d)	UCO Bank	SBI Base rate + 4.50	1,126.67	23	Quarterly	Jul-17
	Total		49,106.67			

16.3 Term Loans – In Rupees from Others:

16.3.1. The term loan from Department of Bio Technology (DBT) availed for Process Development Unit is secured by way of hypothecation of all equipment, apparatus, machineries, spare tool and other accessories and goods and / or the other movable properties of the Company acquired for the project.

16.3.2. Details of rate of interest and repayment are as under.

₹ in Lakhs

Name	Rate of Interest %	Balance as on March 31, 2018	Repayment Schedule
Department of Bio Technology	2	216.00	10 Semi annual Instalments commencing from October 31, 2014
Department of Bio Technology	2	16.00	10 Semi annual Instalments commencing from June 30, 2014
Department of Bio Technology	2	56.93	10 Semi annual Instalments commencing from Oct 18, 2018

16.3.3. There were no amounts in default as at March 31, 2018 in respect of the above loans.

16.4. Corporate Loan:

16.4.1. Rupee loan availed from State Bank of India is secured by first charge on chargeable current assets of the Company ranking pari-passu with other banks in the consortium and collateral security on the Company's immoveable properties ranking pari-passu with working capital lenders. This loan is personally guaranteed by Shri K.S.Raju.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

16.4.2. Details of rate of interest and repayment are as under.

₹ in Lakhs

Bank / Institution	Rate of Interest %	Balance as on March 31, 2018	Repayment Schedule		
			Number of Instalments	Frequency	Commencing from
State Bank of India	BBR +4.40	2,698.61	20	Quarterly	Dec-14

16.4.3. There were no amounts in default as at March 31, 2018 in respect of the above loans.

16.5. Sales Tax Deferral:

The Govt. of Andhra Pradesh has extended to the Company, the incentive of sales tax deferral scheme pursuant to which the sales tax attributable to the sales effected out of production is deferred (interest-free) for a period of 14 years from March 19, 1998. The deferred sales tax in respect of above outstanding as on March 31, 2018 is ₹ 6,075.75 Lakhs (Previous Year ₹ 6,440.75 Lakhs) based on the sales tax returns for which repayments commenced from March 19, 2012.

The Company has defaulted in payment of installment of ₹ 338.28 Lakhs for a period of 12 days as at the year end.

17. Other Financial Liabilities (Non-current):

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Deposits from dealers	7,543.89	7,250.95
Other Deposits - (Retention, EMD etc.)	270.72	274.70
Total	7,814.61	7,525.65

18. Provisions:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Provision for employee benefits - for Leave Benefit (net of plan assets)	530.10	709.56	325.33	128.69
Total	530.10	709.56	325.33	128.69

19. Deferred Tax Liabilities (Net):

Deferred Tax Liability as at year end comprises the following:

₹ in Lakhs

Particulars	Nature	March 31, 2018	March 31, 2017
On account of -			
Depreciation / amortization	Liability	44,750.61	46,583.74
Land	Liability	2,984.03	2,970.77
Employee benefit provision	Asset	298.92	290.09
Unabsorbed Loss and Depreciation under tax laws	Asset	9,497.87	9,793.71
Disallowances u/s 43B of Income Tax Act	Asset	-	1,122.09
Government grant	Asset	187.63	167.02
Total	Net Liability	37,750.22	38,181.60
Charge / (Credit) for the year		(431.38)	

20. Government Grants:

₹ in Lakhs

Particulars	Non Current		Current	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Government Grant related to				
- Sales tax deferral	1,718.33	2,061.99	343.67	343.67
- Loan from DBT	19.10	27.59	4.24	-
Total	1,737.43	2,089.58	347.91	343.67

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

21. Borrowings (Current):

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Loans repayable on demand		
Secured (Refer Note 21.1)		
From Banks		
In Rupees - Cash Credit	1,03,033.23	93,872.58
In Rupees - Short Term Loan	1,483.47	-
In Foreign Currency - Suppliers / Buyers Credit	-	7,434.18
Total	1,04,516.70	1,01,306.76

21.1. Working Capital facilities from banks are secured by hypothecation by way of first charge on current assets (stock in trade, book debts and stores and spares), present and future and second charge on the fixed assets of the Company. Working Capital facilities from banks are personally guaranteed by Shri K.S.Raju and personal guarantee of Shri. K Rahul Raju to some of the banks.

22. Trade Payables:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Trade Payables - Other than Acceptances		
(A) Micro, Small, Medium Enterprises (MSMEs)	-	-
(B) Other than MSMEs	1,46,274.62	94,744.08
Total	1,46,274.62	94,744.08

22.1. Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
A. Principal amount remaining unpaid	-	-
B. Interest due thereon	Nil	Nil
C. Interest paid by the Company in terms of Section 16 of 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 year.	Nil	Nil
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
E. Interest accrued and remaining unpaid	Nil	Nil
F. Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

23. Other Financial Liabilities (Current):

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Financial Liabilities at Fair value through Profit or loss		
Derivative Liability - Foreign exchange forward contracts	6.02	611.81
Financial Liabilities at amortised cost		
Current maturities of long term debt (Refer Note 16)	15,480.16	14,749.58
Interest accrued but not due	16.11	251.07
Interest accrued and due	686.90	739.46
Unclaimed Dividends (Refer Note 23.1)	513.40	653.77

Overdue Deferred Payment Liabilities (Refer Note 16.5)	338.28	-
Other payables		
Deposits	201.78	122.89
Others	1,551.08	1,074.03
Payable on purchase of fixed assets	1,136.88	179.95
Total	19,930.61	18,382.56

23.1. There are no amounts due for remittance to the Investor Education Protection Fund as at the Balance Sheet date.

24. Other Current Liabilities:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Other payables		
Statutory Payables	1,815.90	933.58
Total	1,815.90	933.58

25. Revenue from Operations:

₹ in Lakhs

Particulars	2017-18	2016-17
Sales, including Subsidy on products		
Manufactured goods		
Urea (Refer Note 25.1) *	3,02,813.40	2,60,815.68
Customised Fertilizers	2,989.42	3,209.33
Wind Energy	-	106.50
Extruded Irrigation systems	17,470.27	12,664.12
Total - A	3,23,273.09	2,76,795.63
Traded goods		
Pool Urea \$	36,207.94	27,813.87
Bulk Fertilizers @	-	9,328.90
Specialty Fertilizers	13,865.00	12,500.88
Extruded Irrigation systems	3,745.92	2,706.65
Others #	13,475.64	7,293.29
Total - B	67,294.50	59,643.59
Sale of Products	3,90,567.59	3,36,439.22
Total - (A+B)		
Sale of Services	1,687.45	1,865.83
Other Operating revenues (sale of scrap, etc.)	112.59	201.57
Total	3,92,367.63	3,38,506.62

* including Government Subsidy ₹ 2,16,381.12 Lakhs (Previous Year ₹ 1,77,709.19 Lakhs)

\$ including reimbursements from Government ₹ 10,319.64 Lakhs (Previous Year ₹ 8,038.31 Lakhs)

@ including Government Subsidy ₹ Nil Lakhs (Previous Year ₹ 3,050.11 Lakhs)

including Government Subsidy ₹ 62.64 Lakhs (Previous Year ₹ Nil Lakhs)

25.1. Group Concession Scheme – (GCS) Subsidy

(i) Nitrogenous fertilizers (Urea) are under the Group Concession Subsidy Scheme of Government of India (GOI), Department of Fertilizers. GOI has notified New Urea Policy (NUP) -2015 and Gas Pooling Policy applicable to Fertilizer industry effective from June 1, 2015. Concession rates for Plant-1 and Plant-2 for the period April 1, 2017 to March 31, 2018 have been recognized based on notified rates as per respective policies.

Income towards reimbursement claims towards additional fixed cost ₹ 4,181.10 Lakhs (Previous Year ₹ 4,181.10 Lakhs), Input escalation ₹ 17,568.14.00 Lakhs (Previous year de-escalation ₹ 22,726.43 Lakhs), and for production beyond reassessed capac-

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

ity ₹ 8,943.10 Lakhs (Previous year ₹ 7,026.14 Lakhs) have been accounted for during the year as per the prices and provisions applicable under NPS III and Modified NPS-III, based on the Management estimates since the same were not notified under NUP 2015.

(ii) Government of India / Department of Fertilizers has decided to implement Direct Benefit Transfer (DBT) in Fertilizer Sector. The Pilot Project in 16 Districts in the country was under implementation during the period October 2016 to August 2017. Department of Fertilizers has drawn a schedule Phase wise roll out of DBT Scheme in Fertilizer for all States in the country and implemented during the period September 01, 2017 to March 01, 2018. The facility of generation of DBT Claim in Integrated Fertilizer Management System (iFMS) has become operational. The Subsidy for the period April' 2017 to March'2018, has been recognized in the accounts for the entire quantities received in the Pilot Districts and for quantities received in States under DBT scheme.

Adjustments, if any, required will be considered on notification of final prices.

26. Other Income:

₹ in Lakhs

Particulars	2017-18	2016-17
Interest on Bank Deposits and others	862.62	791.47
Government grants	347.91	345.79
Grants in Aid	-	19.64
Other non-operating income	3,287.65	2,371.67
Total	4,498.18	3,528.57

27. Cost of Materials consumed:

₹ in Lakhs

Particulars	2017-18	2016-17
Natural Gas	1,22,022.33	98,904.80
Plastic Granules	6,142.11	7,107.41
PVC resin	1,857.25	1,845.39
Others	2,717.31	2,825.94
Packing Material	5,406.65	5,774.32
Total	1,38,145.65	1,16,457.86

28. Purchase of Stock-in-Trade:

₹ in Lakhs

Particulars	2017-18	2016-17
Pool Urea	21,738.69	18,122.79
Bulk Fertilizers	-	7,821.62
Specialty Fertilizers	8,539.55	7,867.84
Packing Material	1,592.10	1,528.56
Others	13,983.89	10,815.63
Total	45,854.23	46,156.44

29. Changes in inventories of finished goods, stock-in-trade and work in progress:

₹ in Lakhs

Particulars	2017-18	2016-17
Inventories at the beginning of the year		
Traded goods	7,957.55	10,205.71
Finished Goods	9,256.59	8,286.89
Work in Process	118.56	149.85
Total - (A)	17,332.70	18,642.45
Inventories at the end of the year		
Traded goods	3,114.44	7,957.55
Finished Goods	7,556.52	9,256.59
Work in Process	57.07	118.56
Total - (B)	10,728.03	17,332.70
Total - (A-B)	6,604.67	1,309.75

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

30. Employee Benefits Expense:

₹ in Lakhs

Particulars	2017-18	2016-17
Salaries and Wages	15,348.88	13,394.82
Contribution to Provident and Other Funds	924.98	1,031.09
Staff Welfare Expenses	1,078.34	1,027.98
Total	17,352.20	15,453.89

31. Finance cost:

₹ in Lakhs

Particulars	2017-18	2016-17
Interest	25,593.10	26,857.07
Other borrowing costs		
LC Charges	1,802.89	1,835.71
Others	3,206.69	3,797.20
Interest on shortfall in payment of Advance Tax	218.32	-
Total	30,821.00	32,489.98

32. Depreciation and amortization expense

₹ in Lakhs

Particulars	2017-18	2016-17
Depreciation of property, plant and equipment	8,436.70	8,425.72
Amortisation of intangible assets	491.40	494.84
Total	8,928.10	8,920.56

33. Other Expenses:

₹ in Lakhs

Particulars	2017-18	2016-17
Catalysts charge	-	1,243.95
Chemicals and consumables	1,094.88	1,461.65
Conversion Charges	194.24	132.85
Rent	852.50	891.44
Rates and Taxes	419.30	517.67
Electricity and Water	201.43	200.62
Stores and Spares Consumed	636.88	902.38
Repairs and Maintenance		
Buildings	30.13	117.80
Plant and Machinery	465.62	842.33
Others	864.16	785.89
Insurance	498.15	470.94
Printing and Stationery	114.03	108.28
Postage, Telephone and Telex	205.48	218.28
Travelling and Conveyance	1,494.85	1,431.91
Advertisement and Publicity	1,326.63	1,455.63
Employee Recruitment and Training	132.62	62.46
Legal, Secretarial and Share Registry	754.08	722.84
Professional and Consultancy	936.78	1,469.31
Directors Sitting Fees	12.35	17.23
Loss on Sale of Assets / Assets discarded	198.50	52.89
Investments written off	-	7.12
Auditors' remuneration	109.84	103.40

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

Corporate Social Responsibility Expenditure (Refer Note 33.1)	69.00	75.00
Transport and Handling	36,487.09	33,952.05
Distribution	882.78	1,439.27
Sales Commission / discounts / rebates	1,291.79	931.51
Bad Debts / Advances written off	268.41	5.55
Provision for doubtful debts / advances	762.60	911.35
Intangible assets written off	-	45.99
Impairment of assets	222.70	-
Loss on foreign currency transactions	22.31	489.67
Miscellaneous	795.98	1,041.95
Total	51,345.11	52,109.21

33.1 Details of Corporate Social Responsibility Expenditures

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount spent by the Company during the year	69.00	75.00
c) Amount spent by the company represents contribution to Nagarjuna Foundation, a not-for-profit company incorporated under Section 25 of the Companies Act, 1956 (section 8 of the Companies Act, 2013). The foundation undertakes CSR activities in areas of social welfare, health care, public health, education, natural calamities, upliftment of society, sports etc.,		

34. Taxes on Income

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2018 and March 31, 2017 are as follows:

(i) Profit or loss section

₹ in Lakhs

Particulars	2017-18	2016-17
Current tax expense	-	-
Tax expense relating to earlier years	56.91	(628.84)
Deferred tax	(559.09)	(3,001.70)
A. Total income tax expense recognised in statement of Profit & Loss	(502.18)	(3,630.54)

(ii) OCI Section

₹ in Lakhs

Particulars	2017-18	2016-17
Net gain on remeasurement of defined benefit plans	369.01	46.44
Income tax charged to OCI	(127.71)	(16.07)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017:

₹ in Lakhs

Particulars	31-Mar-18	31-Mar-17
Accounting loss before income tax	(2,655.91)	(15,809.91)
At India's statutory income tax rate of 34.608% (March 31, 2017: 34.608%)	(919.16)	(5,471.49)
Adjustments in respect of current income tax of previous years	56.91	(628.84)
Current year losses for which we have not created deferred tax assets	0.60	2,041.93
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	434.84	341.36
Deferred tax on land	(13.26)	-
Impact of rate difference on deferred tax	362.98	-
Intangible assets	-	514.01
Deductible expenses for tax purposes:		
Other Deductible expenses	(297.39)	(396.10)
Income tax Expense	(374.47)	(3,599.14)

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

The Company has unabsorbed losses and depreciation of ₹ 57,901.91 Lakhs (March 31, 2017: ₹ 59,020.62 Lakhs). Deferred tax assets in respect of unabsorbed depreciation and carried forward losses under the Tax Laws are recognised only if there is reasonable certainty that there will be sufficient future taxable income available to realise such assets. The Company has not created deferred tax assets on unabsorbed business losses of ₹ 30,721.66 Lakhs (March 31, 2017: ₹ 30,721.66 Lakhs).

₹ in Lakhs

Particulars	As at 1-Apr-16	Provided during the Year	As at 31-Mar-17	Provided during the Year	As at 31-Mar-18
Deferred tax liability:					
Related to Fixed Assets (Depreciation/ Amortisation)	52,764.98	(3,210.47)	49,554.51	(1,819.87)	47,734.64
Total deferred tax liability (A)	52,764.98	(3,210.47)	49,554.51	(1,819.87)	47,734.64
Deferred tax assets:					
Carry forward Business Loss / Unabsorbed Depreciation	8,829.11	964.60	9,793.71	(295.84)	9,497.87
Employee benefit provisions	197.60	92.49	290.09	8.83	298.92
43B Disallowances etc.	2,439.30	(1,317.21)	1,122.09	(1,122.09)	-
Amalgamation expenses	-	-	-	-	-
Others	131.74	35.28	167.02	20.61	187.63
Total deferred tax assets (B)	11,597.75	(224.84)	11,372.91	(1,388.49)	9,984.42
Deferred Tax liability (Net) (A-B)	41,167.23	(2,985.63)	38,181.60	(431.38)	37,750.22

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

35. Contingent Liabilities and Commitments:

35.1. Contingent Liabilities not provided for:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
i) Claims against the Company not acknowledged as debt:		
a) Tax matters in appeal:		
- Income Tax	308.15	282.15
- Other taxes	754.73	-
b) Matters under arbitration (Refer Note 35.1.1)	13,410.49	11,020.87
c) Others	11,880.52	3,846.11
ii) Other money for which the Company is contingently liable :		
a) Counter guarantees given to Bankers in respect of Bank guarantees	1,721.97	3,647.91
b) Compensation in respect of 33.35 acres (Previous year 33.35 acres) of land in possession - amount not ascertained	-	-
	28,075.86	18,797.04

- 35.1.1.** (a) In relation to some of the contracts for purchase of fertilisers, an international Arbitration Award has been passed against the Company in September 2016 for USD 1,43,98,188 and GBP 690,630 and interest as applicable apart from costs based on a claim filed by one of the Suppliers of Fertilizers to the Company.

The Company is of the view that the Award has been obtained based on documents tampered with and mis-representations of facts by said supplier. The Company is contesting the enforcement of the Award in the Courts in India and has also filed a Criminal Complaint before the Metropolitan Magistrate of Hyderabad against the supplier and its officials.

(b) The Company entered into two Contracts dated December 15, 2012 on Early Works, Offshore and Onshore towards certain engineering drawings to be utilised towards its plant for third ammonia and urea project on conditions that balance amounts payable only upon (a) the announcement of a fertilizer policy and (b) that the fertilizer policy

being found favorable for the Project of the Company. The Company could not proceed further as the policy was not conducive for the project.

The service provider raised invoices for the balance amounts claiming that the work carried out was per contract. As the amounts were not paid the service provider invoked arbitration. The arbitral Tribunal passed an award on October 23, 2017 for USD 877,500, EUR 455,000 and INR 221.39 Lakhs and interest as applicable apart from costs in favour of the claimant. NFCL challenged the Awards by filing two petitions separately for each case under section 34 of Arbitration & Conciliation Act as the tribunal ignored vital evidence such as Govt communication dt 9th May 2013 where in the industries were asked not to proceed further without necessary approvals from Govt, amongst other grounds.

Accordingly the said claims have been disclosed as contingent liabilities as at March 31, 2018 in these financial statements.

35.2. Commitments:

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
35.2.1. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,840.90	513.64

35.2.2. In terms of the Composite Scheme of Arrangement and Amalgamation approved by Jurisdictional Courts, the Company has Commitment towards contribution to Nagarjuna Oil Refinery Limited (NORL) a sum of ₹ 100.00 Lakhs per year or such amount as may be required from time to time for a period of five years or until such time that NORL is able to manage its financial affairs.

36. Related party transactions: (Disclosures as required by Ind AS 24 - Related Party Disclosures)

36.1. List of related parties and their relationships

Subsidiaries

- (i) Jaiprakash Engineering and Steel Company Limited

Associates

- (i) Nagarjuna Agricultural Research and Development Institute Private Limited
- (ii) KVK Raju International Leadership Limited

Key Management Personnel

- (i) Mr. K. S. Raju, Chairman
- (ii) Mr. K. Rahul Raju, Managing Director
- (iii) Mr. Chandra Pal Singh Yadav, Nominee director of KRIBHCO
- (iv) Mr. M P Radhakrishnan, Nominee director of State Bank of India (part of the year)
- (v) Dr. NCB Nath
- (vi) Mr. S R Ramakrishnan (part of the year)
- (vii) Mr. Anil Kumar P R, Nominee director of ICICI Bank Ltd
- (viii) Mr. Shailendra Govind Nadkarni, Nominee director of IDBI Bank Ltd (part of the year)
- (ix) Mr. O Ramesh Babu, Nominee director of IFCI Ltd
- (x) Ms. Lalitha Raghuram
- (xi) Mr. C B Mouli
- (xii) Mr. Uday Kumar Jha
- (xiii) Mr. Hari Haran Ramanathan (Retired capt), Independent Director wef 20.10.18
- (xiv) Mr. Syed Shahabuddin, Nominee director of State Bank of India wef 26.05.17
- (xv) Mr. Chintapalli Srinivasu, Nominee director of IDBI Bank Ltd wef 07.11.2017
- (xvi) Mr. Ranga Raju

Close members of the family of Key Management Personnel.

- (i) Smt. K Lakshmi Raju (Daughter of Shri K S Raju and Sister of Shri K Rahul Raju)
- (ii) Smt. K Lakshmi Raju (Sister of Shri K S Raju)

Enterprises able to exercise significant influence over this entity

- (i) Amlika Mercantile Private Limited

Enterprises significantly influenced by Key Management personnel or close members of their family

- (i) NACL Industries Limited (formerly known as Nagarjuna Agrichem Limited)
- (ii) Nagarjuna Oil Refinery Limited
- (iii) Nagarjuna Impex Private Limited
- (iv) Nagarjuna Foundation

36.2. Related party transactions during the year ended March 31, 2018 are as under:

₹ in Lakhs

Nature of transaction	Subsidiaries	Key Mgmt. Personnel	Close members of the family of Key Mgmt. Personnel	Enterprises significantly influenced by Key Management personnel or close members of their family
Advances given				
Nagarjuna Oil Refinery Limited	-	-	-	293.58
	-	-	-	(366.00)
Recovery of remuneration				
Shri K S Raju	-	-	-	-
	-	(0.52)	-	-
Shri K Rahul Raju	-	-	-	-
	-	(0.81)	-	-
Rent Paid				
Shri K Rahul Raju	-	590.32	-	-
	-	(624.00)	-	-
Smt. K Lakshmi Raju (Daughter of Shri K S Raju and Sister of Shri K Rahul Raju)	-	-	31.13	-
	-	-	(34.47)	-
Nagarjuna Impex Private Limited	-	-	-	21.79
	-	-	-	(24.13)
NACL Industries Limited	-	-	-	1.50
	-	-	-	(6.00)
Corporate Social responsibility contributions				
Nagarjuna Foundation	-	-	-	69.00
	-	-	-	(75.00)

Note: Figures in brackets represent previous year transactions.

36.3. Balances outstanding at the year end March 31, 2018:

₹ in Lakhs

Nature of transaction	Subsidiaries	Associates	Key Mgmt. Personnel	Close members of the family of Key Mgmt. Personnel	Enterprises significantly influenced by Key Management personnel or close members of their family
Loans and Advances					
Nagarjuna Oil Refinery Limited					
- 31.3.2018	-	-	-	-	1,778.38
- 31.3.2017	-	-	-	-	1,484.80
Investments					
Nagarjuna Agricultural Research and Development Institute Private Limited					
- 31.3.2018	-	2.50	-	-	-
- 31.3.2017	-	2.50	-	-	-
KVK Raju International Leadership Limited					
- 31.3.2018	-	15.00	-	-	-
- 31.3.2017	-	15.00	-	-	-

Provision for diminution in the value of investment					
- 31.3.2018	-	17.50	-	-	-
- 31.3.2017	-	17.50	-	-	-
Rental and other deposits with					
NACL Industries Limited					
- 31.3.2018	-	-	-	-	0.40
- 31.3.2017	-	-	-	-	0.40
Smt. K Lakshmi Raju (Daughter of Shri K S Raju and Sister of Shri K Rahul Raju)					
- 31.3.2018	-	-	-	85.00	-
- 31.3.2017	-	-	-	85.00	-
Nagarjuna Impex Private Limited					
- 31.3.2018	-	-	-	-	5.00
- 31.3.2017	-	-	-	-	5.00
Shri.K Rahul Raju					
- 31.3.2018	-	-	284.49	-	-
- 31.3.2017	-	-	246.26	-	-
Trade Payables					
Shri.K Rahul Raju					
- 31.3.2018	-	-	62.42	-	-
- 31.3.2017	-	-	133.02	-	-
Nagarjuna Impex Private Limited					
- 31.3.2018	-	-	-	-	1.89
- 31.3.2017	-	-	-	-	1.84
Other Current Financial Liabilities					
Shri K S Raju					
- 31.3.2018	-	-	2.13	-	-
- 31.3.2017	-	-	3.90	-	-
Shri K Rahul Raju					
- 31.3.2018	-	-	7.03	-	-
- 31.3.2017	-	-	3.19	-	-

Terms and Conditions of transactions with related parties.

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2017: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates

₹ in Lakhs.

Compensation of key management personnel of the Company	March 31, 2018	March 31, 2017
(a) short-term employee benefits	117.82	116.28
(b) post-employment benefits	19.09	19.09
(c) Sitting fees to non-executive directors	12.35	15.00
Total compensation paid to key management personnel	149.26	150.37

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel

37. Segment Reporting

The financial results comprise the combined operations of the Company relating to the Fertilizer, Micro Irrigation, Agri Services and Wind Energy generation businesses. The financial results of Micro Irrigation, Wind Energy and Agri Services being below the reportable thresholds, and since they do not have similar economic characteristics and do not they share any of the aggregation criteria, are neither disclosed as separate segments nor combined as "all other segments" for the purpose of disclosures under Ind AS 108 - Operating Segments.

Entity wide disclosures

Geographical information

₹ in Lakhs

Particulars	Revenue from external customers		Non-current assets*	
	Year Ended	Year Ended	As at	As at
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
India	3,91,650.26	3,37,766.35	2,60,314.24	2,66,633.93
Outside India	717.37	740.27	-	-
Total	3,92,367.63	3,38,506.62	2,60,314.24	2,66,633.93

* Non-current assets excluding financial instruments, deferred tax assets, post-employment benefit assets and rights arising under insurance contracts.

Information about revenue from major customers which is included in revenue

₹ in Lakhs

Particulars	Year Ended	Year Ended
	March 31, 2018	March 31, 2017
Subsidy claims on Government of India pursuant to its Fertilizer subsidy policies	2,26,763.40	1,88,797.61
	2,26,763.40	1,88,797.61

38. Fair Value

Category-wise classification of Financial Instruments

₹ in Lakhs

Particulars	Refer Note	Non-current		Current	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Financial assets measured at amortised cost					
Security deposits	6	966.07	933.17	3,309.16	3,302.07
Security Deposit with KIADB	6	54.38	54.38	-	-
Deposit with KIADB - Land	6	1,759.47	1,759.47	-	-
Loans and advances to related parties	6	1,778.38	1,484.80	-	11.53
Loans to employees	6	-	-	3.41	3.41
Non current margin money deposit	7	36.92	33.22	-	-
Bank deposits with more than 12 months maturity	7	12.87	15.87	-	-
Interest accrued on deposit and advances	7	-	-	640.28	600.33
Unbilled revenue	7	-	-	-	120.42
Claims receivable	7	-	-	123.86	5.11
Trade receivables	11	-	-	1,69,790.31	1,19,232.27
Cash and cash equivalents	12	-	-	1,324.93	5,689.03
Other Bank balances	13	-	-	5,874.50	5,742.45
Financial liabilities measured at fair value through profit or loss					
Foreign exchange forward contract	23	-	-	6.02	611.81

Financial liabilities measured at amortised cost					
Non Convertible Debentures of ₹ 1/- each	16	-	-	-	3,031.30
Term loans from banks	16	36,018.75	49,085.00	13,087.92	9,755.00
Term loans from others	16	128.93	283.39	160.00	160.00
Corporate loan from banks	16	1,198.61	2,698.61	1,500.00	1,100.00
Deferred Payment Liabilities	16	3,478.45	3,813.97	732.24	703.28
Deposits from dealers	17	7,543.89	7,250.95	-	-
Other Deposits - (Retention, EMD etc.)	17	270.72	274.70	-	-
Loans repayable on demand - cash credit	21	-	-	1,03,033.23	93,872.58
Loans repayable on demand - short term loan	21	-	-	1,483.47	-
Loans repayable on demand - suppliers/buyers credit	21	-	-	-	7,434.18
Trade payables	22	-	-	1,46,274.62	94,744.08
Interest accrued but not due	23	-	-	16.11	251.07
Interest accrued and due	23	-	-	686.90	739.46
Unclaimed dividends	23	-	-	513.40	653.77
Overdue term loans	23	-	-	-	-
Overdue Deferred Payment Liabilities	23	-	-	338.28	-
Payables towards deposits	23	-	-	201.78	122.89
Payables towards others	23	-	-	1,551.08	1,074.03
Payables towards purchase of fixed assets	23	-	-	1,136.88	179.95

The management assessed that cash and cash equivalents, other bank balances, trade receivables, trade payables and short term loans approximate their carrying amounts largely due to the short-term maturities of these instruments.

The foreign exchange forward contracts approximate their carrying amounts largely due to the mark to market of these instruments as provided by the banks.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

39. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for liabilities :

₹ in Lakhs

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial liabilities measured at fair value through profit or loss (Refer Note 38)					
Foreign exchange forward contracts	31-Mar-18	6.02	-	6.02	-
Foreign exchange forward contracts	31-Mar-17	611.81	-	611.81	-

The fair values of the foreign exchange forward contracts have been determined based on the valuation report obtained from the bank. Significant observable inputs used in the valuation report are quoted forward exchange rates.

40. Financial risk management objectives and policies**Financial Risk Management Framework**

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans and advances, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also entered into foreign exchange forward contracts, which are classified as derivatives in accordance with Ind AS and are not material given their size.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company's senior management oversees the management of these risks. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company based on the policies agreed by the Company's senior management. The same are summarised below:

A. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk except trade receivables where more than 50% is due from Government of India. The same are realisable in due course, based on historical experience and the fact that they are due under a major policy initiative of the Government.

To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as :

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements, if any.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 3 years past due. Even though loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in Statement of Profit and Loss.

Exposure to credit risk

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non current loans	4,558.30	4,231.82
Other non current financial assets	49.79	49.09
Current loans	3,309.16	3,317.01
Other current financial assets	764.14	725.86
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	1,72,389.25	1,21,087.03

Trade receivables:

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients based on ageing.

The ageing analysis of trade receivables as of the reporting date is as follows:

₹ in Lakhs

Particulars	Neither past due nor impaired	Past due but not impaired				Total
		Less than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
Trade receivables as of March 31, 2018	1,21,991.75	22,285.38	12,396.32	2,379.83	13,335.96	1,72,389.25
Trade receivables as of March 31, 2017	73,224.69	6,055.10	2,860.59	3,331.73	35,614.92	1,21,087.03

The following table summarizes the changes in the allowances for doubtful accounts for trade receivables :

₹ in Lakhs

Particulars	March 31, 2018	March 31, 2017
Start of the year	1,854.76	963.68
Provision for Impairment	744.18	891.08
Receivables written off during the year as uncollectible	-	-
Unused amounts reversed	-	-
End of year	2,598.94	1,854.76

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the Management on regular basis.

B. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Year ended March 31, 2018

₹ in Lakhs

Particulars	Less than 1 year	1 to 5 years	>5 years	Total
Borrowings from Banks / Financial institutions	14,747.92	37,346.29	-	52,094.21
Interest-free sales tax deferral from State Government	1,070.52	2,487.90	2,517.33	6,075.75
Deposits payable	-	7,814.61	-	7,814.61
Working capital demand loan from bank	1,03,033.23	-	-	1,03,033.23
Short term loan from bank	1,483.47	-	-	1,483.47
Trade payables	1,46,274.62	-	-	1,46,274.62
Other financial liabilities	4,112.17	-	-	4,112.17

Year ended March 31, 2017

₹ in Lakhs

Particulars	Less than 1 year	1 to 5 years	>5 years	Total
Borrowings from Banks / Financial institutions	11,015.00	51,653.61	413.39	63,082.00
Non-convertible debentures	3,031.30	-	-	3,031.30
Interest-free sales tax deferral from State Government	703.28	2,382.99	3,354.48	6,440.75
Deposits payable	-	7,525.65	-	7,525.65
Working capital demand loan from bank	93,872.58	-	-	93,872.58
Trade payables	94,744.08	-	-	94,744.08
Other financial liabilities	3,632.98	-	-	3,632.98

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. As at March 31, 2018, there is no such excessive risk concentration.

C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the entity comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2018.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2018 and March 31, 2017.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company uses a mix of interest rate sensitive loan facilities from the lenders to manage the liquidity and fund requirement for its day to day operations like working capital, short term loans and suppliers / buyers credit etc.,

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings with floating rate of interest affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/de-crease in basis points	Effect on profit before tax
31-Mar-18		₹ Lakhs
INR	+50	288.00
INR	-50	(288.00)
31-Mar-17		
INR	+50	(236.20)
US dollar	+25	(12.31)
INR	-50	236.20
US dollar	-25	12.31

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and borrowings in foreign currency.

Particulars	USD in Million	₹ in Lakhs	Euro in Million	₹ in Lakhs
Foreign currency exposure as at March 31, 2018				
Trade receivables	0.15	100.20	-	-
Loans and other receivables	-	-	0.44	362.11
Trade payables	1.88	(1,222.32)	-	-
Foreign exchange forward contracts	2.17	(1,409.50)	-	-
Foreign currency exposure as at March 31, 2017				
Trade receivables	0.20	126.77	-	-
Loans and other receivables	0.01	4.60	0.48	330.07
Trade payables	5.32	(3,450.09)	0.24	(162.93)
Borrowings	10.83	(7,434.18)	-	-
Foreign exchange forward contracts	16.38	(10,620.22)	-	-

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

₹ in Lakhs

Currency	2017-18		2016-17	
	5% increase	5% decrease	5% increase	5% decrease
USD	(126.58)	126.58	(1,047.90)	1,047.90
Euro	18.11	(18.11)	8.36	(8.36)
Increase/(decrease) in profit or loss	(108.47)	108.47	(1,039.54)	1,039.54

41. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short term deposits.

₹ in Lakhs

Particulars	At March 31, 2018	At March 31, 2017
Interest bearing loans and borrowings (Note 16 & 21)	1,56,610.91	1,67,420.06
Less: Cash and short term deposits (Note 12 & 13)	7,199.43	11,426.11
Net debts	1,49,411.48	1,55,993.95
Equity share capital (Note 14)	5,980.65	5,980.65
Other Equity (Note 15)	1,01,344.21	1,03,256.64
Total Capital	1,07,324.86	1,09,237.29
Capital and net debt	2,56,736.34	2,65,231.24
Gearing ratio(%)	58.20%	58.81%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital between the years ended March 31, 2018 and March 31, 2017.

42. Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Associates as per Schedule III of Companies Act, 2013:

Name of the entity	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 total Consolidated Net assets	₹ in Lakhs	As % of total Consolidated Profit or loss	₹ in Lakhs	As % of total Consolidated other comprehensive income	₹ in Lakhs	As % of total Consolidated total comprehensive income	₹ in Lakhs
Parent								
Nagarjuna Fertilizers and Chemicals Limited	98.33%	1,05,531.09	99.92%	(2,152.01)	100.00%	241.30	99.91%	(1,910.71)
Subsidiaries								
a) Indian								
Jaiprakash Engineering and Steel Company Limited	1.67%	1,790.95	0.08%	(1.72)	0.00%	-	0.09%	(1.72)
Non-controlling interests in all subsidiaries								
a) Indian								
Jaiprakash Engineering and Steel Company Limited	0.00%	2.82	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
	100.00%	1,07,324.86	100.00%	(2,153.73)	100.00%	241.30	100.00%	(1,912.43)

43. In respect of Jaiprakash Engineering and Steel Company Ltd (JESCO), the project envisaged has not materialised. Karnataka Industrial Area Development Board (KIADB) had given possession of 986.52 acres of land (lease hold and free hold) for the project against deposit of ₹ 3,053.65 Lakhs in earlier years. JESCO approached KIADB for surrender of land allotted and refund of amount paid. KIADB agreed to refund the deposit with a condition that as and when KIADB receives request from potential investors, JESCO's lands will be offered and upon acceptance by the potential investors, such sale proceeds will be paid to JESCO in refund of its deposit. As at the year end, JESCO is in possession of 548.70 acres of land, the realisable value of which, in the opinion of JESCO's management is adequate to recover the deposit outstanding as at March 31, 2018.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018.

JESCO also applied for approval to implement two projects i.e. Fertilizers and Chemicals Complex and Integrated Township to Karnataka Government for the balance land held. The Government of Karnataka has approved the projects vide Government Order (GO) No. CI 175 SPI 2011, Bangalore dated August 18, 2011, May 07, 2012 and GO No. CI 176 SPI 2011 dated August 18, 2011.

Government of Karnataka has passed order No. CI 175 SPI 2011 dated November 11, 2013 cancelling the Land Allotment made stating that JESCO has not implemented the approved projects and also advised KIADB to resume the balance land. JESCO has filed a writ petition in the Hon'ble High Court of Karnataka challenging the above cited GO and the Hon'ble High Court of Karnataka has prohibited the Government of Karnataka from dispossessing the land in possession of JESCO.

The High Court of Karnataka on April 23, 2018 has lifted the stay and permitted the Government of Karnataka from taking possession of 160 acres of land from the Company for handing over the same to prospective applicants.

The stay of the High Court of Karnataka in relation to dis-possession of land in the possession of the Company for 388.70 acres continues.

Pending crystallization of plans and considering the above said developments, the Financial Statements of the Company for the year have been prepared on going concern basis, notwithstanding the project initially planned been shelved.

In view of the above, it is considered prudent to provide for diminution in the carrying amount of this investment to the extent of ₹ 460.00 Lakhs, based on the net worth of JESCO as at March 31, 2018.

44. Earnings per Share:

Particulars	Unit of Measurement	2017-18	2016-17
Net (Loss) after tax	(₹ in Lakhs)	(2,153.73)	(12,179.36)
Number of Equity shares (fully paid up)	(Numbers)	59,80,65,003	5,98,065,003
Earnings per share – Basic & Diluted (Face value of ₹ 1/- per share)	[1] / [2]	(0.36)	(2.04)

Note: The Company has no dilutive instruments as at March 31, 2018, as such dilutive earnings per share equals to Basic Earnings per share.

45. Balances in the accounts of various parties appearing in these statements are subject to confirmations and reconciliations.

46. The figures for the previous year have been restated / regrouped, wherever necessary, to make them comparable.

Signatories to Notes

For and on behalf of the Board

K.S Raju
Chairman

Chandra Pal Singh Yadav
C.B. Mouli
Lalitha Raghuram
N.C.B Nath
Uday Shankar Jha
Hariharan Ramanathan
O. Ramesh Babu
Directors

K. Chandra Sekar Naidu
Company Secretary

H. Muralidhar
Chief Financial Officer

K. Rahul Raju
Managing Director

Hyderabad
May 25, 2018

NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED

Registered Office: D.No 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad 500082, Telangana

**Website: www.nagarjunafertilizers.com; Email Address: investors@nagarjunagroup.com; Contact No. 040-23358405;
CIN: L24129AP2006PLC076238**

Twelfth Annual General Meeting at Sri Satya Sai Nigamagamam 8-3-987/2, Srinagar Colony, Hyderabad, Telangana 500073 at 10:00 A.M. on Saturday, September 29, 2018

BALLOT FORM

The Members who are not able to attend the Annual General Meeting can send their assent or dissent in writing in respect of the resolutions as set out in the notice by sending the duly filled and signed Ballot/ Poll Form to Mr. CSS Krishna, Practicing Company Secretary, (the Scrutinizer) Partner, M/s K B G Associates, Company Secretaries at Flat No.101, Sri Sai Krishna Residency, 1-2-234/13, Aravind Nagar, Domalguda, Hyderabad – 500 029, Telangana so as to reach him not later than 5.00 PM on Friday, September 28, 2018.

Sl. No.	Particulars	Details
1.	Name of the First Named Shareholder (In Block Letters)	
2.	Postal Address	
3.	Registered Folio No./ *DP ID No./ Client ID * (*Applicable to investors holding shares in dematerialized form)	
4.	No of shares held	

I/ We hereby exercise my/ our vote in respect of Resolutions enumerated below by recording my/ our assent or dissent to the said resolution by placing tick (✓) mark at the appropriate box below :

Item No	Resolution	I/ We assent to the resolution	I/ We dissent from the resolution.
01.	Adoption of Audited Financial Statements (including consolidated financial statement) of the Company for the Financial Year ended March 31, 2018, and the Reports of the Board of Directors and Auditors thereon		
02.	Reappointment of Mr. Chandra Pal Singh Yadav (DIN 00023382) as a Director of the Company, liable to retire by rotation		
03.	To ratify the appointment of M/s. M Bhaskara Rao and Co. (Firm Registration No-000459S), as Auditors for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting		
04.	Ratification of remuneration to Cost Auditor for the financial year ending March 31, 2019		
05.	Appointment of Capt. Hariharan Ramanathan as an Independent Director of the Company		
06.	To approve charitable contribution to Nagarjuna Foundation		

Place:

Date (Signature of the shareholder)

INSTRUCTIONS FOR FILING THE BALLOT FORM

- A Member desiring to exercise vote by ballot form may complete the ballot form and send it to the Scrutinizer, appointed by the Company viz., Mr. C S S Krishna, Partner, M/s. K B G Associates, Company Secretaries at Flat No.101, Sri Sai Krishna Residency, 1-2-234/13, Aravind Nagar, Domalguda, Hyderabad – 500 029, Telangana.
- In case of shares held by companies, trusts, societies etc, the duly completed ballot form should be signed by a person authorized and accompanied by a certified true copy of the resolution indicating the authorization.
- Unsigned Ballot Forms will be rejected.
- Duly completed Ballot Form should reach the Scrutinizer not later than 5.00 PM on Friday, September 28, 2018, at address mentioned in Point No.1 above.
- The Scrutinizer's decision on the validity of a Ballot Form will be final.

NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED

Registered Office: D.No 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad 500082, Telangana

Website: www.nagarjunafertilizers.com; Email Address: investors@nagarjunagroup.com; Contact No. 040-23358405;

CIN: L24129AP2006PLC076238

Twelfth Annual General Meeting at Sri Satya Sai Nigamagmam 8-3-987/2, Srinagar Colony, Hyderabad, Telangana 500073 at 10:00 A.M. on Saturday, September 29, 2018

ADMISSION SLIP

I/We here by record my/our presence at the 12th Annual General Meeting of the Company held at Sri Satya Sai Nigamagmam, on Saturday, September 2018, at 10.00 A.M.

Name of the Member: _____ *DP ID: _____

Regd. Folio No.: _____ *Client ID : _____

No. of shares held: _____

Signature of the Member / Proxy

Note: Member / Proxy must hand over the duly signed attendance slip at the venue.

*Applicable for the members holding shares in electronic form.

NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED

Registered Office: D.No 8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad 500082 Telangana
Website: <http://www.nagarjunafertilizers.com>; Email Address: investors@nagarjunagroup.com; Contact No. 040-23358405;

CIN: L24129AP2006PLC076238

Twelfth Annual General Meeting at Sri Satya Sai Nigamagmam 8-3-987/2,
Srinagar Colony, Hyderabad -500073, Telangana at 10:00 A.M. on Saturday, September 29, 2018

Proxy Form

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): _____ Email Id: _____

Registered Address: _____

Folio NO./Client ID* _____ DP ID*: _____

I/We, being the member(s) of _____ shares of Nagarjuna Fertilizers And Chemicals Limited, hereby appoint:

1. Name : _____
Address : _____
Email Id : _____
Signature : _____ or failing him
2. Name : _____
Address : _____
Email Id : _____
Signature : _____ or failing him
3. Name : _____
Address : _____
Email Id : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twelfth Annual General Meeting of the company, to be held on the Saturday, 29th day of September, 2018 at 10.00 A.M. at Sri Satya Sai Nigamagmam, 8-3-987/2, Srinagar Colony, Hyderabad - 500 073 and at any adjournment thereof.

** I / we direct my / our proxy to vote on resolution(s) in the manner indicated below:

S. No.	Resolution(s)	For	Against
01.	Adoption of Audited Financial Statements (including consolidated financial statement) of the Company for the Financial Year ended March 31, 2018, and the Reports of the Board of Directors and Auditors thereon		
02.	Reappointment of Mr. Chandra Pal Singh Yadav (DIN 00023382) as a Director of the Company, liable to retire by rotation		
03.	To ratify the appointment of M/s. M Bhaskara Rao and Co. (Firm Registration No-000459S), as Auditors for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting		
04.	Ratification of remuneration to Cost Auditor for the financial year ending March 31, 2019		
05.	Appointment of Capt. Hariharan Ramanathan as an Independent Director of the Company		
06.	To approve charitable contribution to Nagarjuna Foundation		

Signed this _____ day of _____ 2018

Signature of shareholder

Signature of first Proxy holder(s)

Signature of Second Proxy holder(s)

Signature of third Proxy holder(s)

Affix
Revenue
Stamp

NOTES :

- 1) The form should be signed across the stamp as per specimen signature registered with the Company.
- 2) The proxy form should be deposited at least forty-eight hours before the commencement of the meeting at the registered office of the Company.
- 3) A proxy need not be a Member of the Company.
- 4) A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
- 5) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 6) The submission by a Member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
- 7) Requisitions, if any, for inspection of Proxies shall be submitted to the company in writing at least three days before the commencement of the Meeting. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.
- 8) In case a member wishes his / her votes to be used differently, he / she should indicate the number of shares under the column "For" or "Against" as appropriate.
* Applicable for the members holding shares in electronic form.
** This is optional. Please put a tick mark (✓) in the appropriate column against the Resolutions indicated in the Box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate.

Community Service



Community Service





If undelivered, please return to
Nagarjuna Fertilizers and
Chemicals Limited / Investors Services Cell
Plot No. I, Nagarjuna Hills, Punjagutta,
Hyderabad-500 082, Telangana, India

tel + 91 40 2335 8405 / 7200
www.nagarjunafertilizers.com

Loans to infra may dry up, says SBI

PRESS TRUST OF INDIA
Mumbai, 31 August

State Bank of India, the nation's largest lender, on Friday said banks will have to "abort" lending to infrastructure projects, especially to the power sector, because of the harrowing experience of the past decade as most such loans have turned sour.

The power sector loans are facing a slew of problems due to a changes in non-performing assets (NPA) recognition after the February 12 Reserve Bank of India (RBI) circular, which was upheld by the Allahabad High Court last week. Following the end of the RBI deadline on August 27, as many as 30 power projects with a cumulative exposure of ₹1.7 trillion are now facing bankruptcy proceedings. Banks have under a fortnight to resolve them, else they will have to be sent to the NCLTs. "Somehow, the kind of problems which all banks are now faced with, may be they will have to abort their financing to the infra projects," SBI managing director Dinesh Kumar Khara told reporters on the sidelines of an event.

When asked if the infra sector funding, critical for economic progress, is "untouchable for banks now", he singled



out the power sector saying, "nobody wants to touch that". Making it clear that banks are open to lending to all the sectors till the risks are hedged properly, he said there are problems relating to the fuel supply pacts and power purchase agreements.

Khara said bankers are open to funding road projects, and credited to the National Highways Authority which structures these projects.

Fellow managing director PK Gupta said in the case of the power sector, the February 12 circular revamping the NPA recognition norms, has made the going difficult for banks because of the stipulation of quicker recognition of an asset as an NPA and its immediate referral to insolvency courts.

Gupta also said a referral to

NCLT will naturally lead to the annulment of PPAs, which unnerves bankers.

SBI, which has around ₹ 270 billion exposure to these troubled accounts, has assessed 11 power assets and has found four of them not resolvable, while the rest seven can be resolved, he said.

Gupta further said banks have 15 days after the 180-day deadline to resolve them ended August 27. If banks are not able to iron out resolution plans, some of the seven may also have to go to the NCLTs.

He, however, said the February 12 circular will not have a significant impact on SBI as it has already recognised a majority of these are NPAs and has provided accordingly.

"The amount of incremental provisioning that we may have to make is not very substantial as most of these assets are anyways NPAs and adequately provided for," he said.

M&A activity under IBC is slack: PWC

ADVAIT RAO PALEPU
Mumbai, 31 August

When the Insolvency and Bankruptcy Code (IBC) kicked in, mergers and acquisitions (M&A) activity was expected to turn robust as it was felt that valuable assets and companies would go on sale.

However, compared to the enthusiasm expressed by domestic and international investors, M&A activity in the stressed assets space has been a damp squib, states a report by PWC. While investors are awaiting the outcome of big cases under the IBC process, modifications to the code have not addressed their concerns, said PWC.

These concerns mainly relate to the operational capacity of factories and plants of stressed corporates that have been admitted under the insolvency process.

More on www.business-standard.com

New cash logistics norms may hurt ATMs: IBA

CASHING IN

Net worth (₹ billion)

AGS*	4.50
CMS	4.38
SIS Prosegru	1.47
CheckMate	1.06
Brinks Arya	0.82
SISCO	0.74
Radiant	0.56
S&IB	0.42
SIPL	0.40

*Securevalue

Source: IBA. CheckMate and SIPL have been acquired by CMS while SISCO is now part of SIS Prosegru

RAGHU MOHAN
Mumbai, 31 August

The Indian Banks' Association (IBA) has written to the Reserve Bank of India (RBI), seeking a relaxation of the deadline for cash logistics companies (CLC) to increase their net worth to ₹1 billion. They have asked for relaxation to new transport and security parameters, which might push up interchange fee, a payment between banks for card-based transactions.

According to the RBI's April 6 circular, CLCs, which take cash around the country, were supposed to increase their net worth to ₹1 billion within 90 days. But, RBI Deputy Governor B P Kanungo has said this deadline should be staggered: CLCs should be able to reach the ₹500-million mark by end-March 2019, and ₹1 billion within another year.

The association of banks fears that the new standards could disrupt the functioning of automated teller machines (ATMs) in the country.

In its letter, the IBA has pointed out that of the dozens of major CLCs in the country, only three — CMS, AGS, and Checkmate — currently have net worth of ₹1 billion. The rest of the companies need time to raise capital. "Implementing the guidelines will create a situation where there would be very few players in the market and those would not be able to cater to the requirements of banks, even as it creates a monopoly," the bankers' body said. It added: "If the timelines are not extended, it may affect ATM operations. Cash loading will be affected." Other rules in the RBI circular ask for transport of cash

only with four-wheelers that have tubeless tyres and multiple armed guards to vend it. The IBA says if deadlines for adhering to these norms are not eased, the charges levied by CLCs will increase by 30-40 per cent for security alone. The per-transaction charge might increase by ₹6 to ₹10. This might increase interchange fee, currently capped at ₹15 per transaction.

Services such as the doorstep cash-delivery and pick-up, offered to senior citizens and small businesses, would also be affected. On the issue of additional armed guards, the IBA has pointed that gun licences are hard to come by, and increasing the number of security personnel will be difficult.

A solution might be to link the number of armed guards to the amount of cash being transported rather than have the same number irrespective of the amount. What complicates matters is that during elections, armed guards are in short supply. It is also impractical that loaded cash vans be parked at police stations after sundown.

CAUTION NOTICE

This is to inform subscribers that signals of some or all of the channels (namely: CNBC TV18, CNBC Awaaz, CNN News18, News18 India, CNBC Bharat, CNBC TV18 Prime HD, News18 Kerala, News18 Tamil Nadu, News18 Assam/North East, History Channel, FYI TV18, History Channel(HD), News18 Lokmat, Colors, MTV, Rishtay, Nick, Vh1, Sonic, Comedy Central, Nick Jr./Teen Nick, Colors Infinity, MTV Beats, Rishtay Cineplex, Colors Super, Colors HD, Colors Infinity HD, Comedy Central HD, Vh1 HD, Nick HD+, Colors Marathi HD, Colors Bangla HD, Colors Kannada HD, MTV Beats HD, MTV HD+, Cineplex HD, Colors Gujarat, Colors Marathi, Colors Bangla, Colors Kannada, Colors Oriya, News18 Uttar Pradesh/Uttarakhand, News18 Madhya Pradesh/Chhattisgarh, News18 Rajasthan, News18 Urdu, Colors Kannada, News18 Bihar/Jharkhand News18 Kannada, News18 Bangla, News18 Punjab/Haryana/ Himachal Pradesh, News18 Gujarat and News18 Odia) are likely to be disconnected after three weeks' to following Multi System Operator (MSO) on the ground(s) detailed hereinafter:

Sl. No.	Name of MSO(s)/ Cable Operator(s)	Grounds of Disconnection	Areas Which Will Be Affected
1.	Kristal City Cable Digital	Failure to furnish subscriber reports, failure to allow us to conduct audit of your Digital Addressable Cable TV Systems ("Systems") and failure to execute fresh subscription agreement.	All areas catered by aforesaid MSO(s)/ Cable Operator(s) are likely to be affected
2.	Aai Bhansal Cable-Dharipuri	non-payment of dues, failure to furnish subscriber reports and failure to execute fresh subscription agreement.	All areas catered by aforesaid MSO(s)/ Cable Operator(s) are likely to be affected
3.	Jain Cable Network	Failure to furnish subscriber reports, failure to allow us to conduct audit of your Digital Addressable Cable TV Systems ("Systems") and failure to execute fresh subscription agreement.	All areas catered by aforesaid MSO(s)/ Cable Operator(s) are likely to be affected
4.	Sonali Cables	non-payment of dues, failure to furnish subscriber reports and failure to execute fresh subscription agreement.	All areas catered by aforesaid MSO(s)/ Cable Operator(s) are likely to be affected
5.	Sarveshwari Media Pvt. Ltd.	non-payment of dues, failure to furnish subscriber reports and failure to execute fresh subscription agreement.	All areas catered by aforesaid MSO(s)/ Cable Operator(s) are likely to be affected

Issued in public interest, for and on behalf of TV18 Broadcast Limited
By: IndiaCast Media Distribution Private Limited
703, 7th Floor, HDIL-Kaleidonia, Opposite Vijay Nagar, Sahar Road, Andheri (East), Mumbai - 400 069

FORM G

INVITATION FOR EXPRESSION OF INTEREST
(Under Regulation 36A (1) of the Insolvency and Bankruptcy (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

RELEVANT PARTICULARS	
1. Name of the corporate debtor	Anand Distilleries Pvt. Ltd.
2. Date of incorporation of corporate debtor	24th March 1988
3. Authority under which corporate debtor is incorporated / registered	Companies Act, 1956
4. Corporate identity number / limited liability identification number of corporate debtor	U15502MH1988PTC046701
5. Address of the registered office and principal office (if any) of corporate debtor	Registered office: BAPAT CHOWK, AMARAWATI-444 601 Principal Office (Factory): Kekarpur, Davangere, Mozari Road, Dist. Amravati-444 901
6. Insolvency commencement date of the corporate debtor	Date of Order: 14th February 2018 Intimation to IRP: 21st February 2018
7. Date of invitation of expression of interest	01.09.2018
8. Eligibility for resolution applicants under section 25(2)(h) of the Code is available at:	ip.adp@cdcdave.in
9. Norms of eligibility applicable under section 29A are available at:	ip.adp@cdcdave.in
10. Last date for receipt of expression of interest	15th September 2018
11. Date of issue of provisional list of prospective resolution applicants	18th September 2018
12. Last date for submission of objections to provisional list	23rd September 2018
13. Date of issue of final list of prospective resolution applicants	26th September 2018
14. Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	23rd September 2018
15. Manner of obtaining request for resolution plan, evaluation matrix, information memorandum and further information	ip.adp@cdcdave.in
16. Last date for submission of resolution plans	30th September 2018
17. Manner of submitting resolution plans to resolution professional	Hard copies in a sealed envelope only
18. Estimated date for submission of resolution plan to the Adjudicating Authority for approval	23rd October 2018
19. Name and registration number of the resolution professional	Dushyant C Dave IBBI/PA-003/IP-N00061/2017-18/10502
20. Name, Address and email of the resolution professional, as registered with the Board	Name: Mr. Dushyant C Dave Address: 1101, Dalamal Tower, Nariman Point, Mumbai-400021. Email Address: dushyant.dave@cdcdave.in
21. Address and email to be used for correspondence with the resolution professional	Email: ip.adp@cdcdave.in
22. Further Details are available at or with:	Email: ip.adp@cdcdave.in
23. Date of publication of Form G	1st September 2018

*This Form G is to be read in conjunction with the Form G published on 25th May 2018 and the subsequent addendum published on 29th June 2018.

Dushyant C Dave
IBBI/PA-003/IP-N00061/2017-18/10502
Address: 1101, Dalamal Tower, Nariman Point, Mumbai-400021.
For Anand Distilleries Pvt. Ltd
1st September 2018, Mumbai.

ESTEEM EQUITRADES PRIVATE LIMITED
CIN : U67120MH2007PTC171449
Registered Office: 301, Paras Apartment, 4, Dattatray Road, Santacruz (W), Mumbai, Maharashtra - 400054, India, Tel No. 022-61325555, Fax: 022-61325598, Email id - uday5002@yahoo.co.in
FORM NO. NCLT 3A
Advertisement detailing petition
(See rule 35)
Company Petition No. 118 of 2018
NOTICE OF PETITION
ESTEEM EQUITRADES PRIVATE LIMITED
.....Petitioner/ Transferor Company
A petition under section 230-232 of the Companies Act, 2013, for amalgamation was presented by **Estem Equitrades Private Limited** - Transferor Company (CIN No. U67120MH2007PTC171449) on the 8th day of August 2018 for amalgamation between **Titanium Properties Private Limited** - Transferee Company (CIN No. U45400MH2007PTC171451) and **Helios Research Private Limited** - Transferor Company (CIN No. U74130MH2004PTC149303) and **Estem Equitrades Private Limited** - Transferor Company (CIN No. U67120MH2007PTC171449), and the said petition is fixed for hearing before Mumbai bench of National Company Law Tribunal on 26th September, 2018.
Any person desirous of supporting or opposing the said petition should send to the petitioner's Authorized Representative, notice of his intention, signed by him or his advocate, with his name and address, so as to reach the petitioner's Authorized Representative not later than "two days before the date fixed for the hearing of the petition. Where he seeks to oppose the petition, the grounds of opposition or a copy of his affidavit shall be furnished with such notice. A copy of the petition will be furnished by the undersigned to any person requiring the same on payment of the prescribed charges for the same.
1st September, 2018
On behalf of the Petitioner
SD/-
Ajay Anil Thorat
Authorized Representative for the Petitioner
Address: **M/s. Ajay Anil Thorat & Associates, Company Secretaries**
C-209, Tower No. 2, 2nd Floor, International InfoTech Park, Above Vashi Railway Station, Navi Mumbai - 400705, Maharashtra, India, Contact No: 022-41272047 / 8655827421
Email id - ajaythorath2020@gmail.com

GOLKUNDA DIAMONDS & JEWELLERY LTD.
CIN: L38012MH1990PLC058729
Regd. Office: G-30, Gems & Jewellery Complex - III, SEEP Z, Andheri (East), Mumbai - 400 096
Tel.: 022- 28290155/28290196, Email ID: admin@golkunda.com, Website: www.golkunda.com
NOTICE
Notice is hereby given that the 28th Annual General Meeting of the Company is scheduled to be held on Tuesday, 29th September, 2018 at Sundriy Residency Hotel, Eden Hall-1, "B" Road, Maheshwar Nagar, MIDC, Ward, Andheri (East), Mumbai - 400093 at 3.00 P.M.
The Share Transfer Books and Register of Members shall remain closed from 19th September, 2018 to 25th September, 2018 (both days inclusive).
Notice is hereby given to the members of the Company pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as under:
1. The Company is providing to its members the facility to cast vote by electronic means (remote e-voting) in respect of all the businesses to be transacted at the 28th Annual General Meeting ("AGM") of Members of the Company to be held on Tuesday, 25th September, 2018 at 3.00 p.m. as per the provisions of Rule 20 of the aforesaid rules. The Company has engaged services of Central Depository Services Limited (CDSL) for providing e-voting facility.
2. The Notice setting out the business to be transacted at the AGM along with an Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and the Annual Report of the Company for the financial year 2017-18 have been dispatched in electronic mode to all the members holding shares in dematerialized form and having their e-mail address registered with their Depository participants/Company and to all the other Members in physical form in the permitted manner on 31st August 2018.
3. The e-voting period shall commence on Saturday, 22nd September, 2018 from 9.00 A.M.
4. E-voting period shall end on Monday, 24th September 2018, at 5.00 p.m.
5. The cut-off date i.e. the date for determining the eligibility to vote by electronic means on the general meetings shall be 18th September 2018.
6. For the persons who have acquired shares and become members after dispatch of notice of Annual General Meeting but before the cut-off date are requested to refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
7. The members shall not be allowed to exercise e-voting facilities to cast their votes beyond the aforesaid date and time.
8. The members, who remain present at the Annual General Meeting and have not cast their vote through remote e-voting, will be provided with the ballot/ poll paper to cast their vote physically or suitable arrangement will be made to cast the vote electronically in lieu of poll.
9. The member may participate in the Annual General Meeting even after exercising his rights to vote through remote e-voting but shall not be allowed to vote again in the Annual General Meeting.
10. A person whose name is recorded in the Register of Member or in the Register of Beneficial Owner 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 in the Annual General Meeting.
11. Notice of e-voting can also be viewed on the website of the Company i.e. www.golkunda.com or on the website of CDSL i.e. www.evotingindia.com.
12. In case of any query / grievances in connection with facility for voting by electronic means, the members may contact, Mr. Kanan Singh Baid, via admin@golkunda.com or through Tel. No. 022-28290155/96 or personally at the registered office of the Company.
13. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
By and on behalf of
THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS & JEWELLERY LTD.
SD/-
KANNI KUMAR DADHA
(Chairman & Managing Director)
Place: Mumbai
Date: 01.09.2018

OFFICE OF THE DIRECTOR (MEDICAL SERVICES)
NEW DELHI MUNICIPAL COUNCIL
CHARAK PALIKA HOSPITAL, MOTI BAGH, NEW DELHI - 110021
Tender I.D. No. 2018/NDMC-157230_1
Subject : : CAAC including Operation & Maintenance (O&M) of Medical Gas Pipeline System (MGPS) installed at Palika Maternity Hospital, Lodhi Road, New Delhi.
Estimated Cost : : Rs.1,31,14,920/- (Rupees One Crore Thirty-One Lacs Fourteen Thousand Nine Hundred and Twenty Only) + GST
Date of release of tender through e-procurement solution : : 24.08.2018.
Date of Pre-Bid Meeting of tender through e-procurement Solution : : 31.08.2018 at 2.30 PM
(Pre-bid meeting is to be held in the chamber of Director (MS).
Date of uploading the minutes of pre-bid meeting of tender through e-procurement solution : : 04.09.2018.
Last Date/Time for receipt of tender through e-procurement solution : : 17.09.2018 at 2.30 PM
Further details and any Clarification can be seen at e-tendering system Government of NCT of Delhi <https://govtprocurement.delhi.gov.in>
Note :- To participate in e-tender in NDMC, registration with e-tendering system, Government of NCT of Delhi, is mandatory.
Director (Medical Services) SD/-

MSD FULFORD (INDIA) LIMITED
(A subsidiary of Menck & Co., Inc., Kailashpur, N.J., U.S.A.)
CIN U09000MH1948PLC006190
Regd. Office: 8th Floor, Platina, Plot No. C-59, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 098
Tel: 022-6789 8888, Fax: 022-67898889
Email: mscinfo@msc.com, info@msdindia.com
NOTICE OF THE ANNUAL GENERAL MEETING, REMOTE E-VOTING AND RECORD DATE
NOTICE is hereby given that the Seventieth Annual General Meeting ("AGM Meeting") of the member of Fulford (India) Limited will be held at the Registered Office of the Company situated at Platina, 8th Floor, Plot No. C-59, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400098 on Monday, September 24, 2018 at 11.30 a.m.
Members are further informed that as permitted under Rule 11 of the Companies (Accounts) Rules, 2014, the Notice of the Meeting setting out the ordinary and special business to be transacted thereat together with Annual Audited Financial Statements for the Financial Year 2017-18 has been sent electronically via email to those members of the Company who have registered their email address with the Company's their Depository Participants. However, such members have been offered the facility of opting for a physical copy of the Annual Report. Physical copies have been sent to all other members at their registered address via permitted mode of dispatch. The dispatch of the Notice of the Meeting has been completed on August 31, 2018.
FURTHER NOTICE is hereby given pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, that the Company is providing the facility to the members to cast their vote electronically through remote e-voting platform provided by Central Depository Services (India) Limited ("CDSL") from a place other than the venue of the Meeting.

Mr. Ahyn D'Souza, Practicing Company Secretary of Ahyn D'Souza & Co., Practicing Company Secretaries, Mumbai, has been appointed as a scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
The remote e-voting shall commence on September 21, 2018 from 9.00 a.m. and end on September 23, 2018 at 5.00 p.m. (both days inclusive). The remote e-voting will be closed by CDSL at 5.00 p.m. on September 23, 2018 and shall not be allowed beyond that.
A person, whose name appears in the Register of Members/Beneficial Owner as on the cut-off date i.e. September 17, 2018, only shall be entitled to avail the facility of remote e-voting as well as voting at the Meeting. Any person who becomes member of the Company after the dispatch of the Notice of Meeting and holding shares as on the record date i.e. September 17, 2018, may obtain the User ID and password by sending a request to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited on mt.helpdesk@linkintime.co.in to the attention of Mr. Santosh Jainwal. However, if the member is already registered with CDSL for remote e-voting then he/she can use their existing User ID and Password or casting their vote through remote e-voting. The members who have cast their vote by remote e-voting may attend the Meeting but shall not be entitled to cast their vote again at the venue of the Meeting. Facility for voting through Poll shall also be made available at the venue of the Meeting and members who have not casted their vote by remote e-voting shall be able to vote at the Meeting through voting by Poll.
A member is entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself/herself, on a poll only and such proxy need not be a member of the Company.
The notice of the 70th AGM and the Annual Report are also available at the Company's website www.fulfordindia.com. These documents are also available at the Registered Office of the Company during normal business hours on all working days except Saturdays, Sundays and Public holidays prior to the date of the 70th AGM.
In case of any queries with respect to remote e-voting or voting at the AGM, members may refer to the Frequently Asked Questions for shareholders and e-voting User Manual for Shareholders available under the help section of CDSL's e-voting website www.evotingindia.com or contact Mr. Santosh Jainwal (A/PIT Group), Link Intime India Private Limited, 247 Park, C-501, 1st Floor, LBS Marg, Vikhroli (W), Mumbai - 400083 at Tel: 022 49188270 or write an email to mt.helpdesk@linkintime.co.in.
FURTHER NOTICE is hereby given that September 17, 2018 will be considered as a record date for the purpose of payment of dividend on equity shares of the Company, if approved and declared at the forthcoming AGM of the Company. Dividend, if approved by the members at the AGM will be paid on or before October 23, 2018 to the members as under:
- to all beneficial owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and CDSL as of the close of business hours on September 17, 2018.
- to all Members in respect of shares held in physical form whose names are recorded as Members in the Register of Members maintained by RTA as of the close of business hours on September 17, 2018.
Members can address their correspondence/request to the Company at mscinfo@msc.com
Members are requested to keep their most updated email ID registered with the Company/ their Depository Participant to receive timely communications.
By Order of the Board of Directors
For Fulford (India) Limited
SD/-
Mr. Vivek Vasudevar Kanaiah
Managing Director
DIN 06805777
Place: Mumbai
Date: September 01, 2018

www.bankofbaroda.com
REQUEST FOR PROPOSAL
Bank of Baroda invites Proposal for "Selection of Application Service Provider for providing e-Procurement Services for a period of 5 years".
Details are available under Tenders section on Bank's website: www.bankofbaroda.com
"Addendum", if any, shall be issued on Bank's website under tenders section. Bidder should refer the same before final submission of the proposal.
Last date for submission of the above proposal will be 24.09.2018 by 02:00 PM.
Place: Mumbai
Date: 01.09.2018
Chief Technology Officer SD/-

Nagarjuna Fertilizers and Chemicals Limited
CIN: L2412AP2006PLC376238
Regd. Office: D No 6-2-248, Nagarjuna Hills, Punjagutta, Hyderabad - 500082 Telangana. Website: www.nagarjunafertilizers.com
Email: investor@nagarjunagroup.com; Contact No. 940-23359465
NOTICE
Annual General Meeting:
Notice is hereby given to the Members of NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED that the Twelfth Annual General Meeting (AGM) of the company will be held AT 10.00 A.M. ON SATURDAY, SEPTEMBER 29, 2018 AT SRI SATYA SAI NIGAMAGAMAM, 8-3-887/2, SRINAGAR COLONY, HYDERABAD - 500 073, TELANGANA to transact the business specified in the Notice and Annual Report dated July 27, 2018, concerning the said meeting. The dispatch of 12th Annual Report of the company for the FY 2017-18 has been completed on August 30, 2018 by (a) email to the Members whose email addresses are registered with the Company / Depository Participant and (b) physical copies have been sent by permitted mode to Members who have not registered their email addresses as mentioned above. The notice of AGM is available on the website of the company www.nagarjunafertilizers.com and on the website of Central Depository Services (India) Limited (CDSL) www.evotingindia.com and business contained in the said Notice would be transacted through voting by electronic means.
Book Closure and Record Date:
Pursuant to the provisions of Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 91 of the Companies Act, 2013, notice is hereby given that the Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2018 to September 29, 2018 (both days inclusive) for the purpose of aforesaid AGM, as mentioned in the Notice sent to Members.
Voting through electronic mode:
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, the Company is providing, to the Members the remote e-voting facility for transacting the businesses specified in the notice of AGM, through CDSL e-voting platform. The Members of the Company holding shares either in physical form or in dematerialized form, as on September 22, 2018 (Cut-off date) may cast their vote electronically using an electronic voting system from a place other than venue of the General Meeting and voting at the General Meeting through the ballot form, on all the resolutions set forth in the Notice to the Twelfth AGM. The procedure for e-voting is available in the Notice of AGM sent to the Members.
a) The date and time of commencement of e-voting: Wednesday, September 26, 2018 at 9.00 A.M.
b) Date and time of end of remote e-voting: Friday, September 28, 2018 at 5.00 PM
c) The e-voting shall not be allowed beyond the date and time mentioned.
d) Cut-off date for determining the eligibility to vote: September 22, 2018
e) Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
f) In case a person becomes a Member of the company after the despatch of AGM Notice, but on or before the cut-off date i.e., Saturday, September 22, 2018, may obtain the login ID and password by sending a request to the Company by mentioning their Folio No. / DP ID & Client ID.
g) Facility for voting through Ballot Form shall also be made available at the AGM. Members attending the AGM, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the meeting.
h) A Member shall opt only one mode of voting i.e., either remote e-voting or by Ballot Form. Members who have cast their vote by remote e-voting may also attend the meeting but shall not be allowed to vote again at the AGM. Voting, if exercised, shall be invalid and the vote cast through remote e-voting shall be considered.
i) 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 in the AGM.
j) Members who do not have access to remote e-voting facility, may exercise their right to vote on all businesses forming part of the Notice, by submitting the Ballot Form enclosed to the Notice, in a sealed envelope, to the scrutinizer appointed by the Board of Directors. Only completed Ballot Form should reach the Scrutinizer not later than 5.00 PM on Friday, September 28, 2018 at Flat No. 101, 5th Sai Krishna Residency, 1-2-234/13, Aravind Nagar, Domalguda, Hyderabad - 500 029.
k) Mr. C S S Krishna, Partner, M/s. K B G Associates (Membership No. FCS 5984), Practicing Company Secretaries, has been appointed, by the Board of Directors, as scrutinizer for conducting the e-voting process in a fair and transparent manner. The Results declared along with the Scrutinizer's Report shall be placed on the website of the company and also of CDSL, and shall also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed.
l) Members may go through the Notice of AGM for detailed process and manner on the remote e-voting. In case of queries or grievances connected with remote e-voting, Members may refer to the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or contact Mr. Rakesh Dahi, Manager, CDSL at 1800225533 or write to helpdesk.evoting@cdslindia.com or, Mr. Shilpi Ray, Sr. Manager (Operations), Investors Services Cell at 040-23358405 or write to investors@nagarjunagroup.com
m) If any Member has not received the Annual Report for any reason, he / she can write to the Company Secretary on Chandrasekhar@nagarjunagroup.com or to the Investor Service Cell at investors@nagarjunagroup.com to obtain the same.
For NAGARJUNA FERTILIZERS AND CHEMICALS LIMITED
SD/-
Place : Hyderabad
Date : September 01, 2018
K Chandra Sekhar Naidu
Company Secretary
Note:
Submission of PAN and Bank Details.
The Securities and Exchange Board of India vide Circular SEBI/HQ/MSRD/DOP1/ CIR/P/2018/73 dated April 20, 2018 provided that shareholders, whose PAN and bank details are unavailable with Registrar and Share Transfer Agent shall be subject to enhanced due diligence. Accordingly all the shareholders are requested to submit a copy of the PAN card and original cancelled cheque leaf / attested bank passbook showing name of account holder at the earliest.
Transfer of shares only on dematerialized form
The SEBI vide its Notification dated June 8, 2018 notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 wherein it mandated that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. The shareholders are requested to take note of the same.

కలెక్టరేట్‌లో యువకుడి ఆత్మహత్యాయత్నం

- తొమ్మిది నెలలుగా జీతం రాలేదని ఆవేదన

కీసర, ప్రభుస్వాస్: తొమ్మిది నెలలు గా జీతం చెల్లించకపోవడంతో ఓ యువ కుడు విషం సేవించి ఆత్మహత్యకు పాల్పొ డిన సంఘటన కీసరలోని మేడ్చల్ కలెక్టరేట్‌లో కార్యాలయం వద్ద శుక్రవారం జరి గింది. కీసర గ్రామానికి చెందిన జూపల్లి నాగేష్ (36) తొమ్మిది నెలలుగా కీసర పౌర సరఫరాల శాఖ ఎంపిలీఎస్ పాంయింట్ గోదాంంలో వాచ్‌మెన్‌గా విధులు నిర్వహిస్తున్నాడు. తొమ్మది నెలలుగా జీతం చెల్లిం చకపోవడంతో పలుమార్లు అధికారులకు మొర పెట్టుకున్నాడు. శుక్రవారం కలెక్టరేట్‌లో పౌర సరఫరాల శాఖ అధికారులను కలిసి నాగేష్ జీతం చెల్లింపాలని కోరాడు. అధికారుల నుండి స్పందన రాకపోవడంతో కలెక్టరే బాంబర్ వద్ద అర గంట పాటు ఉండి, తర్వాత కిందకు నడుచుకుంటూ వచ్చి గోట్ వద్ద నేలెత్తి పడి ఆపస్పృశక సిద్ధిలోకి వెళ్ళాడు. సిబ్బంది విషం తాగినట్లు గుర్తించి, చికిత్స నిమిత్తం ఘంటేశ్వర ప్రభుస్వాస్ ఆసుపత్రికి తరలించారు. నాగేష్ ఆరోగ్య పరిస్థితి నిలకడగా ఉన్నట్లు వైద్యులు తెలిపారు.

టోల్‌ప్లాజాను ఢీకొన్న లారీ

- ఒకరి మృతి... ఆరుగురికి గాయాలు



బీభత్సం సృష్టించిన కంఠెశర్ లారీ. (ఇన్‌సెట్) మృతిచెందిన అనిత

తూప్రాన్, ప్రభుస్వాస్: మెదక్ జిల్లా తూ.ప్రాన్ సమీపంలోని అల్లాహ్‌బాద్ పాక్షా వద్ద గురువారం ఆర రాత్రి ఓ టంబెనర్ లారీ బీభత్సం సృష్టించింది. టోల్ రుసుం చెల్లిస్తున్న రెండు కార్లను ఢీకొట్టిటోల్ బూతలను సైతం ఢీకొట్టడంతో ముం దు కారులో ప్రయాణిస్తున్న మహిళా మృతిచెందగా మరో ఇద్దరికి గాయాలయ్యాయి. టోల్‌బూత్‌లో పనిచేస్తున్న నలుగురికి తీవ్రగాయాలయ్యాయి. ఇందులో ఇద్దరి పరిస్థితి విషమంగా ఉంది. కారులో ప్రయాణిస్తున్న వరంగల్ సీటీ పబ్లినాథ్ రవీంద్ర కారును బలంగా ఢీకొట్టడంతో సీసీ టండువు అనిత (49) అక్కడిక్కడే మృతిచెందారు. టోల్‌బూత్‌లో పనిచేస్తున్న అమీతకుమార్ శర్మ ముఖం పూర్తిగా నుజ్జునుజ్జుయింది. బూత్ వద్ద పని చేస్తున్న గోవింద్ గుప్తా, జయ కుమార్, స్వామి లకు తీవ్ర గాయాలయ్యాయి. వీరిని చికిత్స నిమిత్తం హైదరాబాద్‌లోని ఆస్పత్రికి తరలించారు. లారీ డ్రైవర్, క్షీరరలు పరాలలో ఉన్నారు.

ఏసీబీ వలలో లైన్‌మన్

హైదరాబాద్, ఆంధ్రప్రభ: లంపం తీసుకుంటూ ట్రాన్స్‌కో లైన్‌మన్ ఒకరు ఏసీ బీటీ పట్టుబడ్డారు. గచ్చిబౌలిలో ట్రాన్స్‌కో లైన్‌మన్‌గా పని చేస్తున్న ఆకుల రాజేంద ర్‌ను కొద్ది రోజుల క్రితం బాలకృష్ణారెడ్డి అనే వ్యక్తి కలిసి ట్రాన్స్‌ఫర్మర్‌తో పాటు సీటీ మీటరికోసం దరఖాస్తు చేశాడు. ఇందుకు రూ. 50 లెల లంపం ఇవ్వాలని రాజేందర్‌ రే డిమాండ్ చేశాడు. దీంతో బాలకృష్ణారెడ్డి ఏసీబీ అధికారులకు ఫిర్యాదు చేశారు. దీం తో రాజేందర్‌కు బాలకృష్ణారెడ్డి ద్వారా లంపం డబ్బులు ఇప్పిస్తూ శుక్రవారం ఏసీబీ అధికారులు ఆయన కార్యాలయంలోనే రెవెన్యూరెజిడేగా పట్టుకున్నారు. అనంత రం కార్యాలయంతో పాటు ఇంట్లోనూ అధికారులు సోదాను చేశారు. రాజేందర్‌పై కేసును సమోదు చేసిన అధికారులు అతడిని రిమాండుకు తరలించారు.

మాజీ ఐఎఫ్‌ఎస్ అధికారికి జైలు

హైదరాబాద్, ఆంధ్రప్రభ: ఆదాయానికి మించి ఆస్తులు కలిగి ఉన్నారన్న అభి యోగింపై సీబీఐ సమోదు చేసిన కేసులో మాజీ ఐఎన్‌ఎస్ అధికారికి ప్రత్యేక కోర్టు మూడేళ్లు జైలు శిక్ష విధించింది. కేరళ రాష్ట్రంలో త్రివేండ్రంలో చీఫ్ కన్స్టేబుల్ ఆఫ్ ప్లాంట్స్ జిల్లా కమిషనరు ఐఎఫ్‌ఎస్ అధికారి డి. భద్రాచలరావు ఆదాయానికి మించి ఆస్తు లను కలిగి ఉన్నారన్న అభియోగంపై సీబీఐ 2004లో కేసు సమోదు చేసింది. ఈ కేసును విచారించిన హైదరాబాద్ సీబీఐ ప్రత్యేక కోర్టు చార్జిషీటును దాఖలు చేసింది. నేరాలోపణ రుజువు కావడంతో కేసును విచారించిన కోర్టు మూడేళ్ళు కారాగార శిక్షతో పాటు రూ. 10 లక్షలు జరిమానా విధించారు. జరిమానా చెల్లించిన పక్షంలో మరో మూడు మాసాల కారాగార శిక్షను ఆనుభవించాలని కోర్టు తీర్పు చెప్పింది.

విజయవాడలో మేనేజిరకు ఐదేళ్ళు జైలు శిక్ష

బ్యాంక్ మేనేజిర్‌గా విజయవాడలో దుర్మగింజాగం చేసి నిధులను పశ్చిదారి పట్టించిన ఆమెరిపేట్ విజయవాడ్యాలలో మేనేజిర్‌ ఏ. దేవేంద్రరావు, అతడికి సహకరించిన మరోవ్యక్తులారావులకు సీబీఐ ప్రత్యేక కోర్టు శుభవారం శిక్ష విధిస్తూ తీర్పు వెలువరించింది. అమీర్‌పేట విజయబ్యాంక్ మేనేజిర్‌గా 2008లో దేవేం దరకావు పని చేశారు. ఆ సమయంలో పోర్టల్ దాక్కుమెంట్లతో బ్యాంకుకు తనఖా పట్టినట్లు చూపించి 12 నెలలు పీలించారు. 90 లక్షలను దుర్మగింజాగం చేయాలి తేలింది. విచారణ జరిపిన ప్రత్యేక కోర్టు శుక్రవారం దేవేందరకావుకు అందుకోల్చి కారాగారంతో పాటు రూ.3 లక్షల జరిమానాను విధించింది. అదేవిధంగా వెంకటే శ్వరకావుకు ఐదేళ్లు జైలు శిక్ష, లక్షన్నర రూపాయల జరిమానాను విధించింది.

నేటినుంచి ఇంటింటా పోషణ సంబురాలు

హైదరాబాద్, ఆంధ్రప్రభ: తెలంగాణ వ్యాప్తంగా నేటి నుంచి ఇంటింటా పోష ణ సంబరాలు పేరిట భారీ కార్యక్రమం నిర్వహించనున్నారు. నెలరోజుల పాటు ఈ కార్యక్రమం కొనసాగుతుంది. సెప్టెంబర్ -2018ను జాతీయ పోషకాహార మాసం గా కేంద్రం ప్రకటించింది. ఈ నేపథ్యంలో పోషణలోపం లేని తెలంగాణ కావాలి అనే నినాదంతో పోషక అభియాం (ఇంటింటా పోషణ సంబరాలు) క్షేత్రస్థాయిలో అమలు చేశారు. పోషణ లోపం, రక్తహీనత, తక్కువ బరువుతో వ్యక్తి శిశువుల సం తృప్తి అంగపదం వంటి ప్రధాన లక్ష్యంతో విన్యాయలు, గర్భవతులు, కొమార్ బాలి కలు, బాలింతలు, శిశువుల సంపూర్ణ ఆరోగ్యం దిశగా ప్రభుత్వం పోషక అభియాన్ కార్యక్రమాలను చేపట్టింది. ఈ కార్యక్రమంలో మహిళాశిశు సంక్షేమశాఖ, పంచాయితీరాజ్, విద్యాశాఖ, వైద్యశాశఖ, గిరిజన సంక్షేమశాఖ, గ్రామీణాభివృద్ధి శాఖ, సిర్సీ, మెమో శాఖలు పాల్గొంటున్నాయి.

ఎన్‌సీసీ కోటలో ఎంబీబీఎస్ సీట్లపై దర్యాప్తునకు హైకోర్టు ఆదేశం

హైదరాబాద్, ఆంధ్రప్రభ : ఎన్‌సీసీ కోటా కింద ఎంబీబీఎస్ ప్రవేశాల కోసం విద్యార్థులను ఏ ప్రాతినిధివన సీపాఠను చేసి, జాతీయోత్సవోత్సవ వ్యవహరంపై దర్యాప్తు జరపాలని ఎన్‌సీసీ డైరెక్టరేట్‌ను హైకోర్టు ఆదేశించింది. నెలరోజులంలో జోక్యం చేసుకోవల్సిందగా ఎన్‌సీసీ డైరెక్టరేట్ హెడ్ క్వార్టర్స్కు హైకోర్టు స్పష్టం చేసింది. ఈ దర్యాప్తు కోసం డైరెక్టరేట్ నుంచి డిప్యూటీ డైరెక్టర్ జనరల్‌ను నియమిం చాలని ఎన్‌సీసీ డైరెక్టరేట్‌ను హైకోర్టు ఆదేశించింది. ఎన్‌సీసీ కోటా కింద ఎంబీబీఎస్ ప్రవేశాలను పరిశీలించి సెప్టెంబర్ 10 లోగా నివేదించు సమర్పించాలని హైకోర్టు స్పష్టం చేసింది. ఉమ్మడి హైకోర్టు న్యాయమూర్తులు జస్టిస్ వి. రామసుబ్రహ్మణియి్, జస్టిస్ జె.ఉమాదేవితో కూడిన డివిజన్ బెంచ్ శుక్రవారం ఈ మేరకు ఆదేశాలు జారీ చేసింది.

కేరళకు 520 టన్నుల అహార వస్తు సామగ్రి ఉచిత రవాణా:ద.మ.రైల్వే

హైదరాబాద్ : కేరళ వరద బాధితులకు సహాయం చేయడంతో దక్షిణ మధ్య రైల్వే తనదైన పాత్ర పోషించింది. కేవలం పదిరోజుల వ్యవధిలోనే 520 టన్నుల వస్తు, అహార సామగ్రిని ఉచితంగా తరలించింది. దక్షిణ మధ్య రైల్వే జనరల్ మేనేజిర్ విరోధకుమార్ యాదవ్ ఆధ్వర్యంలో కేరళ కోసం చేతులు కల పండి సామగ్రిని అగస్టు 20 నుంచి 31 వరకు వివిధ రాష్ట్రాల్లో సేకరించిన వస్తు, అహార సామగ్రిని కేరళకు ఉచిత రవాణా చేసే బరువుతో వ్యక్తి శిశువుల సం తృప్తు జనరల్ మేనేజిర్ జాన్ థామస్ సమన్వయంలో జోన్‌లోని సికింద్రాబాద్, హైదరాబాద్, విజయవాడ, గుంటూరు, గుంతకల్లు, నాందేలూ డివిజన్‌ల మేనే జర్లు ఈ కార్యక్రమంలో భాగస్వాములయ్యారు. మరోవైపు రైల్వే అధికారులు, సిబ్బంది, కుటుంబ సంక్షేమ, కార్మిక సంఘాలు, ఆరోగ్యసంస్థలు ప్రభుత్వంగా కృషి చేసి సహాయ సామగ్రిని సేకరించడం, సరైన పద్ధతిలో ప్యాకెటింగ్ చేసి కేరళ వరద బాధిత ప్రాంతాలకు సరఫరా చేయడంలో పాటుపడ్డారు.

మెడికల్ సీట్ల పేరుతో మోసం

- అంతరాష్ట్ర ముఠా అరెస్టు.. రూ.25 లక్షలు స్వాధీనం



వివరాలు వెల్లడిస్తున్న హైదరాబాద్ సీసీ అంజనీకుమార్

హైదరాబాద్, ఆంధ్రప్రభ : బెంగళూరులోని మెడికల్ కాలేజీలో సీట్లు ఇప్పిస్తామంటూ ఘరానా మోసానికి పాల్పడ్డ అంతరాష్ట్ర ముఠా గుట్టును వెళ్లెక్స్‌లో ట్యాగ్స్ పోర్ట్ చేసేటోసులు రట్టు చేశారు. హైదరాబాద్, భోపాల్‌లో కన్స్ట్రెస్ట్ సంస్థలు ఏర్పాటు చేసి వైద్యవిద్యలో చేరాలనుకునే విద్యార్థుల్లకు ఎర

ఏపీ జిల్లా కేంద్రాల్లో కేన్సర్ సెంటర్లు



తిరుపతి, ప్రభుస్వాస్ బ్యారో: రాష్ట్రవ్యాప్తంగా ఏటా కేన్సర్ వ్యాధి సోకిన కేసులు దాదాపు 50 వేల వరకు నమోదవుతున్నాయి. ఆ సమస్యను తగ్గించే అధికారం చదానికి 13 జిల్లా కేంద్రాల్లో పూర్తి స్థాయి కేన్సర్ కేర్ సెంటర్లను ఏర్పాటు చేయాలని సంకల్పించాం. టాటా ట్రస్ట్ సహకారంతో ఆ సెంటర్లను పరిపుష్టం చేయడంతో పాటు అత్యాధునిక చికిత్సలను అందించడమే కాక కేన్సర్ పట్ల ప్రజలకు అవగాహన కలిగించే కార్యక్రమా లను అమలు చేయనున్నట్లు ఏపీ ముఖ్యమంత్రి చంద్ర బాబునాయుడు స్పష్టం చేశారు. రాష్ట్రంలో అమలు చేస్తున్న వివిధ పథకాలు, ఏర్పాటు కానున్న మెడికల్ హాల్లు, వైద్య కళాశాల ద్వారా భవిష్యత్తులో రాష్ట్రాన్ని జాతీయ స్థాయి వైద్య కేంద్రం స్థానంగా తీర్చి దిద్దా లన్నదే తన అలెతిమ లక్ష్యమని తెలిపారు. తిరుపతిలో టీటీడి కేటాయించిన 25 ఎకరాల స్థలంలో టాటా ట్రస్టు

అనంతరం ఏర్పాటైన బహిరంగ సభలో చంద్ర బాబు మాట్లాడుతూ సంపాదించుకున్న సంపాదన సామాజిక సేవకు సద్వినియోగం చేయాలనే తపనను 80 ఏళ్ల వయసులో కూడా కొనసాగిస్తున్న రతన్ టాటా ను దేశం గర్వించదగిన అరుదైన వ్యక్తిగా అభివర్ణిం చారు. దేశవ్యాప్తంగా 124 అత్యున్నత వైద్య కేంద్రాల ను నిర్వహిస్తున్న టాటా ట్రస్టు దేశంలో లక్షలాది మందిని వేధిస్తున్న కేన్సర్ వ్యాధి నివారణ లక్ష్యంగా బదు రాష్ట్రాల్లో అత్యున్నత వైద్య కేంద్రాలను నెలకొల్ప దానికి కృషి చేస్తున్నారున్నారు. ఆ కృషిలో భాగంగానే తిరుపతిలో శ్రీవేంకటేశ్వర ఇన్‌స్టిట్యూట్ ఆఫ్ కేన్సర్ కేర్ అండ్ అడ్వాన్స్డ్ రిసెర్చ్(స్వీకార్) ఏర్పాటుకు కృషి చేస్తు న్నారన్నారు. ఆ ఆసుపత్రి ద్వారా అంతర్జాతీయ ప్రమాణాలతో అత్యాధునిక వైద్య చికిత్సను అందించడంతో

యాక్టివిస్టులకు మావోలతో సంబంధాలు

●మోడి హత్యకు కుట్ర జరిగిందన్న మహారాష్ట్ర పోలీసులు

ముంబై: సుప్రీంలోపు ఆదేశాల ప్రకారం గృహనిర్బంధంలో ఉన్న యాక్టి విస్టులకు మావోయిస్టులతో సంబంధాలు ఉన్నాయని మహారాష్ట్ర పోలీసులు తెలి పారు. దీనికిసంబంధించిన ఖచ్చితమైన ఆధారాలు తమవద్ద ఉన్నాయని వెల్లడించా రు. రాజీవ్ గాంధీ హత్య తంహాలో మోడీని హత్యచేసేందుకు కుట్రవన్నారని వారిలో ఒకరు తెలిపారన్నారు. అరెస్టున యాక్టివిస్ట్ రోనా విల్సన్ మావోయిస్టు టీడర్ మధ్య ఈ-మెయిల్ ద్వారా చర్చ జరిగిందని తెలిపారు. వీరు మోడి-రాజీవేరు తో ప్రధాన మోడీని హత్యచేసింది హత్య తరహా ఫుటనపై చర్చించునన్నారుని అడి పనల్ రైడెర్లకే జనరల్ (కాంబిన్‌డ్రెస్)పరమేటి సింగ్ విలేఖరుల సమావేశంలో తెలిపారు. విల్సన్‌ను ఢిల్లీలో అదుపులోకి తీసుకున్నామన్నారు. గత జనవరిలో మహారాష్ట్రలో కోర్టుగా జీమా అర్జున్ తో ఆయనకు సంబంధం ఉం దన్న ఆలోచనలు ఆయనను అరెస్టు చేశామన్నారు.

అభివృద్ధి పనులకు

రూ.31 కోట్లు

హైదరాబాద్,ఆంధ్రప్రభ: తెలం గాణ రాష్ట్ర ప్రభుత్వా శాఖ రాష్ట్రం లోని పలు నియోజకవర్గాల్లో అభివృద్ధి పనులకు స్పెషల్ డెవలప్‌మెంట్ పండ్ నుంచి రూ.31కోట్లు విడుదల చేసింది. 2018-19సామగ్రి ఖమ్మం జిల్లా పాలేరు నియోజకవర్గానికి రూ. 20కోట్లు, వికారాబాద్ జిల్లా చేపేళ్ల నియోజకవర్గానికి రూ. 10కోట్లు, వరంగల్ అర్బన్ జిల్లాకు కోటి రూపాయ విడుదల చేస్తూ ప్రభుత్వశాఖా ముఖ్యకార్యదర్శి కె.రామకృష్ణారావు ఉత్తర్వులు జారీ చేశారు.

4న డీఎస్‌ఈ ఆఫీస్ ముట్టడి: యూటీఎఫ్

హైదరాబాద్, ఆంధ్రప్రభ: రాష్ట్రంలోని కస్తూర్బాగాంధీ బాలికా విద్యాలయాల్లోని ఉపాధ్యాయులు, ఉద్యోగుల సమన్వయను పరిష్కరించాలని డిమాండ్ చేస్తున్న సెప్టెంబర్ 4న పాఠశాల విద్య నియంత్రులు కార్యాలయాన్ని ముట్టడించనున్నట్లు తెలం గాణ రాష్ట్ర పబ్లిక్ ఉపాధ్యాయ ఫెడరే షన్ తెలిపింది. గత 10 సంవత్సరా లుగా కేజీబీబీర్తో మహిళా ఉపాధ్యాయలతోపాటు ఉద్యోగులు కాంక్రెట్ పద్ధతిలో పనిచేస్తున్నారని కానీ జప్తు టీవరకులారని రెగ్యులర్ చేయలేదని సంఘం రాష్ట్ర అధ్యక్షుల సీపాల్ రామయిలు, ప్రధాన కార్యదర్శి వాన రవి విమర్శించారు. ముఖ్యమంత్రి కేసీఆర్ వీరిని రెగ్యులర్ చేసే అని పాతీలు ఇచ్చి 4 సంవత్సరాలు పూర్ునా ఇప్పటి వరకు ఆ హామీ అమలుకు చేుకోలేదన్నారు. కనీస లేద నాలుకూడా అమలుచేయడం చేత మండిపడ్డారు. వీరి సమన్వయ పరిష్కరించాలని డిమాండ్ చేస్తు సెప్టెంబర్ 4న పాఠశాల విద్య సంపాలకుల కార్యాలయాన్ని ముట్టడించను న్నట్లు తెలిపారు.

ఉన్నత విద్యలో ఆవిష్కరణలు అవసరం

విద్యా సదస్సులో వక్కులు

హైదరాబాద్, ఆంధ్రప్రభ: ఉన్నత విద్యలో నూతన ఆవిష్కరణలు అవసరమని, ఉపాధినిచ్చే కోర్సులను పర్సెంటీలు రూపొందించాలని ఉన్నత విద్యారంగంపై జరిగిన జాతీయ సదస్సులో వక్కు అభిప్రాయవర్ణురు. 4వ ఉన్నత విద్యా మహాసభ శుక్రవారం హైదరాబాద్‌లో జరిగింది. ఇక్కాయ గ్రూప్ ఆధ్వర్యంలో బిజినెస్ వర్క్ ఎడ్యుకేషన్ సంగ్ర తెలంగాణ ఉన్నత విద్యా మండలి సహకారంతో నిర్వహించింది. ఉన్నత విద్యా మహాసభకు సబంధించిన వివరాలను తెలంగాణ ఉన్నత విద్యా మండలి వైర్లన్ ఆచార్య తుమ్మల పాపిరెడ్డి తెలిపారు. మహాసభలో సీయోటి ఎగ్జిక్యూటివ్ వైర్లన్ బివి అర్ మోహన్ రెడ్డి, ఐఎంఎ లక్ష్మి మాజీ డైరెక్టర్ పద్మశ్రీ డి ప్రీతమ్ సింగ్, ఇక్కాయ యూనివర్సిటీ వీసీ ప్రొఫెసర్ జే మహేందరరెడ్డితోపాటు రాష్ట్రంలో ఉన్న విశ్వవిద్యాలయాల ఉపకులపతులు పాల్గొన్నారు.

డా.బా. ట్రస్ట్ వైర్లన్ రతన్ టాటా మాట్లాడుతూ

తిరుపతిలోని పాద పద్మాలచెంత కేన్సర్ ఆసుపత్రి స్వీకారం నిర్మించగలగడం ఎంతో ఆనందదాయకం గా ఉందన్నారు. టాటా ట్రస్టు మెడికల్ డైరెక్టరులకు ణమూర్ల మాట్లాడుతూ 300 పడకలతో నిర్మించే తిరుపతి కేన్సర్ ఆసుపత్రి స్వీకార ద్వారా కీమా థెరపీ, రేడియేషన్ థెరపీలతో పాటు అత్యాధునిక మెడికల్, సర్జికల్ అంపాలతో సేవలను త్వరలో అందించగల ప్తమమని తెలిపారు. స్వీకార నిర్మాణానికి టాటా ట్రస్టుతో ఒప్పందం కుదుర్చుకున్న టీటీడి కార్యనిర్వహణాధికారి అనిల్‌కుమార్ సింఘల్, టాటా ట్రస్టు మేనేజింగ్ డ్రస్ట్ వెంకటేశారావు ప్రసంగించారు. అనంతరం చిత్తూరులో అపోలో ఆసుపత్రి ఆధ్వర్యంలో కొత్తగా ఏర్పాటు చేసిన అపోలో నాల్డ్ కేంద్రాన్ని ముఖ్యమంత్రి చంద్రబాబు నాయుడు అపోలో గ్రూప్ ఆసుపత్రుల వైర్లన్ డాక్టర్ ప్రతాప్ సి. రెడ్డితో కలిసి ప్రారంభించారు.

తో కలిసి భూమిపూజ నిర్వహించారు.

అనంతరం ఏర్పాటైన బహిరంగ సభలో చంద్ర బాబు మాట్లాడుతూ సంపాదించుకున్న సంపాదన సామాజిక సేవకు సద్వినియోగం చేయాలనే తపనను 80 ఏళ్ల వయసులో కూడా కొనసాగిస్తున్న రతన్ టాటా ను దేశం గర్వించదగిన అరుదైన వ్యక్తిగా అభివర్ణిం చారు. దేశవ్యాప్తంగా 124 అత్యున్నత వైద్య కేంద్రాల ను నిర్వహిస్తున్న టాటా ట్రస్టు దేశంలో లక్షలాది మందిని వేధిస్తున్న కేన్సర్ వ్యాధి నివారణ లక్ష్యంగా బదు రాష్ట్రాల్లో అత్యున్నత వైద్య కేంద్రాలను నెలకొల్ప దానికి కృషి చేస్తున్నారున్నారు. ఆ కృషిలో భాగంగానే తిరుపతిలో శ్రీవేంకటేశ్వర ఇన్‌స్టిట్యూట్ ఆఫ్ కేన్సర్ కేర్ అండ్ అడ్వాన్స్డ్ రిసెర్చ్(స్వీకార్) ఏర్పాటుకు కృషి చేస్తు న్నారన్నారు. ఆ ఆసుపత్రి ద్వారా అంతర్జాతీయ ప్రమాణాలతో అత్యాధునిక వైద్య చికిత్సను అందించడంతో

తో కలిసి భూమిపూజ నిర్వహించారు.

యాక్టివిస్టులకు మావోలతో సంబంధాలు

●మోడి హత్యకు కుట్ర జరిగిందన్న మహారాష్ట్ర పోలీసులు

ముంబై: సుప్రీంలోపు ఆదేశాల ప్రకారం గృహనిర్బంధంలో ఉన్న యాక్టి విస్టులకు మావోయిస్టులతో సంబంధాలు ఉన్నాయని మహారాష్ట్ర పోలీసులు తెలి పారు. దీనికిసంబంధించిన ఖచ్చితమైన ఆధారాలు తమవద్ద ఉన్నాయని వెల్లడించా రు. రాజీవ్ గాంధీ హత్య తంహాలో మోడీని హత్యచేసేందుకు కుట్రవన్నారని వారిలో ఒకరు తెలిపారన్నారు. అరెస్టున యాక్టివిస్ట్ రోనా విల్సన్ మావోయిస్టు టీడర్ మధ్య ఈ-మెయిల్ ద్వారా చర్చ జరిగిందని తెలిపారు. వీరు మోడి-రాజీవేరు తో ప్రధాన మోడీని హత్యచేసింది హత్య తరహా ఫుటనపై చర్చించునన్నారుని అడి పనల్ రైడెర్లకే జనరల్ (కాంబిన్‌డ్రెస్)పరమేటి సింగ్ విలేఖరుల సమావేశంలో తెలిపారు. విల్సన్‌ను ఢిల్లీలో అదుపులోకి తీసుకున్నామన్నారు. గత జనవరిలో మహారాష్ట్రలో కోర్టుగా జీమా అర్జున్ తో ఆయనకు సంబంధం ఉం దన్న ఆలోచనలు ఆయనను అరెస్టు చేశామన్నారు.

అభివృద్ధి పనులకు

రూ.31 కోట్లు

హైదరాబాద్,ఆంధ్రప్రభ: తెలం గాణ రాష్ట్ర ప్రభుత్వా శాఖ రాష్ట్రం లోని పలు నియోజకవర్గాల్లో అభివృద్ధి పనులకు స్పెషల్ డెవలప్‌మెంట్ పండ్ నుంచి రూ.31కోట్లు విడుదల చేసింది. 2018-19సామగ్రి ఖమ్మం జిల్లా పాలేరు నియోజకవర్గానికి రూ. 20కోట్లు, వికారాబాద్ జిల్లా చేపేళ్ల నియోజకవర్గానికి రూ. 10కోట్లు, వరంగల్ అర్బన్ జిల్లాకు కోటి రూపాయ విడుదల చేస్తూ ప్రభుత్వశాఖా ముఖ్యకార్యదర్శి కె.రామకృష్ణారావు ఉత్తర్వులు జారీ చేశారు.

4న డీఎస్‌ఈ ఆఫీస్ ముట్టడి: యూటీఎఫ్

హైదరాబాద్, ఆంధ్రప్రభ: రాష్ట్రంలోని కస్తూర్బాగాంధీ బాలికా విద్యాలయాల్లోని ఉపాధ్యాయులు, ఉద్యోగుల సమన్వయను పరిష్కరించాలని డిమాండ్ చేస్తున్న సెప్టెంబర్ 4న పాఠశాల విద్య నియంత్రులు కార్యాలయాన్ని ముట్టడించనున్నట్లు తెలం గాణ రాష్ట్ర పబ్లిక్ ఉపాధ్యాయ ఫెడరే షన్ తెలిపింది. గత 10 సంవత్సరా లుగా కేజీబీబీర్తో మహిళా ఉపాధ్యాయలతోపాటు ఉద్యోగులు కాంక్రెట్ పద్ధతిలో పనిచేస్తున్నారని కానీ జప్తు టీవరకులారని రెగ్యులర్ చేయలేదని సంఘం రాష్ట్ర అధ్యక్షుల సీపాల్ రామయిలు, ప్రధాన కార్యదర్శి వాన రవి విమర్శించారు. ముఖ్యమంత్రి కేసీఆర్ వీరిని రెగ్యులర్ చేసే అని పాతీలు ఇచ్చి 4 సంవత్సరాలు పూర్ునా ఇప్పటి వరకు ఆ హామీ అమలుకు చేయలేదన్నారు. కనీస లేద నాలుకూడా అమలుచేయడం చేత మండిపడ్డారు. వీరి సమన్వయ పరిష్కరించాలని డిమాండ్ చేస్తు సెప్టెంబర్ 4న పాఠశాల విద్య సంపాలకుల కార్యాలయాన్ని ముట్టడించను న్నట్లు తెలిపారు.

ఉన్నత విద్యలో

ఆవిష్కరణలు అవసరం

విద్యా సదస్సులో వక్కులు

హైదరాబాద్, ఆంధ్రప్రభ: ఉన్నత విద్యలో నూతన ఆవిష్కరణలు అవసరమని, ఉపాధినిచ్చే కోర్సులను పర్సెంటీలు రూపొందించాలని ఉన్నత విద్యారంగంపై జరిగిన జాతీయ సదస్సులో వక్కు అభిప్రాయవర్ణురు. 4వ ఉన్నత విద్యా మహాసభ శుక్రవారం హైదరాబాద్‌లో జరిగింది. ఇక్కాయ గ్రూప్ ఆధ్వర్యంలో బిజినెస్ వర్క్ ఎడ్యుకేషన్ సంగ్ర తెలంగాణ ఉన్నత విద్యా మండలి సహకారంతో నిర్వహించింది. ఉన్నత విద్యా మహాసభకు సబంధించిన వివరాలను తెలంగాణ ఉన్నత విద్యా మండలి వైర్లన్ ఆచార్య తుమ్మల పాపిరెడ్డి తెలిపారు. మహాసభలో సీయోటి ఎగ్జిక్యూటివ్ వైర్లన్ బివి అర్ మోహన్ రెడ్డి, ఐఎంఎ లక్ష్మి మాజీ డైరెక్టర్ పద్మశ్రీ డి ప్రీతమ్ సింగ్, ఇక్కాయ యూనివర్సిటీ వీసీ ప్రొఫెసర్ జే మహేందరరెడ్డితోపాటు రాష్ట్రంలో ఉన్న విశ్వవిద్యాలయాల ఉపకులపతులు పాల్గొన్నారు.

డా.బా. ట్రస్ట్ వైర్లన్ రతన్ టాటా మాట్లాడుతూ

తిరుపతిలోని పాద పద్మాలచెంత కేన్సర్ ఆసుపత్రి స్వీకారం నిర్మించగలగడం ఎంతో ఆనందదాయకం గా ఉందన్నారు. టాటా ట్రస్టు మెడికల్ డైరెక్టరులకు ణమూర్ల మాట్లాడుతూ 300 పడకలతో నిర్మించే తిరుపతి కేన్సర్ ఆసుపత్రి స్వీకార ద్వారా కీమా థెరపీ, రేడియేషన్ థెరపీలతో పాటు అత్యాధునిక మెడికల్, సర్జికల్ అంపాలతో సేవలను త్వరలో అందించగల ప్తమమని తెలిపారు. స్వీకార నిర్మాణానికి టాటా ట్రస్టుతో ఒప్పందం కుదుర్చుకున్న టీటీడి కార్యనిర్వహణాధికారి అనిల్‌కుమార్ సింఘల్, టాటా ట్రస్టు మేనేజింగ్ డ్రస్ట్ వెంకటేశారావు ప్రసంగించారు. అనంతరం చిత్తూరులో అపోలో ఆసుపత్రి ఆధ్వర్యంలో కొత్తగా ఏర్పాటు చేసిన అపోలో నాల్డ్ కేంద్రాన్ని ముఖ్యమంత్రి చంద్రబాబు నాయుడు అపోలో గ్రూప్ ఆసుపత్రుల వైర్లన్ డాక్టర్ ప్రతాప్ సి. రెడ్డితో కలిసి ప్రారంభించారు.

డా.బా. ట్రస్ట్ వైర్లన్ రతన్ టాటా మాట్లాడుతూ

తిరుపతిలోని పాద పద్మాలచెంత కేన్సర్ ఆసుపత్రి స్వీకారం నిర్మించగలగడం ఎంతో ఆనందదాయకం గా ఉందన్నారు. టాటా ట్రస్టు మెడికల్ డైరెక్టరులకు ణమూర్ల మాట్లాడుతూ 300 పడకలతో నిర్మించే తిరుపతి కేన్సర్ ఆసుపత్రి స్వీకార ద్వారా కీమా థెరపీ, రేడియేషన్ థెరపీలతో పాటు అత్యాధునిక మెడికల్, సర్జికల్ అంపాలతో సేవలను త్వరలో అందించగల ప్తమమని తెలిపారు. స్వీకార నిర్మాణానికి టాటా ట్రస్టుతో ఒప్పందం కుదుర్చుకున్న టీటీడి కార్యనిర్వహణా