

12th December, 2023

To,

National Stock Exchange of India Ltd,
Exchange Plaza, 5th floor,
Bandra-Kurla Complex,
Bandra (E).
Mumbai - 400 051
NSE Symbol: ZUARI

Dear Sir,

Sub: Machine Readable Form/Legible copy of Financial Results not submitted.

This is with reference to your email dated 9th December, 2023 on the above captioned subject.

In this regard, please find enclosed herewith Machine Readable Form/Legible copy of the Unaudited Standalone & Consolidated Financial Results of the Company for the quarter and half year ended 30th September, 2023.

Yours faithfully,
For Zuari Agro Chemicals Limited

Manoj Dere
Company Secretary



Encl: As above

ZUARI AGRO CHEMICALS LIMITED
 Regd. Office: Jai Kisan Bhawan, Zaunagar, Goa -403 726, CIN -L65910GA2009PLC006177
STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

(INR in Crores)

S.No	Particulars	STANDALONE						CONSOLIDATED					
		3 months ended 30/09/2023	3 months ended 30/06/2023	3 months ended 30/09/2022	6 months ended 30/09/2023	6 months ended 30/09/2022	Year ended 31/03/2023	3 months ended 30/09/2023	3 months ended 30/06/2023	3 months ended 30/09/2022	6 months ended 30/09/2023	6 months ended 30/09/2022	Year ended 31/03/2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Continuing operations												
1	Revenue												
	(a) Revenue from operations	14.61	40.74	27.54	55.34	80.00	165.00	1,648.97	1,205.38	501.62	2,854.35	1,797.54	4,552.62
	(b) Other income	23.61	9.27	2.71	32.89	9.99	72.61	23.13	15.08	4.57	38.21	16.78	94.65
	Total income	38.22	50.01	30.25	88.23	89.99	237.61	1,672.10	1,220.46	506.19	2,892.56	1,813.82	4,647.27
2	Expenses												
	(a) Cost of raw material and components consumed	23.92	24.93	24.50	48.85	49.62	118.25	558.91	585.14	291.12	1,144.05	921.85	2,187.48
	(b) Purchases of traded goods	-	-	(0.00)	-	15.89	15.89	112.03	650.93	158.85	762.96	389.25	833.91
	(c) Changes in inventories of finished goods, traded goods and work-in-progress	(7.32)	4.17	(8.06)	(3.15)	(6.28)	(13.43)	500.70	(477.68)	(62.79)	23.02	18.65	58.36
	(d) Employee benefits expense	1.00	0.90	2.09	1.91	4.24	5.54	31.51	32.87	30.43	64.38	62.30	119.66
	(e) Depreciation and amortisation expense	0.82	0.81	0.73	1.63	1.60	3.52	23.31	22.81	17.25	46.12	34.92	78.51
	(f) Finance costs	25.95	25.53	27.11	51.48	48.64	100.35	54.95	56.51	51.35	111.46	96.30	205.45
	(g) Other expenses	10.36	12.34	25.38	22.70	34.11	64.25	307.03	290.54	103.93	597.57	339.23	1,021.89
	Total expense	54.73	68.68	71.75	123.42	147.82	294.37	1,588.44	1,161.12	590.14	2,749.56	1,862.50	4,505.26
3	Profit / (loss) before exceptional items and tax from continuing operations (1-2)	(16.51)	(18.67)	(41.50)	(35.19)	(57.83)	(56.76)	83.66	59.34	(83.95)	143.00	(48.68)	142.01
4	Exceptional items (Refer Notes 4)	-	-	-	-	1,142.39	443.42	-	-	-	-	1,142.39	443.42
5	Share of profit of joint venture	-	-	-	-	-	-	21.98	(34.05)	14.04	(12.07)	42.90	97.93
6	Profit / (loss) before tax from continuing operations (3+4+5)	(16.51)	(18.67)	(41.50)	(35.19)	1,084.56	386.66	105.64	25.29	(69.91)	130.93	1,136.61	683.36
7	Tax expense / (credit)												
	(a) Current tax	-	-	(8.51)	-	190.56	10.17	19.22	13.59	(11.23)	32.81	198.84	50.63
	(b) Tax relating to earlier years	-	-	-	-	-	-	-	-	-	-	-	0.01
	(c) Deferred tax charge / (credit)	-	-	3.40	-	65.09	67.42	19.81	13.29	(7.51)	33.10	61.05	78.47
	Income tax expense / (credit)	-	-	(5.11)	-	255.65	77.59	39.03	26.88	(18.74)	65.91	259.89	129.11
8	Profit / (loss) for the period / year from continuing operations (6-7)	(16.51)	(18.67)	(36.39)	(35.19)	828.91	309.07	66.61	(1.59)	(51.17)	65.02	876.72	554.25
9	Profit / (loss) for the period / year from discontinued operations (Refer Note 4 below)	-	-	-	-	(15.22)	(15.22)	-	-	-	-	(15.22)	(15.22)
10	Tax expense of discontinued operations (Refer Note 4 below)	-	-	-	-	-	-	-	-	-	-	-	-
11	Profit / (loss) for the period / year from discontinued operations (Refer Note 4 below) (9-10)	-	-	-	-	(15.22)	(15.22)	-	-	-	-	(15.22)	(15.22)
12	Profit / (loss) for the period / year (8 + 11)	(16.51)	(18.67)	(36.39)	(35.19)	813.69	293.85	66.61	(1.59)	(51.17)	65.02	861.50	539.03
13	Other Comprehensive income (net of tax)												
	A Items that will not be reclassified to profit or loss												
	Re-measurement gains / (losses) on defined benefit plans	(0.03)	-	(0.03)	(0.03)	0.16	(0.04)	0.16	(0.54)	(0.43)	(0.38)	0.22	(0.38)
	Income tax relating to items that will not be reclassified to profit or loss	-	-	0.01	-	(0.04)	0.01	(0.07)	0.19	0.15	0.12	(0.06)	0.14
	Net (loss)/gain on FVTOCI financial instruments	0.00	1.69	(0.04)	1.69	(0.85)	27.40	-	1.69	(0.04)	1.69	(0.85)	27.40
	Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
	Share of OCI of joint ventures	-	-	-	-	-	-	0.31	(0.13)	0.13	0.18	0.35	0.14
	B Items that will be reclassified to profit or loss												
	Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	(0.06)	-	(0.06)	-
	Total Other Comprehensive Income (b)	(0.03)	1.69	(0.06)	1.66	(0.73)	27.37	0.40	1.21	(0.25)	1.61	(0.40)	27.30
14	Total Comprehensive Income / (loss) for the period / year (a+b)	(16.54)	(16.98)	(36.45)	(33.53)	812.96	321.22	67.01	(0.38)	(51.42)	66.63	861.10	566.33
15	Profit attributable to:												
	Owners of the equity							35.50	(24.27)	(36.37)	11.23	865.82	476.63
	Non-controlling interest							31.12	22.67	(14.80)	53.79	(4.32)	62.40
	Other comprehensive income attributable to:												
	Owners of the equity							0.34	1.37	(0.13)	1.71	(0.42)	27.44
	Non-controlling interest							0.06	(0.16)	(0.12)	(0.10)	0.02	(0.14)
	Total comprehensive income attributable to:												
	Owners of the equity							35.84	(22.90)	(36.50)	12.94	865.40	504.07
	Non-controlling interest							31.18	22.51	(14.92)	53.69	(4.30)	62.26
16	Paid-up Equity Share Capital (face value INR 10/- per share)	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06	42.06
17	Other Equity as per balance sheet of previous accounting year						128.01						1,539.11
18	Earnings/ (Loss) per share (of INR 10/- each) (not annualised):												
	(a) Basic and diluted EPS from continuing operations (INR)	(3.93)	(4.44)	(8.65)	(8.37)	197.08	73.49	15.83	(5.77)	(8.65)	2.67	209.47	116.95
	(b) Basic and diluted EPS from discontinued operations (INR)	-	-	-	-	(3.62)	(3.62)	-	-	-	-	(3.62)	(3.62)
	(c) Basic and diluted EPS from continuing and discontinued operations (INR)	(3.93)	(4.44)	(8.65)	(8.37)	193.46	69.87	15.83	(5.77)	(8.65)	2.67	205.85	113.33



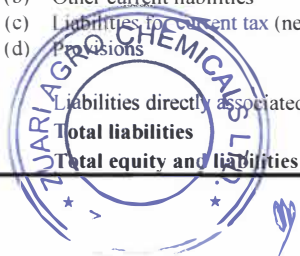
ZUARI AGRO CHEMICALS LIMITED

Regd. Office: Jai Kisaan Bhawan, Zuarinagar, Goa -403 726. CIN -L65910GA2009PLC006177

STATEMENT OF ASSETS AND LIABILITIES

(INR in Crores)

	Standalone		Consolidated	
	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
Assets				
Non-current assets				
(a) Property, plant and equipment	52.96	53.59	1,715.84	1,740.28
(b) Right of use assets	7.75	7.77	106.03	88.14
(c) Capital work-in-progress	1.61	0.59	62.21	19.17
(d) Investment property	3.42	3.42	3.42	3.42
(e) Intangible assets	-	-	106.60	108.18
(f) Investments in a joint venture	-	-	1,170.47	1,182.35
(g) Financial assets				
(i) Investments	862.51	867.07	55.49	60.04
(ii) Loans	-	-	0.02	0.02
(iii) Others	4.75	4.64	16.54	16.09
(h) Deferred tax assets (net)	-	-	2.42	1.88
(i) Other non-current assets	6.14	6.15	19.52	13.97
(j) Income tax assets (net)	22.49	22.39	24.72	23.84
	961.63	965.62	3,283.28	3,257.38
Current assets				
(a) Inventories	51.27	34.76	326.80	398.70
(b) Financial assets				
(i) Investments	-	-	-	-
(ii) Trade receivables	26.85	42.94	261.90	780.20
(iii) Cash and cash equivalents	5.59	9.22	928.17	389.20
(iv) Bank balances other than (iii) above	1.98	2.11	62.24	38.17
(v) Loans	-	-	-	-
(vi) Others	9.85	14.51	10.23	31.42
(c) Other current assets	12.20	11.39	162.43	150.42
	107.74	114.93	1,751.77	1,788.11
Assets held for sale	6.20	6.20	6.20	6.20
	113.94	121.13	1,757.97	1,794.31
Total assets	1,075.57	1,086.75	5,041.25	5,051.69
Equity and liabilities				
Equity				
(a) Equity share capital	42.06	42.06	42.06	42.06
(b) Other equity	94.48	128.01	1,552.05	1,539.11
Equity attributable to equity holders of the parent company			1,594.11	1,581.17
(c) Non-controlling interests			578.67	533.15
Total equity	136.54	170.07	2,172.78	2,114.32
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	-	208.50	326.77	556.92
(ia) Lease liabilities	-	-	112.17	93.25
(ii) Others	-	-	-	-
(b) Provisions	0.32	0.32	20.67	18.43
(c) Deferred tax liabilities (net)	-	-	95.02	61.50
(d) Other non-current liabilities	-	-	0.18	0.17
	0.32	208.82	554.81	730.27
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	681.00	447.87	1,315.03	1,457.12
(ia) Lease liabilities	-	-	0.53	0.36
(ii) Trade payables				
a) total outstanding dues of micro enterprises and small enterprises	0.43	0.30	22.86	55.24
b) total outstanding dues of creditors other than micro enterprises and small enterprises	164.55	172.80	561.29	428.19
(iii) Others	66.77	56.59	298.19	154.90
(b) Other current liabilities	15.39	19.83	74.86	76.97
(c) Liabilities for current tax (net)	10.17	10.17	27.58	15.92
(d) Provisions	0.40	0.30	13.32	18.40
	938.71	707.86	2,313.66	2,207.10
Liabilities directly associated with the assets held for sale	-	-	-	-
Total liabilities	939.03	916.68	2,868.47	2,937.37
Total equity and liabilities	1,075.57	1,086.75	5,041.25	5,051.69



ZUARI AGRO CHEMICALS LIMITED

Regd. Office: Jai Kisaan Bhawan, Zuarinagar, Goa -403 726, CIN -L65910GA2009PLC006177

STATEMENT OF UNAUDITED CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2023

(INR in Crores)

	Standalone		Consolidated	
	For the year ended 30 September 2023	For the year ended 30 September 2022	For the year ended 30 September 2023	For the year ended 30 September 2022
	Unaudited	Unaudited	Unaudited	Unaudited
A	Cash flow from operating activities:			
Profit/(Loss) before tax from continuing operations	(35.18)	1,084.55	130.93	1,136.61
Profit/(Loss) before tax from discontinued operations	-	(15.22)	-	(15.22)
Share of (profit) of a joint venture partner	-	-	12.07	(42.90)
Adjustments to reconcile loss before tax to net cash flows:				
Depreciation of property, plant and equipment	1.60	1.60	44.36	33.11
Amortisation of intangible assets	-	-	1.76	1.81
Loss / (profit) on disposal of property, plant and equipment (net)	(2.55)	(0.01)	2.10	1.63
Exceptional Item - Gain on Slump Sale of Business	-	(1,142.39)	(14.15)	(1,142.39)
Excess provision / unclaimed liabilities / unclaimed balances written back	(13.47)	(5.70)	-	(6.77)
Bad debts, claims and advances written off	-	-	9.41	-
Incentive under packing scheme incentive	-	-	(0.09)	(0.09)
Deferred Income	-	(0.05)	0.09	(1.08)
Unrealized foreign exchange fluctuation loss	-	30.73	-	38.83
Interest expense	513.8	63.76	102.58	71.90
Rent Received	-	-	(0.83)	(0.59)
Interest income	(0.12)	(0.93)	(12.97)	(11.75)
Dividend income	(9.71)	(7.77)	(0.10)	(0.09)
Operating profit/ (loss) before working capital adjustments	(8.06)	8.57	275.17	63.01
Working capital adjustments :				
Increase/(Decrease) in provisions	0.07	0.41	(3.21)	1.34
Increase/(Decrease) in trade payables and other liabilities	1.66	53.93	305.39	(83.97)
Increase/(Decrease) in trade receivables	16.09	(15.78)	508.89	(98.82)
Decrease / (Increase) in inventories	(16.51)	(25.31)	71.89	68.58
Decrease / (Increase) in other assets and financial assets	13.53	10.63	10.86	(68.03)
(Increase)/Decrease in loans and advances	-	(0.14)	-	-
	14.84	23.74	893.82	(180.90)
Less : Income tax paid (net of refunds)	(0.09)	(7.63)	(83.10)	(35.77)
Net cash flow from operating activities (A)	6.69	24.68	1,085.89	(153.66)
B	Cash flow from investing activities:			
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(2.14)	(0.39)	(85.89)	(272.03)
Proceeds from sale of property, plant and equipment	2.58	0.21	1.47	2.17
Purchase of non-current investments	-	-	6.24	-
Proceeds from sale of non-current investment	6.25	8.54	-	8.54
Proceeds from sale of fertiliser business of holding company	-	520.00	-	520.00
Investment in bank deposits (having original maturity of more than 3 months)	0.03	47.11	(6.48)	78.80
Interest received	0.03	3.05	-	11.68
Rent Received	-	-	11.07	0.59
Payment in unclaimed dividend account	-	-	0.83	-
Dividend received	0.11	-	0.10	-
Net cash flow from/ (used in) investing activities (B)	6.86	578.52	(72.66)	349.75
C	Cash flow from financing activities:			
Proceeds from long term borrowings	-	35.00	298.96	193.48
(Repayment) of long term borrowings	(55.37)	(102.69)	0.00	(136.93)
(Repayment) of lease liability	-	(0.70)	-	(5.46)
Proceeds from short term borrowings	64.41	25.00	184.70	25.00
(Repayment) of short term borrowings	15.59	(496.56)	(855.86)	(560.21)
Interest paid	(41.81)	(63.27)	(102.06)	(77.08)
Net cash flow (used in) financing activities (C)	(17.17)	(603.22)	(474.27)	(561.20)
D	Net increase/ (decrease) in cash and cash equivalents (A + B + C)			
Cash and cash equivalents at the beginning of the year	9.22	5.62	389.20	565.51
Cash and cash equivalents at the year end	5.59	5.60	928.17	200.40
	For the year ended 30 September 2023	For the year ended 30 September 2022	For the year ended 30 September 2023	For the year ended 30 September 2022
Balances with banks				
- On current accounts	3.99	5.59	144.56	59.05
- On cash credit accounts	1.60	-	1.60	-
- Deposits with original maturity of less than 3 months	-	-	781.99	141.32
Cash on hand	-	0.01	0.02	0.03
Cash and cash equivalents	5.59	5.60	928.17	200.40



Notes:

- The above unaudited standalone financial results and consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time.
- The consolidated financial results comprise the financial results of the Company and its subsidiaries, herein after referred to as "the Group" including its Joint Venture (including Joint Venture's Subsidiary and Associate) as mentioned below:

1	Zuari Agro Chemicals Limited (ZACL)
Subsidiaries	
2	Mangalore Chemicals and Fertilizers Limited (MCFL)
3	Adventz Trading DMCC (ATD) (Not considered for consolidation (Refer note: 8(i))
4	Zuari FarmHub Limited (ZFL)
Joint Venture	
5	Zuari Maroc Phosphates Private Limited (ZMPPL) Paradeep Phosphates Limited (PPL) (subsidiary of ZMPPL) Zuari Yoma Agri Solutions Limited (ZYASL) (associate of PPL)

- These unaudited standalone and consolidated financial results for the quarter ended on September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company in their respective meetings held on November 04, 2023. The Statutory Auditors have conducted "Limited Review" of these results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have expressed unmodified report on the above results.
- During the year 2020-21 the Company had entered into a Business Transfer agreement (BTA) dated March 01, 2021 with Paradeep Phosphates Limited (PPL) for transfer of its Fertilizer plant at Goa and associated business (Fertilizer Division) of the Company as a going concern on slump sale basis to PPL.

The Company consummated the sale and transfer of Goa fertilizer plant and associated business to PPL and recognized Pre-tax gain of INR 1,142.39 Crores for the quarter ended June 30, 2022 included under as exceptional Item in the financial statement of the Company.

As required by Ind-AS 105 "Asset Held for Sale and Discontinued Operations" the disclosure of the impact of the above mentioned BTA as discontinued operations after eliminating intercompany transactions is as follows:

Standalone

(INR in crores)

Particulars	3 months ended	3 months ended	6 months ended	6 months ended *	Year ended *
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	31-03-2023
Total Income	NA	NA	NA	286.22	286.22
Total expense	NA	NA	NA	301.44	301.44
Profit/(loss) for discontinued operations before tax	NA	NA	NA	(15.22)	(15.22)



*Figures are upto the date of business consummated i.e. 31 May 2022.

Consolidated		(INR in crores)			
Particulars	3 months ended	3 months ended	6 months ended	6 months ended *	Year ended *
	30-09-2023	30-09-2022	30-09-2023	30-09-2022	31-03-2023
Total Income	NA	NA	NA	286.22	286.22
Total expense	NA	NA	NA	301.44	301.44
Profit/(loss) for discontinued operations before tax the year	NA	NA	NA	(15.22)	(15.22)
Tax charge including deferred tax pertaining to discontinued operations	NA	NA	NA	-	-
Profit/(loss) for discontinued operations	NA	NA	NA	(15.22)	(15.22)

*Figures are upto the date of business consummated i.e. 31 May 2022.

- During the quarter ended June 30, 2022 ZFL, a subsidiary of the Company, had issued 78,55,60,000 equity shares of INR 10 each to parent company by way of conversion of unsecured compulsory convertible debentures (CCDs). Also, ZFL had filed before NCLT, a Scheme for Reduction of its Share Capital ("Scheme") in accordance with section 66 of the Companies Act 2013 by way of setting off its Equity share capital against negative capital reserves as appearing on June 30, 2022. The same was approved by NCLT, Mumbai Bench, vide its order dated May 04, 2023, and the Scheme became effective from the appointed date i.e. July 01, 2022.

To give effect to the capital reduction, ZFL had cancelled and extinguished 69,89,67,400 number of shares with face value of INR 10 each in their books for the quarter ended March 31, 2023. Accordingly, the Company had reduced its carrying value of investment in ZFL by INR 698.97 crores and loss arising on the same has been disclosed under exceptional items in profit and loss statement by the Company in the previous financial year.

- In case of Subsidiary (MCFL) recognized urea subsidy income of INR 29.14 crores during the year ended March 31, 2021, without benchmarking its cost of production using naphtha with that of gas-based urea manufacturing units recently converted to natural gas, as notified by the Department of Fertilizers (DoF) for subsidy income computation, against which the Company had filed a writ petition against the DoF before the Hon'ble High Court of Delhi (DHC). Pending finalization of writ petition before the DHC, the management, based on legal opinion and considering the fact that the energy cost is always a pass through in subsidy computation, believes that artificial benchmarking is arbitrary and discriminatory and is confident of realization of the aforesaid subsidy income.
- The Group including Company is engaged in the business of manufacturing, trading and marketing of chemical fertilizers and fertilizers products, which constitutes a single operating segment as per Ind AS 108 hence separate segment disclosures, have not been furnished.



8. (i) In respect of a Subsidiary Company located outside India (ATD), The Board of Directors of the Company at its meeting held on March 31, 2023 has approved writing off ICD along with interest thereon and impairment of equity investment along with liquidation and winding up of operation, subject to the approval of Reserve Bank of India and other Regulatory Authorities as it was not conducting any business since May, 2021. Further, the Company does not envisage any viable business in the near future as well.

Consequently, Subsidiary Company (ATD) has changed the basis of preparing its financial statement from going concern to liquidation basis.

(ii) In respect of a joint venture, whose Special purpose financial statements, other financial information have been reviewed as per SA – 800 (Audit of special considerations/audit of financial statements prepared in accordance with special purpose frameworks issued by ICAI) by their respective independent auditors.

9. Previous period/year figures have been re-grouped/re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.



Date: November 04, 2023
Place: Bengaluru

For and on behalf of Board of Directors

Nitin M Kantak
Executive Director
DIN: 08029847



K. P. RAO
H.N. ANIL
MOHAN R LAVI
K. VISWANATH
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**Independent Auditor's Review Report on the Quarter ended & Year to Date Unaudited
Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI
(Listing Obligation & Disclosure Requirements) Regulations, 2015, as amended**

**Review Report
To
The Board of Directors
Zuari Agro Chemicals Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Zuari Agro Chemicals Limited (the "company") for the Quarter ended September 30, 2023 and year to date from April 1 2023 to September 30, 2023 (The "Statement") attached here with, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended (the "Listing Regulations")
2. This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE 2410). "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principle laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act 2013 as amended, read with relevant rules issued there under and other accounting principles



Branches

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generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matters

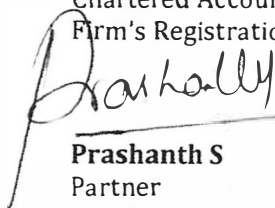
- a. We draw attention to Note 4 of the accompanying standalone financial results, regarding sale and transfer of Goa fertilizer plant and associated business to PPL which had been consummated on June 01, 2022 and recognized the pre-tax gain for the period ended June 30, 2022 as exceptional item in the financial statement of the Company.

6. Other Matters

- a. We draw attention to Note 8(j) of the accompanying standalone financial results, Adventz Trading DMCC, foreign subsidiary of the Company, The Board of Directors of the Company at its meeting held on 31st March, 2023 has approved the liquidation and winding up of operation, subject to the approval of Reserve Bank of India and other Regulatory Authorities as it was not conducting any business since May, 2021. Further, the Company does not envisage any viable business in the near future as well. Hence, during the year ended March 31, 2023 the Company has written off the investment made in such subsidiary along with the Loans and Interest Receivable from the subsidiary in its standalone financials.

Our opinion is not modified in respect of this matter.

For **K.P. Rao & Co**
Chartered Accountants
Firm's Registration No. 003135S


Prashanth S
Partner

Membership Number: 228407



Place: Bengaluru

Date: 4th November 2023

UDIN: **23228407BGXGUN2620**

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**Independent Auditor's Review Report on the Quarter ended and Year to Date
Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as
amended**

**Review Report
To
The Board of Directors
Zuari Agro Chemicals Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Zuari Agro Chemicals Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint venture for the Quarter ended September 30, 2023 and year to date from April 1, 2023 to September 30, 2023 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE)2410. "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD I /44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.



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4. The Statement includes the results of the following entities:

1	Zuari Agro Chemicals Limited
Subsidiaries	
2	Mangalore Chemicals and Fertilizers Limited (MCFL)
3	Adventz Trading DMCC (Not considered for Consolidation (Refer note: 8(i))
4	Zuari Farmhub Limited
Joint Venture	
5	Zuari Maroc Phosphates Private Limited
6	Paradeep Phosphates Limited (subsidiary of Zuari Maroc Phosphates Private Limited)
Associates of Joint Venture	
7	Zuari Yoma Agri Solutions Limited (Associate of Paradeep Phosphates Limited)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 8 and 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matters

- a. We draw attention to Note 6, which states that in case of a Subsidiary Company (MCFL), MCFL had recognized urea subsidy income of INR 29.14 crores considering that benchmarking of its cost of production of urea using Naptha with that of gas based urea manufacturing units is arbitrary and for which the MCFL has filed a writ petition against the Department of Fertilizers before the Hon'ble High court of Delhi. Based on legal opinion obtained, the management of MCFL believes that the criteria for recognition of subsidy revenue are met.

Our opinion is not modified in respect of this matter.

7. Other Matter

- a. We draw attention to Note 5 of the accompanying financial results, Zuari Farmhub Limited (ZFL), a subsidiary of the Company, had issued 78,55,60,000 equity shares of INR 10 each by way of conversion of unsecured compulsory convertible debentures (CCD's). And further during the quarter ended June 30, 2022, ZFL had filed before NCLT, Scheme for Reduction of its Share Capital ("Scheme") which has been approved by NCLT, Mumbai Bench, vide its order dated May 04, 2023, and the Scheme has become effective from the appointed date i.e. July 01, 2022. To give effect to the capital reduction, ZFL had cancelled and extinguished 69,89,67,400 number of shares with face value of INR 10 each in their books. Accordingly, the Company has reduced its carrying value of investment in ZFL by INR 698.97 crores and loss arising on the same has been disclosed under



exceptional items in profit and loss statement by the Company.

- b. We draw attention to Note 8(i), Adventz Trading DMCC, foreign subsidiary of the Company, The Board of Directors of the Company at its meeting held on 31st March, 2023 has approved the liquidation and winding up of operation, Subject to the approval of Reserve Bank of India and other Regulatory Authorities as it was not conducting any business since May, 2021. Further, the Company does not envisage any viable business in the near future as well.

Consequently, Subsidiary Company (ATD) has changed the basis of preparing its financial statement from going concern to liquidation basis hence it has not been considered for the purpose of Consolidation of the Company which has been prepared on going concern basis.

- c. The accompanying Statement includes the unaudited financial results/statements and other financial information, in respect of:

- One subsidiary, whose financial results/statements include total revenues of INR 475.67 crores, total net profit/(loss) after tax of INR 0.70 crores, total comprehensive Income/(loss) of INR 0.70 crores, for the Half year ended September 30, 2023, as considered in the Statement reviewed by us.
- One subsidiary, whose financial results/statements total revenues of INR 2,368.44 crores, total net profit after tax of INR 117.00 crores and total comprehensive Income of INR 116.77 crores, for the Quarter ended September 30, 2023, as considered in the Statement which has been reviewed by their respective independent auditors.
- one joint venture, whose special purpose financial results/statements include Group's share of net profit / (loss) of INR (12.07) crores and Group's share of total comprehensive income of INR (0.18) crores, for the half year ended September 2023, as considered in the Statement, whose special purpose financial results/ financial statements, other financial information have been reviewed as per SA - 800 (Audit of special considerations/audit of financial statements prepared in accordance with special purpose frameworks issued by ICAI) by their respective independent auditors.

The independent auditor's reports on interim financial information/ financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, joint venture is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.



K. P. RAO & CO.
CHARTERED ACCOUNTANTS

Continuation Sheet.....

8. One of the subsidiaries is located outside India whose financial results/ financial statements and other financial information have been prepared on the basis of liquidation basis instead of going concern.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Management.

For **K.P. Rao & Co**
Chartered Accountants
Firm's Registration No. 003135S

Prashanth S

Prashanth S
Partner
Membership Number: 228407



Place: Bengaluru
Date: 4th November 2023

UDIN: **23228407BGXGUQ7036**