

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Jubilant Agri and Consumer Products Limited**

**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying Ind AS financial statements of Jubilant Agri and Consumer Product Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



| <b>Key Audit Matter</b>   | <b>Audit Response</b>  |
|---|--|
| <p><b>Valuation of trade receivables</b></p> <p>Trade receivables comprise a significant portion of the liquid assets of the Company.</p> <p>Accordingly, the estimation of the allowance for trade receivables is a significant judgement area and is therefore considered a key audit matter.</p> | <p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluate and test the controls for managing segment-wise trade receivables and subsequent recovery.</li> <li>• Validated the assumptions underlying the Expected Credit Loss policy as per Ind AS 109.</li> <li>• Assess the recoverability and provisions of long outstanding/disputed receivables, considered doubtful for recovery.</li> <li>• Obtain independent confirmations and perform alternate audit procedures in case of non-responses.</li> <li>• Assess the appropriateness and completeness of the related disclosure.</li> </ul>                             |
| <p><b>Existence Valuation of inventory</b></p> <p>Inventory comprises a significant portion of the liquid assets of the Company. Various procedures are involved in validating inventory quantities across locations.</p>   | <p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Identify and assess segment-wise slow moving material for valuation and the process of providing provision to capture obsolescence.</li> <li>• Overall inventory reconciliation including opening stock, purchases, consumption and closing stock.</li> <li>• Review the policy of physical verification of inventory and its operational implementation.</li> <li>• Obtain net realisable value for all products and evaluate reasonableness of carrying value of inventories.</li> <li>• Assess the appropriateness and completeness of the related disclosure.</li> </ul> |

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2023-2024, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's and Board of Directors' Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 forensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;
- e. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in compliance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 on Contingent Liabilities;
  - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.




- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- (v) The Company has not declared or paid any dividend during the year and until the date of this report.
- (vi) As stated in note 46 to the financial statements and based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes, used for maintenance of all accounting and payroll records by the Company for the period 1 April 2023 till 30 November 2023.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **BGJC & Associates LLP**  
Chartered Accountants

ICAI Firm’s Registration No. 003304N/N500056

  
**Pranav Jain**  
Partner  
Membership No. 098308



UDIN: 24098308BKCQBP5464

Date: May 27, 2024  
Place: Gurugram

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Jubilant Agri and Consumer Products Limited on the financial statements for the year ended March 31, 2024]

To the best of our information and according to the information, explanations, and written representations provided to us by the Company and the books of account and other records examined by us in the normal course of audit we report that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
    - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The property, plant and equipment and right of use assets have been physically verified by the management during the year and material discrepancies were identified on such verification, which have been properly dealt in the books of accounts. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
  - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible assets during the year.
  - (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods in transit. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification have been properly dealt with in the books of account.
  - (b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks based on the security of current assets during the year. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods.



(iii)

The Company has not provided any guarantee, security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to companies during the year, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

- (a) The Company has provided loan to its holding company, Jubilant Industries Limited and employees as below: -

| Particulars                                  | Loans (in Rs. Millions) |
|--|-------------------------|
| Aggregate amount during the year             |                         |
| - Jubilant Industries Limited (Holding)      | 12.50                   |
| - Subsidiaries                               | -                       |
| - Joint Ventures                             | -                       |
| - Associates                                 | -                       |
| Balance outstanding as at balance sheet date |                         |
| - Jubilant Industries Limited (Holding)      | 12.50                   |
| - Subsidiaries                               | -                       |
| - Joint Ventures                             | -                       |
| - Associates                                 | -                       |

- (b) The terms and conditions of the grant of loans are not, prima facie, prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company to its Holding Company, the loans are repayable on demand
- (d) There is no overdue amount in respect of above loans granted by the company.
- (e) No loans or advances in the nature of loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has granted loan which are repayable on demand, as per details below:

| Particulars   | (in Rs. Millions) |
|---|-------------------|
| Aggregate of loans  |                   |
| - Repayable on demand (A)   | 12.50             |
| - Agreement does not specify any terms or period of repayment (B) | -                 |
| Total (A+B)   | 12.50             |
| Percentage of loan to the total loans                             | 100%              |





- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- (v) The Company has not accepted any deposits and there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products of the Company. For such specified products, we have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

| Name of the Statute | Nature of Dues | Gross Amount (in Rs. Millions) | Amount paid under Protest (in Rs. Millions) | Period which amount relates to the | Forum where dispute is pending       |
|---------------------|----------------|--------------------------------|---|------------------------------------|--------------------------------------|
| Service Tax Laws    | Service Tax    | 2.36                           | -   | 2017-18                            | Commissioner (Appeals), CGST, Meerut |
| Customs Act, 1962   | Custom Duty    | 0.59                           | 0.59  | 2017-18                            | Assistant Commissioner, Bijnor       |
| Customs Act, 1962   | Duty Drawback  | 20.28                          | -   | 2016-17, 2017-18 & 2018-19         | Assistant Commissioner, Noida        |



| Name of the Statute           | Nature of dues | Gross Amount (in Rs. Millions) | Amount paid under Protest (in Rs. Millions) | Period to which the amount relates | Forum where dispute is pending   |
|-------------------------------|----------------|--------------------------------|---|------------------------------------|--|
| Goods & Service Tax Act, 2017 | GST            | 0.17                           | 0.17  | 2023-24                            | A.C.- Kannauj Additional Commissioner-Appeal-II, Etawaha                     |
| Goods & Service Tax Act, 2017 | GST            | 0.18                           | 0.18  | 2023-24                            | A.C.- Surajpur, Gr. Noida Additional Commissioner-Grade-II, Appeal-II, Noida |
| Goods & Service Tax Act, 2017 | GST            | 0.08                           | -   | 2023-24                            | Sales Tax Officer Class II /AVATO, Ward 74, Zone 7, Delhi                    |
| Goods & Service Tax Act, 2017 | GST            | 0.08                           | -   | 2022-23                            | Commissioner (Appeals), Jodhpur  |
| Goods & Service Tax Act, 2017 | GST            | 0.06                           | -   | 2016-17 & 2018-19                  | Deputy Commissioner of State Tax, Special Circle, Ranchi                     |
| Goods & Service Tax Act, 2017 | GST            | 0.10                           | 0.10  | 2023-24                            | Joint Commissioner-Appeal, Dehradun  |
| Goods & Service Tax Act, 2017 | GST            | 37.43                          | -   | 2018-19                            | Deputy Commissione, Abids STU-1, Abids, Hyderabad, Telangana                 |
| Goods & Service Tax Act, 2017 | GST            | 6.11                           | -   | 2018-19                            | Senior Joint Commissioner, 24 Parganas, Kolkata, West Bengal                 |
| Goods & Service Tax Act, 2017 | GST            | 1.60                           | -   | 2018-19                            | Assistant Commissioner, Salt Lake, 24 Parganas, Kolkata, West Bengal         |



- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2024. Accordingly, reporting under clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.



No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.

- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable to the Company.
- The Company is not a Core Investment Company and there are no Core Investment Companies in the Group. Accordingly, reporting under clause 3(xvi) (c) and (d) of the order is not applicable to the Company.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the



date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII of the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) There are no unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause (xxi) is applicable in respect of audit of consolidated financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **BGJC & Associates LLP**  
Chartered Accountants

ICAI Firm's Registration No. 003304N/N500056

*Pranav Jain*

**Pranav Jain**  
Partner  
Membership No. 098308



UDIN: 24098308BkCCQBP5464

Date: May 27, 2024

Place: Gurugram

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Jubilant Agri and Consumer Products Limited on the financial statements for the year ended March 31, 2024]

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

We have audited the internal financial controls over financial reporting of Jubilant Agri and Consumer Products Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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



## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, 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, 2024, 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 ICAI.

For **BGJC & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No. 003304N/N500056

**Pranav Jain**

Partner

Membership No. 098308



UDIN: 24098308BKCQBP5464

Date: May 27, 2024

Place: Gurugram

Balance Sheet as at 31 March 2024

(₹ in million)

|  | Notes   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--|---------|------------------------|------------------------|
| <b>ASSETS</b>  |         |                        |                        |
| <b>Non-current assets</b>  |         |                        |                        |
| Property, plant and equipment  | 3       | 1,707.06               | 1,684.84               |
| Capital work-in-progress   | 4       | 46.14                  | 48.23                  |
| Other Intangible assets  | 5       | 7.61                   | 13.24                  |
| Financial assets   |         |                        |                        |
| (i) Loans  | 6       | 0.85                   | 0.97                   |
| (ii) Other financial assets  | 7       | 13.86                  | 13.76                  |
| Deferred tax assets (net)  | 8       | 39.73                  | 152.10                 |
| Other non-current assets   | 9       | 26.18                  | 30.20                  |
| <b>Total non-current assets</b>  |         | <b>1,841.43</b>        | <b>1,943.34</b>        |
| <b>Current assets</b>  |         |                        |                        |
| Inventories  | 10      | 2,246.98               | 1,706.85               |
| Financial assets   |         |                        |                        |
| (i) Investments  | 11      | 0.84                   | 0.47                   |
| (ii) Trade receivables   | 12      | 2,516.46               | 2,721.47               |
| (iii) Cash and cash equivalents  | 13 (a)  | 114.16                 | 8.26                   |
| (iv) Other bank balances   | 13 (b)  | 0.55                   | 0.50                   |
| (v) Loans  | 6       | 13.08                  | 0.92                   |
| (vi) Other financial assets  | 7       | 4.55                   | 3.51                   |
| Current tax assets (net)   |         | 31.62                  | 1.91                   |
| Other current assets   | 9       | 591.52                 | 351.85                 |
| <b>Total current assets</b>  |         | <b>5,519.76</b>        | <b>4,795.74</b>        |
| Assets classified as held for sale   |         | 0.43                   | 0.46                   |
| <b>Total Assets</b>  |         | <b>7,361.62</b>        | <b>6,739.54</b>        |
| <b>EQUITY AND LIABILITIES</b>  |         |                        |                        |
| <b>Equity</b>  |         |                        |                        |
| Equity share capital   | 14      | 56.09                  | 56.09                  |
| Other equity   | 14 (a)  | 2,244.56               | 1960.00                |
| <b>Total equity</b>  |         | <b>2,300.65</b>        | <b>2016.09</b>         |
| <b>Liabilities</b>   |         |                        |                        |
| <b>Non-current liabilities</b>   |         |                        |                        |
| Financial liabilities  |         |                        |                        |
| (i) Borrowings   | 15 (a)  | 119.76                 | 236.15                 |
| (ia) Lease liabilities   | 15 (b)  | 171.32                 | 193.99                 |
| (ii) Other financial liabilities   | 16      | 79.18                  | 67.37                  |
| Provisions   | 17      | 119.02                 | 126.81                 |
| <b>Total non-current liabilities</b>   |         | <b>489.28</b>          | <b>624.32</b>          |
| <b>Current liabilities</b>   |         |                        |                        |
| Financial liabilities  |         |                        |                        |
| (i) Borrowings   | 15 (c)  | 1,314.85               | 1,461.10               |
| (ia) Lease liabilities   | 15 (d)  | 14.27                  | 26.76                  |
| (ii) Trade payables:   |         |                        |                        |
| Total outstanding dues of micro enterprises and small enterprises                      | 18      | 177.40                 | 181.28                 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 18      | 1,698.62               | 1,545.45               |
| (iii) Other financial liabilities  | 16      | 882.68                 | 621.76                 |
| Other current liabilities  | 19      | 409.56                 | 206.43                 |
| Provisions   | 17      | 74.31                  | 56.35                  |
| <b>Total current liabilities</b>   |         | <b>4,571.69</b>        | <b>4,099.13</b>        |
| <b>Total Equity and Liabilities</b>  |         | <b>7,361.62</b>        | <b>6,739.54</b>        |
| Corporate information and material accounting policies                                 | 1 & 2   |                        |                        |
| Notes to the financial statements  | 3 to 48 |                        |                        |
| The accompanying notes "1" to "48" form an integral part of these financial statements |         |                        |                        |
| In terms of our report of even date.   |         |                        |                        |

For BGJC & Associates LLP  
Chartered Accountants  
Firm's Registration Number : 003304N/N500056

*Pranav Jain*  
Pranav Jain  
Partner  
Membership No. 098308



*Brijesh Kumar*  
Brijesh Kumar  
Company Secretary  
Membership No. A36070

For and on behalf of Board of Jubilant Agri and Consumer Products Limited

*Umesh Sharma*  
Umesh Sharma  
Chief Financial Officer

*Priyavrat Bhartia*  
Priyavrat Bhartia  
Director  
DIN: 00020603


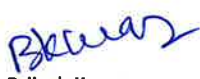

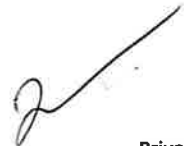

*Jagat Sharma*  
Jagat Sharma  
Whole-time Director  
DIN: 02997958

Place : Gurugram  
Date : 27 May, 2024



Statement of Profit and Loss for the year ended 31 March 2024

(₹ in million)

|  | Notes   | For the year ended 31 March 2024   | For the year ended 31 March 2023 |
|--|---------|--|----------------------------------|
| <b>INCOME</b>  |         |  |                                  |
| Revenue from operations  | 20      | 12,260.71  | 14,365.49                        |
| Other Income   | 21      | 14.57  | 28.39                            |
| <b>Total income</b>  |         | <b>12,275.28</b>   | <b>14,393.88</b>                 |
| <b>EXPENSES</b>  |         |  |                                  |
| Cost of materials consumed   | 22      | 6,862.24   | 9,484.55                         |
| Purchases of stock-in-trade  | 23      | 267.11   | 206.63                           |
| Changes in inventories of finished goods, Stock-in-trade and work-in-progress  | 24      | (156.00)   | (300.98)                         |
| Employee benefits expense  | 25      | 1,290.51   | 1,056.98                         |
| Finance costs  | 26      | 199.17   | 193.97                           |
| Depreciation and amortization expense  | 27      | 150.47   | 142.04                           |
| Other expenses   | 28      | 2,956.59   | 2,895.80                         |
| <b>Total expenses</b>  |         | <b>11,570.09</b>   | <b>13,678.99</b>                 |
| <b>Profit before exceptional items and tax</b>   |         | <b>705.19</b>  | <b>714.89</b>                    |
| Exceptional items  |         | 334.82   | -                                |
| <b>Profit before tax</b>   |         | <b>370.37</b>  | <b>714.89</b>                    |
| <b>Tax Expenses:</b>   | 29      |  |                                  |
| - Current Tax  |         | -  | -                                |
| - Deferred tax charge  |         | 113.37   | 186.33                           |
| <b>Profit for the year</b>   |         | <b>257.00</b>  | <b>528.56</b>                    |
| <b>Other Comprehensive Income (OCI)</b>  |         |  |                                  |
| <i>Items that will not be reclassified to profit or loss:</i>  |         |  |                                  |
| Changes in fair value of investments which are classified at fair value through OCI  |         | 0.37   | -                                |
| Re-measurement (loss)/gain on defined benefit plans  |         | (4.44)   | 0.41                             |
| Income tax (credit)/charge relating to items that will not be reclassified to profit or loss   | 29      | (1.03)   | 0.10                             |
| <i>Items that will be reclassified to profit or loss:</i>  |         |  |                                  |
| Exchange differences in translating the financial statements of foreign operations   |         | (0.19)   | (0.44)                           |
| Cash flow hedge reserve  |         | 0.11   | (0.25)                           |
| Income tax charge/(credit) relating to items that will be reclassified to profit or loss   | 29      | 0.03   | (0.06)                           |
| <b>Other comprehensive loss for the year</b>   |         | <b>(3.15)</b>  | <b>(0.32)</b>                    |
| <b>Total comprehensive income for the year</b>   |         | <b>253.85</b>  | <b>528.24</b>                    |
| Earnings per equity share of ₹ 10.00 each  | 47      |  |                                  |
| Basic  | ₹       | 45.82  | 94.24                            |
| Diluted  | ₹       | 45.82  | 94.24                            |
| Corporate information and material accounting policies   | 1 & 2   |  |                                  |
| Notes to the financial statements  | 3 to 48 |  |                                  |
| The accompanying notes "1" to "48" form an integral part of these financial statements   |         |  |                                  |
| In terms of our report of even date.   |         |  |                                  |
| <b>For BGJC &amp; Associates LLP</b><br>Chartered Accountants<br>Firm's Registration Number : 003304N/N500056<br><br><b>Pranav Jain</b><br>Partner<br>Membership No. 098308<br> |         | For and on behalf of Board of Jubilant Agri and Consumer Products Limited<br><br><b>Brijesh Kumar</b><br>Company Secretary<br>Membership No. A36070 |                                  |
|  |         | <br><b>Umesh Sharma</b><br>Chief Financial Officer   |                                  |
|  |         | <br><b>Priyavrat Bhartia</b><br>Director<br>DIN: 00020603   |                                  |
| Place : Gurugram<br>Date : 27 May, 2024  |         | <br><b>Jagat Sharma</b><br>Whole-time Director<br>DIN: 02997958   |                                  |

Statement of Changes in Equity for the year ended 31 March 2024

A. Equity share capital

(₹ in million)

|   |       |
|---|-------|
| Balance as at 01 April 2022                         | 56.09 |
| Changes in the equity share capital during the year | -     |
| Balance as at 31 March 2023                         | 56.09 |
| Changes in the equity share capital during the year | -     |
| Balance as at 31 March 2024                         | 56.09 |

B. Other Equity

(₹ in million)

|  | Securities premium | Share based expense reserve | Retained earnings | Items of other Comprehensive Income |   |                    |                                      | Total    |
|--|--------------------|-----------------------------|-------------------|-------------------------------------|---|--------------------|--------------------------------------|----------|
|  |                    |                             |                   | Equity instruments through OCI      | Re-measurement of defined benefit plans | Cash hedge reserve | Foreign currency translation reserve |          |
| As at 01 April 2022                            | 880.47             | 19.91                       | 522.26            | 0.30                                | (4.85)                                  | -                  | -                                    | 1,418.09 |
| Profit for the year                            | -                  | -                           | 528.56            | -                                   | -                                       | -                  | -                                    | 528.56   |
| Other comprehensive loss                       | -                  | -                           | -                 | -                                   | 0.31                                    | (0.19)             | (0.44)                               | (0.32)   |
| Total comprehensive income/(loss) for the year | -                  | -                           | 528.56            | -                                   | 0.31                                    | (0.19)             | (0.44)                               | 528.24   |
| Employee share based expense                   | -                  | 13.67                       | -                 | -                                   | -                                       | -                  | -                                    | 13.67    |
| As at 31 March 2023                            | 880.47             | 33.58                       | 1,050.82          | 0.30                                | (4.54)                                  | (0.19)             | (0.44)                               | 1,960.00 |
| Profit for the year                            | -                  | -                           | 257.00            | -                                   | -                                       | -                  | -                                    | 257.00   |
| Other comprehensive income/(loss)              | -                  | -                           | -                 | 0.29                                | (3.33)                                  | 0.08               | (0.19)                               | (3.15)   |
| Total comprehensive income/(loss) for the year | -                  | -                           | 257.00            | 0.29                                | (3.33)                                  | 0.08               | (0.19)                               | 253.85   |
| Employee share based expense                   | -                  | 30.71                       | -                 | -                                   | -                                       | -                  | -                                    | 30.71    |
| As at 31 March 2024                            | 880.47             | 64.29                       | 1,307.82          | 0.59                                | (7.87)                                  | (0.11)             | (0.63)                               | 2,244.56 |

Notes:

• Securities premium

The unutilized accumulated excess of issue price over face value on issue of shares. This is utilized in accordance with the provision of the Act.

• Share based expense reserve

The fair value of the equity settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Share based payment reserve. Balance of a share based payment reserve is transferred to general reserve/security premium upon expiry of grants or upon exercise of stock options by an employee.

• Equity instrument through OCI

The Company has elected to recognize changes in fair value of certain investment in equity securities through other comprehensive income. These changes are accumulated within the equity instrument through OCI within equity. The Company transfers amount therefrom to retained earnings when the relevant securities are derecognized.

• Re-measurement of defined benefit plans

Re-measurement of defined benefits obligation comprises actuarial gains and losses and return on plan assets.

• Cash hedge reserve

The Company uses hedging instruments as part of its management of related foreign currency risk. For hedging related foreign currency risk, the Company uses foreign currency forward contracts respectively which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to Statement of Profit and Loss when the hedged item affects profit or loss".

• Foreign currency translation reserve

Exchange differences arising on translation of the foreign branch are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Company dispose off its interest in foreign branch through sale or close the branch.

The accompanying notes "1" to "48" form an integral part of these financial statements.

In terms of our report of even date.

For BGJC & Associates LLP

Chartered Accountants

Firm's Registration Number : 025104N/1500955

Pranav Jain

Partner

Membership No. 098303



Brijesh Kumar

Company Secretary

Membership No. A36070

For and on behalf of Board of Jubilant Agri and Consumer Products Limited

Umesh Sharma

Chief Financial Officer

Priyavrat Bhartiya

Director

DIN: 00020603

Jogat Sharma

Whole-time Director

DIN: 02997958

Place: Gurugram

Date: 27 May, 2024

Statement of Cash Flows for the year ended 31 March 2024

(₹ in million)

|  | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| <b>A. Cash flow from operating activities:</b>   |                                     |                                     |
| Net profit before tax  | 370.37                              | 714.89                              |
| Adjustments for:   |                                     |                                     |
| Depreciation and amortization expense  | 150.47                              | 142.04                              |
| Loss/(Gain) on sale/disposal/discard of property, plant and equipment (net)  | 1.77                                | (0.42)                              |
| Finance costs  | 199.17                              | 193.97                              |
| Employee share-based payment expense   | 30.71                               | 13.67                               |
| Unrealized (gain)/loss on foreign exchange (net)   | (1.13)                              | 0.90                                |
| Gain on termination of lease   | (0.60)                              | (2.02)                              |
| Property, plant and equipment written off  | 20.66                               | 26.55                               |
| Interest Income  | (1.52)                              | (6.43)                              |
| <b>Operating cash flow before working capital changes</b>  | <b>399.53</b>                       | <b>368.26</b>                       |
| Adjustments for:   |                                     |                                     |
| Increase in trade receivables, loans, other financial assets and other assets  | (43.00)                             | (358.05)                            |
| (Increase)/Decrease in inventories   | (540.13)                            | 397.53                              |
| Increase/(Decrease) in trade payables, other financial liabilities, other liabilities and provisions   | 631.29                              | (952.19)                            |
| <b>Cash generated from operations</b>  | <b>818.06</b>                       | <b>170.44</b>                       |
| Direct taxes (paid)/refund (net)   | (29.54)                             | 2.35                                |
| <b>Net cash generated from operating activities</b>  | <b>788.52</b>                       | <b>172.79</b>                       |
| <b>B. Cash flow from investing activities:</b>   |                                     |                                     |
| Purchase of property, plant and equipment and other intangible assets (including capital work-in-progress and intangible assets under development) | (199.19)                            | (197.69)                            |
| Sale of property, plant and equipment  | 0.69                                | 1.56                                |
| Inter-corporate loan given to related party (Refer note 37)  | (12.50)                             |                                     |
| Interest received  | 0.86                                | 6.17                                |
| Movement in other bank balances  | -                                   | 0.09                                |
| <b>Net cash used in investing activities</b>   | <b>(210.14)</b>                     | <b>(189.87)</b>                     |
| <b>C. Cash flow arising from financing activities:</b>   |                                     |                                     |
| Proceeds from long term borrowings (Refer note 35)   | 170.00                              | 199.50                              |
| Repayment of long term borrowings (Refer note 35)  | (295.66)                            | (582.20)                            |
| Payment of lease obligation (Refer note 41)  | (43.39)                             | (38.12)                             |
| Proceeds from / (Repayment) of short term borrowings (net) (Refer note 35)   | (137.24)                            | 616.67                              |
| Proceeds from inter-corporate borrowings from related parties (Refer note 35 & 37)   | -                                   | 100.00                              |
| Repayment of inter-corporate borrowings from related parties (Refer note 35 & 37)  | -                                   | (102.20)                            |
| Finance costs paid   | (166.00)                            | (179.05)                            |
| <b>Net cash (outflow)/inflow in course of financing activities</b>   | <b>(472.29)</b>                     | <b>14.60</b>                        |
| <b>D. Effect of exchange rate changes</b>  |                                     |                                     |
| Exchange difference in translating the financial statements  | (0.19)                              | (0.44)                              |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>  | <b>105.90</b>                       | <b>(2.92)</b>                       |
| Add: Cash and cash equivalents at the beginning of the year  | 8.26                                | 11.18                               |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>114.16</b>                       | <b>8.26</b>                         |



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

(₹ in million)

|  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--|------------------------|------------------------|
| <b>Components of cash and cash equivalents</b> |                        |                        |
| Balances with banks - on current accounts      | 114.16                 | 8.26                   |
|  | <b>114.16</b>          | <b>8.26</b>            |

**Notes:**

- i) Statement of Cash Flow has been prepared under the Indirect Method as set out in the Ind AS 7 "Statement of Cash Flows".
- ii) Acquisition/Purchase of property, plant and equipment/ other intangible assets includes movement of capital work-in-progress and capital advances/payables during the year.

In terms of our report of even date.

**For BGJC & Associates LLP**

Chartered Accountants

Firm's Registration Number : 003304N/N500056

**Pranav Jain**  
Partner

Membership No. 098308

**Brijesh Kumar**

Company Secretary

Membership No. A36070

**Umesh Sharma**

Chief Financial Officer

For and on behalf of the board of  
**Jubilant Agri and Consumer Products Limited**

**Priyavrat Bhartia**

Director

DIN: 00020603

**Jagat Sharma**  
Whole-time Director

DIN: 02997958

Place: Gurugram

Date : 27 May, 2024

## Notes to the financial statements for the year ended 31 March 2024

### 1. Corporate Information

Jubilant Agri and Consumer Products Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is wholly owned subsidiary of Jubilant Industries Limited and presently engaged in the business of manufacturing and sale of agri, industrial polymers and consumer products. The Company caters to both domestic and international market. The registered office of the Company is situated at Bhartiagram, Gajraula District Amroha-244 223.

These financial statements were authorised for issuance by the Board of Directors of the Company in their meeting held on May 27, 2024.

### 2. Material accounting policies

This note provides material accounting policies adopted and applied in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

##### (i) *Statement of compliance*

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") and other relevant provisions of the Act. The financial statements of the Company are presented in Indian Rupee and all values are rounded to the nearest million, except per share data and unless stated otherwise.

##### (ii) *Historical cost convention*

The financial statements have been prepared on a historical cost convention on accrual basis except for the following material items those have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans and other long-term employee benefits;
- Share-based payment transactions;
- Investment in equity instruments.

#### (b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.



## Notes to the financial statements for the year ended 31 March 2024

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

### (c) Property, plant and equipment (PPE) and intangible assets

#### (i) Property, plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on start-up and commissioning of the project and/ or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as the 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

#### (ii) Intangible assets

Intangible assets that are acquired (including implementation of software system) and in process research and development are measured initially at cost.

After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it related.



## Notes to the financial statements for the year ended 31 March 2024

Expenditure on intangible assets eligible for capitalisation are carried as Intangible assets under development where such assets are not yet ready for their intended use.

### (iii) Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August, 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

| Category of assets  | Management estimate of useful life              | Useful life as per Schedule II |
|---|---|--------------------------------|
| Motor Vehicles under finance lease                                | Tenure of lease or 5 years whichever is shorter | 8 years                        |
| Employee perquisite related assets (included in office equipment) | 5 years, being the period of perquisite scheme  | 10 years                       |
| Computers covered under perquisite scheme                         | 5 years, being the period of perquisite scheme  | 3 years                        |

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

Leasehold lands, which qualify as finance lease is amortised over the lease period on straight line basis.

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

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

### (iv) De-recognition

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

### (d) Discontinued operations and non-current assets held for sale

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.



## Notes to the financial statements for the year ended 31 March 2024

Such assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit and Loss.

Once classified as held for sale, property, plant and equipment and intangible assets are no longer depreciated or amortised.

### (e) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. The Company's non-financial assets other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs) represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU is the higher of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

### (f) Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### ***Financial assets***

##### ***Initial recognition and measurement***

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date the Company commits to purchase or sale the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.





## Notes to the financial statements for the year ended 31 March 2024

### ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debts instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

### ***Debt instruments at amortised cost***

A "debt instrument" is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specific dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking in to account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

### ***Debt instrument at FVOCI***

A 'debt instrument' is classified as at the FVOCI in both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included with in the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

### ***Debt instrument at FVPL***

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.



## Notes to the financial statements for the year ended 31 March 2024

### ***Equity investments***

For the purpose of subsequent measurement, equity instruments are classified in two categories:

- Equity instruments at fair value through profit or loss (FVPL)
- Equity instruments at fair value through other comprehensive income (FVOCI)

All equity investments in scope of Ind AS 109 are measured at fair value. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI then all fair value changes on the instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

### ***Impairment of Financial assets***

The Company recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal), that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

### ***De-recognition***

A financial asset (or, where applicable, a part of a financial asset or part of Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and do what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case,



## Notes to the financial statements for the year ended 31 March 2024

the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### ***Financial liabilities***

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on de-recognition is also recognised in Statement of Profit and Loss.

### ***De-recognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statements of Profit and Loss.

### ***Compound financial instruments***

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

### ***Derivative financial instruments and hedging activities***

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVPL. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.



## Notes to the financial statements for the year ended 31 March 2024

The Company designates their derivatives as hedges of commodity price risk and related foreign exchange risk associated with the cash flows of assets and liabilities and highly probable forecast transactions (cash flow hedges). The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

### Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in cash flow hedging reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the Company designates the full change in fair value of the forward contract as the hedging instrument. The gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast purchase that is hedged takes place).

When the hedged forecast transaction results in the recognition of a non-financial asset (for example inventory), the amounts accumulated in equity are transferred to profit or loss as follows:

With respect to gain or loss relating to the effective portion of the forward contracts, the deferred hedging gains and losses are included within the initial cost of the asset. The deferred amounts are ultimately recognized in profit or loss as the hedged item affects profit or loss (for example, through cost of sales).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.



## Notes to the financial statements for the year ended 31 March 2024

### Derivatives that are not designated as hedges

The Company enters certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in statement of profit and loss.

### Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### Offsetting

Financial assets and financial liabilities are off set and the net amount presented in Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and is intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## (g) Inventories

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

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

|  |  |
|--|--|
| Raw materials                                      | Weighted average method  |
| Work-in-progress and finished goods (manufactured) | Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities |
| Finished goods (traded)                            | Cost of purchases  |
| Stores & spares                                    | Weighted average method  |
| Fuel and Packing materials etc                     | Weighted average method  |
| Goods-in-transit                                   | Cost of purchases  |

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

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

The net realizable value of work-in-progress is determined with reference to the selling price of related finished products. Raw materials and other supplies held for use in the production of



## Notes to the financial statements for the year ended 31 March 2024

finished goods are not written down below cost except in cases where material prices have declined and it's estimated that the cost of finished goods will exceed their net realizable value.

### (h) Cash and cash equivalents

Cash and cash equivalents 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.

### (i) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the future cash flows at a pre-tax rate that effects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### (j) Contingent assets, liabilities and commitments

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

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows: (i) estimated amount of contracts remaining to be executed on capital account and not provided for; (ii) uncalled liability on shares and other investments partly paid; (iii) funding related commitment to subsidiary, associate and joint venture companies; and (iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management. Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

### (k) Revenue recognition

The company's revenue is derived from single performance obligation under arrangements in which the transfer of control of product and the fulfilment of company's performance obligation occur at the same time.

Revenue from sale of products is recognised when the property in the goods or all significant risks and rewards of ownership of the products have been transferred to the buyer, and no



## Notes to the financial statements for the year ended 31 March 2024

significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of products as well as regarding its collection.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any sales for which Company has acted as an agent without assuming the risks and rewards of ownership have been reported on a net basis.

Goods sold on consignment are recorded as inventory until goods are sold by the consignee to the end customer.

Subsidy in respect of fertilizer being disbursed by the Central Government of India is included in turnover and the same is recognized based upon the latest notified rates and only to the extent that the realization is reasonably assured.

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

Export incentives entitlements are recognized as income when the right to receive credit as per the terms of the scheme is established in respect of exports made, and where no significant uncertainty regarding the ultimate collection of the relevant export proceeds exists.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Taxes (GST) collected on behalf of the government are excluded from Revenue. The transaction price of goods sold and services rendered is net of variable consideration on account returns, discounts, customer claims and rebates, etc.

### **Other income recognition:**

Dividend income is recognized when the right to receive the income is established. Income from interest on deposits, loans and interest bearing securities is recognized on time proportionate basis. Other non- operating revenue is recognised in accordance with terms of underlying asset.

## **(I) Employee benefits**

- (i) **Short-term employee benefits:** All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. And are recognised as expenses in the period in which the employee renders the related service and measured accordingly.
- (ii) **Post-employment benefits:** Post employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

### **a) Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of



## Notes to the financial statements for the year ended 31 March 2024

employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognized in the books of accounts based on actuarial valuation by an independent actuary. The gratuity liability for certain employees of the one of the units of the Company is funded with Life Insurance Corporation of India.

### b) Superannuation

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

### c) Provident Fund

(i) The Company makes contributions to the recognized provident fund – "VAM EMPLOYEES PROVIDENT FUND TRUST" (a multiemployer trust) for most of its employees in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

For other employees in India, provident fund is deposited with Regional Provident Fund Commissioner. This is treated as defined contribution plan.

(ii) Company's contribution to the provident fund is charged to Statement of Profit and Loss.

### (iii) *Other long-term employee benefits:*

#### **Compensated absences**

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's liability in respect of other long-term employee benefits is recognized in the books of accounts based on actuarial valuation using projected unit credit method as at Balance Sheet date by and independent actuary. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### **Actuarial Valuation**

The liability in respect of all defined benefit plans is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Project Unit Credit Method, which recognizes each year of service as giving rise to additional unit of employees benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as





## Notes to the financial statements for the year ended 31 March 2024

at the Balance Sheet date, having maturity periods approximating to the terms of related obligation.

Re-measurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in the Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

### (m) Share based payments

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for separately each vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognized in connection with share based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognized as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Model). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

### (n) Finance costs

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that are necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization.

Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.



## Notes to the financial statements for the year ended 31 March 2024

### (o) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

#### • Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantially enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis simultaneously.

#### • Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investment in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis simultaneously.



## Notes to the financial statements for the year ended 31 March 2024

Deferred income tax is not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

### (p) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

#### Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

#### Lease Liability

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.



## Notes to the financial statements for the year ended 31 March 2024

### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### (q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CEO and Whole-time Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly identified as the chief operating decision maker. Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "un-allocable revenue/ expenses/ assets/ liabilities", as the case may be.

### (r) Foreign currency translation

#### (i) *Functional and presentation currency*

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupee.

#### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at Balance Sheet date exchange rate are generally recognised in Statement of Profit and Loss.

#### (iii) *Foreign operations*

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated in to the presentation currency as follows:

- Share capital and opening reserves and surplus are carried at historical cost.
- All assets and liabilities, both monetary and non-monetary, (excluding share capital, opening reserve and surplus) are translated using closing rates at Balance Sheet date.
- Profit and Loss items are translated at the respective year to dates average rates or the exchange rate that approximates the actual exchange rate on the date of specific transaction.
- Contingent liabilities are translated at the closing rates at Balance Sheet date.
- All resulting exchange differences are recognised on Other Comprehensive Income.

When a foreign operation is sold, the associated cumulative exchange differences are classified to profit or loss, as part of the gain or loss on sale.



## Notes to the financial statements for the year ended 31 March 2024

The items of Cash Flow Statement are translated at the respective average rates or the exchange rate that approximates the actual exchange rate on date of specific transaction. The impact of changes in exchange rate on cash and cash equivalent held in foreign currency is included in effect of exchange rate changes.

### (s) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### (t) Royalty

The liability for payment of royalty is provided in terms of the agreement on accrual basis calculated at net sale value of the product (covered under the agreement) sold.

### (u) Earnings per share

#### (i) **Basic earnings per share**

Basic earnings per share, is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

#### (ii) **Diluted earnings per share**

Diluted earnings per share, adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### (v) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different level in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).



## Notes to the financial statements for the year ended 31 March 2024

Level 3: inputs for the asset or liability, those are not based on observable market data (unobservable data).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations met the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair values of an asset or a liability, the Company uses observable market data as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

### (w) Critical estimates and judgements

The preparation of Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in the following notes.

- Recognition and estimation of tax expense including deferred tax – Note 29.
- Estimated impairment of financial assets and non-financial assets- Note 2(e) and 2(f).
- Assessment of useful life of property, plant and equipment and intangible asset- Note 2(c).
- Estimation of assets and obligations relating to employee benefits- Note 31.
- Valuation of inventories- Note 2(g).
- Recognition of revenue and related accruals- Note 2(k).
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources- Note 38.
- Lease classification- Note 41.
- Fair value measurements- Note 2(v).



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

**3. Property, plant and equipment**

| Description          | GROSS BLOCK - COST / BOOK VALUE |  |   | DEPRECIATION / AMORTISATION / IMPAIRMENT |                           |                       | NET BLOCK                               |                           |
|----------------------|---------------------------------|--|---|--|---------------------------|-----------------------|---|---------------------------|
|                      | Total As at 01 April 2023       | Additions/ adjustments during the year | Deductions/ adjustments during the year | Total As at 31 March 2024                | Total As at 01 April 2023 | Provided for the year | Deductions/ adjustments during the year | Total As at 31 March 2024 |
| Land                 |                                 |  |   |  |                           |                       |   |                           |
| (a) Freehold         | 59.87                           | -                                      | -                                       | 59.87                                    | -                         | -                     | -                                       | 59.87                     |
| (b) Leasehold        | 18.15                           | -                                      | -                                       | 18.15                                    | 2.05                      | 0.31                  | -                                       | 15.79                     |
| Buildings            |                                 |  |   |  |                           |                       |   |                           |
| (a) Factory          | 302.68                          | 20.50                                  | -                                       | 323.18                                   | 87.09                     | 13.15                 | -                                       | 222.94                    |
| (b) Others           | 45.89                           | 1.15                                   | -                                       | 47.04                                    | 4.81                      | 0.83                  | -                                       | 41.40                     |
| Plant & machineries  | 1,606.46                        | 166.41                                 | 38.04                                   | 1,734.83                                 | 490.14                    | 85.43                 | 15.15                                   | 1,174.41                  |
| Furniture & fixtures | 8.59                            | 3.31                                   | -                                       | 11.90                                    | 3.44                      | 0.68                  | -                                       | 7.78                      |
| Office equipments    | 48.94                           | 5.90                                   | 0.89                                    | 53.95                                    | 29.06                     | 8.67                  | 0.66                                    | 16.88                     |
| Right of use assets  | 260.09                          | 2.20                                   | 54.19                                   | 208.10                                   | 49.24                     | 34.78                 | 43.91                                   | 167.99                    |
| <b>TOTAL</b>         | <b>2,350.67</b>                 | <b>199.47</b>                          | <b>93.12</b>                            | <b>2,457.02</b>                          | <b>665.83</b>             | <b>143.85</b>         | <b>59.72</b>                            | <b>1,707.06</b>           |

| Description          | GROSS BLOCK - COST / BOOK VALUE |  |   | DEPRECIATION / AMORTISATION / IMPAIRMENT |                           |                       | NET BLOCK                               |                           |
|----------------------|---------------------------------|--|---|--|---------------------------|-----------------------|---|---------------------------|
|                      | Total As at 01 April 2022       | Additions/ adjustments during the year | Deductions/ adjustments during the year | Total As at 31 March 2023                | Total As at 01 April 2022 | Provided for the year | Deductions/ adjustments during the year | Total As at 31 March 2023 |
| Land                 |                                 |  |   |  |                           |                       |   |                           |
| (a) Freehold         | 59.87                           | -                                      | -                                       | 59.87                                    | -                         | -                     | -                                       | 59.87                     |
| (b) Leasehold        | 18.15                           | -                                      | -                                       | 18.15                                    | 1.74                      | 0.31                  | -                                       | 16.10                     |
| Buildings            |                                 |  |   |  |                           |                       |   |                           |
| (a) Factory          | 283.08                          | 21.52                                  | 1.92                                    | 302.68                                   | 74.37                     | 13.16                 | 0.44                                    | 215.59                    |
| (b) Others           | 47.75                           | 1.27                                   | 3.13                                    | 45.89                                    | 4.60                      | 0.80                  | 0.59                                    | 41.08                     |
| Plant & machineries  | 1,542.68                        | 104.27                                 | 40.49                                   | 1,606.46                                 | 425.15                    | 83.61                 | 18.62                                   | 1,116.32                  |
| Furniture & fixtures | 4.99                            | 4.43                                   | 0.83                                    | 8.59                                     | 3.51                      | 0.56                  | 0.63                                    | 5.15                      |
| Office equipments    | 48.82                           | 9.75                                   | 9.63                                    | 48.94                                    | 28.71                     | 7.92                  | 7.57                                    | 19.88                     |
| Right of use assets  | 92.63                           | 209.00                                 | 41.54                                   | 260.09                                   | 43.84                     | 29.71                 | 24.31                                   | 210.85                    |
| <b>TOTAL</b>         | <b>2,097.97</b>                 | <b>350.24</b>                          | <b>97.54</b>                            | <b>2,350.67</b>                          | <b>581.92</b>             | <b>136.07</b>         | <b>52.16</b>                            | <b>1,684.84</b>           |

**Notes:**

(i) Assets classified as held for sale ₹ 0.43 million (Previous Year: ₹ 0.46 million )

(ii) Property, plant and equipment of the Company are charged in favour of bankers for term loan. (Refer note 15)

(iii) During the current financial year and previous financial year, no borrowing cost has been capitalized on property, plant and equipment.



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

Notes to the financial statements for the year ended 31 March 2024

**4. Capital work-in-progress (CWIP)**

|                             | (₹ in million)      |                     |
|-----------------------------|---------------------|---------------------|
|                             | As at 31 March 2024 | As at 31 March 2023 |
| Balance at the beginning    | 48.23               | 4.17                |
| Additions during the year   | 195.18              | 185.30              |
| Capitalized during the year | 197.27              | 141.24              |
| Balance at the end          | <b>46.14</b>        | <b>48.23</b>        |

**4.1 Ageing of Capital work-in-progress**

|                                | (₹ in million)                 |             |           |                   |
|--------------------------------|--------------------------------|-------------|-----------|-------------------|
|                                | Amount in CWIP for a period of |             |           | Total             |
| As at 31 March 2024            | Less than 1 year               | 1-2 years   | 2-3 years | More than 3 years |
| Projects in progress           | 45.80                          | 0.34        | -         | 46.14             |
| Projects temporarily suspended | -                              | -           | -         | -                 |
| <b>Total</b>                   | <b>45.80</b>                   | <b>0.34</b> | <b>-</b>  | <b>46.14</b>      |

|                                | (₹ in million)                 |           |           |                   |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|
|                                | Amount in CWIP for a period of |           |           | Total             |
| As at 31 March 2023            | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |
| Projects in progress           | 48.23                          | -         | -         | 48.23             |
| Projects temporarily suspended | -                              | -         | -         | -                 |
| <b>Total</b>                   | <b>48.23</b>                   | <b>-</b>  | <b>-</b>  | <b>48.23</b>      |

**4.2 Expected completion schedule of capital work-in-progress where cost or time overrun has exceeded original plan**

|   | (₹ in million)  |           |           |                   |
|---|-----------------|-----------|-----------|-------------------|
|   | To be completed |           |           |                   |
| As at 31 March 2024   | Up to 1 year    | 1-2 years | 2-3 years | More than 3 years |
| CP3493 - To procure required equipments for new project anaerobic adhesive      | 0.53            | -         | -         | -                 |
| VS3426 - installation of batch reactor to meet business demand                  | 13.73           | -         | -         | -                 |
| VS3443 - Procurement of new Stripper for our 5KL reactor along with accessories | 2.38            | -         | -         | -                 |
| VS3434 -New R & D building with infrastructure development                      | 0.53            | -         | -         | -                 |
| VS3475 - Installation of refrigerated container for storage of 2VP drums        | 0.30            | -         | -         | -                 |
| VS3477 - BIS 11356 Registration -SBR Latex                                      | 2.14            | -         | -         | -                 |
| Projects temporarily suspended  | -               | -         | -         | -                 |

|  | (₹ in million)  |           |           |                   |
|--|-----------------|-----------|-----------|-------------------|
|  | To be completed |           |           |                   |
| As at 31 March 2023  | Up to 1 year    | 1-2 years | 2-3 years | More than 3 years |
| VS3428-Procurement of Furniture & Fixtures for QC Lab towards NABL Accreditation   | 2.23            | -         | -         | -                 |
| VS3438-Procurement of Lab testing/measuring equipment & office equipment for NABL accreditation along with civil modification work | 0.64            | -         | -         | -                 |
| VS3433-To procure & install Atomic Absorption Spectrophotometer (AAS) in Agri Kapsan Quality Lab                                   | 1.32            | -         | -         | -                 |
| Projects temporarily suspended   | -               | -         | -         | -                 |





**Jubilant Agri And Consumer Products Limited (CIN-US2100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

**5. Other intangible assets**

| Description  | GROSS BLOCK - COST / BOOK VALUE |  |   | AMORTISATION / IMPAIRMENT |                       |   | NET BLOCK                 |                           |
|--------------|---------------------------------|--|---|---------------------------|-----------------------|---|---------------------------|---------------------------|
|              | Total As at 01 April 2023       | Additions/ adjustments during the year | Deductions/ adjustments during the year | Total As at 31 March 2024 | Provided for the year | Deductions/ adjustments during the year | Total As at 31 March 2024 | Total As at 31 March 2024 |
| Software     | 7.61                            | 0.99                                   | -                                       | 8.60                      | 1.35                  | -                                       | 4.19                      | 4.41                      |
| License      | 26.28                           | -                                      | -                                       | 26.28                     | 5.27                  | -                                       | 23.08                     | 3.20                      |
| <b>TOTAL</b> | <b>33.89</b>                    | <b>0.99</b>                            | <b>-</b>                                | <b>34.88</b>              | <b>6.62</b>           | <b>-</b>                                | <b>27.27</b>              | <b>7.61</b>               |

| Description  | GROSS BLOCK - COST / BOOK VALUE |  |   | AMORTISATION / IMPAIRMENT |                       |   | NET BLOCK                 |                           |
|--------------|---------------------------------|--|---|---------------------------|-----------------------|---|---------------------------|---------------------------|
|              | Total As at 01 April 2022       | Additions/ adjustments during the year | Deductions/ adjustments during the year | Total As at 31 March 2023 | Provided for the year | Deductions/ adjustments during the year | Total As at 31 March 2023 | Total As at 31 March 2023 |
| Software     | 2.48                            | 5.13                                   | -                                       | 7.61                      | 0.72                  | -                                       | 2.84                      | 4.77                      |
| License      | 26.28                           | -                                      | -                                       | 26.28                     | 5.25                  | -                                       | 17.81                     | 8.47                      |
| <b>TOTAL</b> | <b>28.76</b>                    | <b>5.13</b>                            | <b>-</b>                                | <b>33.89</b>              | <b>5.97</b>           | <b>-</b>                                | <b>20.65</b>              | <b>13.24</b>              |

Note: There are no internally generated intangible assets.



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

(₹ in million)

|   | As at 31 March 2024 |              | As at 31 March 2023 |             |
|---|---------------------|--------------|---------------------|-------------|
|   | Non-current         | Current      | Non-current         | Current     |
| <b>6. Loans</b><br>(Unsecured - considered good)                  |                     |              |                     |             |
| Loan to employees   | 0.85                | 0.58         | 0.97                | 0.92        |
| Inter-corporate loan to related party (Refer note 37)             | -                   | 12.50        | -                   | -           |
| <b>Total loans</b>  | <b>0.85</b>         | <b>13.08</b> | <b>0.97</b>         | <b>0.92</b> |
| <b>7. Other financial assets</b><br>(Unsecured - considered good) |                     |              |                     |             |
| Interest accrued  | -                   | 1.12         | -                   | 0.68        |
| Security deposits   | 13.57               | 3.43         | 13.47               | 2.83        |
| Others  | 0.29                | -            | 0.29                | -           |
| <b>Total other financial assets</b>                               | <b>13.86</b>        | <b>4.55</b>  | <b>13.76</b>        | <b>3.51</b> |

**8. Deferred tax**

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

*Deferred tax assets:*

(₹ in million)

|                                   | Provision for compensated absences and gratuity | Expenditure allowed on actual payment basis | Unabsorbed depreciation | Others      | Total         |
|-----------------------------------|---|---|-------------------------|-------------|---------------|
| <b>As at 01 April 2022</b>        | <b>34.59</b>                                    | <b>26.93</b>                                | <b>354.23</b>           | <b>2.38</b> | <b>418.13</b> |
| Charge/(Credit)                   |   |   |                         |             |               |
| - to statement of profit and loss | (0.40)  | 4.32  | 176.23                  | 2.12        | 182.27        |
| - to other comprehensive income   | -   | -   | -                       | 0.04        | 0.04          |
| <b>As at 31 March 2023</b>        | <b>34.99</b>                                    | <b>22.61</b>                                | <b>178.00</b>           | <b>0.22</b> | <b>235.82</b> |
| Charge/(Credit)                   |   |   |                         |             |               |
| - to statement of profit and loss | 2.03  | (4.40)                                      | 110.70                  | (0.83)      | 107.50        |
| - to other comprehensive income   | (1.11)  | -   | -                       | 0.11        | (1.00)        |
| <b>As at 31 March 2024</b>        | <b>34.07</b>                                    | <b>27.01</b>                                | <b>67.30</b>            | <b>0.94</b> | <b>129.32</b> |

*Deferred tax liabilities:*

(₹ in million)

|                                   | Depreciation, amortization and other temporary differences | Total        |
|-----------------------------------|--|--------------|
| <b>As at 01 April 2022</b>        | <b>79.66</b>   | <b>79.66</b> |
| Charge/(Credit)                   |  |              |
| - to statement of profit and loss | 4.06   | 4.06         |
| - to other comprehensive income   | -  | -            |
| <b>As at 31 March 2023</b>        | <b>83.72</b>   | <b>83.72</b> |
| Charge/(Credit)                   |  |              |
| - to statement of profit and loss | 5.87   | 5.87         |
| - to other comprehensive income   | -  | -            |
| <b>As at 31 March 2024</b>        | <b>89.59</b>   | <b>89.59</b> |

*Net deferred tax assets:*

(₹ in million)

| Particulars                      | As at 31 March 2024 | As at 31 March 2023 |
|----------------------------------|---------------------|---------------------|
| Deferred tax assets              | 129.32              | 235.82              |
| Deferred tax liabilities         | 89.59               | 83.72               |
| <b>Deferred tax assets (net)</b> | <b>39.73</b>        | <b>152.10</b>       |



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

**Reconciliation of deferred tax assets (net):**

(₹ in million)

| Particulars  | As at         | As at         |
|--|---------------|---------------|
|  | 31 March 2024 | 31 March 2023 |
| Balance as at the commencement of the year                               | 152.10        | 338.47        |
| Charge recognized in profit and loss during the year                     | 113.37        | 186.33        |
| Charge/(Credit) recognized in other comprehensive income during the year | (1.00)        | 0.04          |
| Balance as at the end of the year  | <b>39.73</b>  | <b>152.10</b> |

**Expiry period of carried forward tax losses:**

Company has unabsorbed depreciation amounting to ₹ 267.35 million (Previous Year: ₹ 707.24 million) as at year end, available to reduce future income taxes and the same can be carried forward for an indefinite period.

(₹ in million)

|  | As at 31 March 2024 |               | As at 31 March 2023 |               |
|--|---------------------|---------------|---------------------|---------------|
|  | Non-current         | Current       | Non-current         | Current       |
| <b>9. Other assets</b>                               |                     |               |                     |               |
| <b>(Unsecured - considered good)</b>                 |                     |               |                     |               |
| Advance to suppliers                                 | -                   | 33.19         | -                   | 41.30         |
| Capital advances                                     | 2.76                | -             | 8.03                | -             |
| Security deposits                                    | 17.07               | -             | 16.92               | -             |
| Prepaid expenses                                     | 6.35                | 31.69         | 5.25                | 30.80         |
| Advance to employees                                 | -                   | 8.68          | -                   | 4.09          |
| Recoverable from/balance with government authorities | -                   | 502.05        | -                   | 269.77        |
| Others   | -                   | 15.91         | -                   | 5.89          |
| <b>Total other assets</b>                            | <b>26.18</b>        | <b>591.52</b> | <b>30.20</b>        | <b>351.85</b> |



Notes to the financial statements for the year ended 31 March 2024

|   |   | (₹ in million)         |                        |
|---|---|------------------------|------------------------|
|   |   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>10. Inventories</b>  |   |                        |                        |
| Raw materials<br>[including goods-in-transit ₹ 287.83 million (Previous Year: ₹ 216.86 million)]                            |   | 994.25                 | 627.38                 |
| Work-in-progress  |   | 405.42                 | 333.70                 |
| Finished goods  |   | 628.11                 | 571.14                 |
| Stock-in-trade  |   | 76.39                  | 49.08                  |
| Stores and spares   |   | 80.20                  | 62.90                  |
| Fuel and packing materials  |   | 62.61                  | 62.65                  |
| <b>Total inventories</b>  |   | <b>2,246.98</b>        | <b>1,706.85</b>        |
| Notes:  |   |                        |                        |
| (i) For valuation of inventories refer note 2(g).   |   |                        |                        |
| (ii) Inventories are pledged as security for borrowings taken from banks. (Refer note 15)                                   |   |                        |                        |
| <b>11. Investments</b>  |   |                        |                        |
| <b>(Current)</b>  |   |                        |                        |
| <b>I. Quoted investment in equity shares (at fair value through other comprehensive income)</b>                             |   |                        |                        |
| 448 (Previous Year: 448) equity shares of ₹ 10 each<br>Voith Paper Fabrics India Limited                                    |   | 0.84                   | 0.47                   |
| <b>II. Unquoted investment in equity shares (at cost)</b>   |   |                        |                        |
| 530 (Previous Year: 530) equity shares of ₹ 10 each<br>Minerva Holding Limited*   |   | -                      | -                      |
| 132 (Previous Year: 132) equity shares of ₹ 10 each<br>Kashipur Holdings Limited*   |   | -                      | -                      |
| <b>Total investments</b>  |   | <b>0.84</b>            | <b>0.47</b>            |
| <b>11.1 Additional information</b>  |   |                        |                        |
|   |   |                        | (₹ in million)         |
|   |   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Aggregate amount of quoted investments  |   | 0.08                   | 0.08                   |
| Market value of quoted investments  |   | 0.84                   | 0.47                   |
| Aggregate amount of unquoted investments*   |   | -                      | -                      |
| Aggregate provision for diminution in value of investments  |   | -                      | -                      |
| * Shares were received free of cost under the Scheme of Arrangement (1997) approved by the Hon'ble High Court of Allahabad. |   |                        |                        |
|   |   |                        | (₹ in million)         |
|   |   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>12. Trade receivables</b>  |   |                        |                        |
| <b>(Current)</b>  |   |                        |                        |
| Trade receivable considered good - Unsecured  |   | 2,516.46               | 2,721.47               |
| Trade receivable-credit impaired  |   | 42.83                  | 39.63                  |
|   |   | <b>2,559.29</b>        | <b>2,761.10</b>        |
| Less: Allowance for expected credit loss  |   | 42.83                  | 39.63                  |
| <b>Total trade receivables</b>  |   | <b>2,516.46</b>        | <b>2,721.47</b>        |
| <b>12.1</b>   | Trade receivables includes subsidy receivable ₹ 607.59 million (Previous Year: ₹ 1,110.12 million). |                        |                        |
| <b>12.2</b>   | Refer note 33 for ageing of trade receivables.  |                        |                        |
|   |   |                        | (₹ in million)         |
|   |   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| <b>13(a). Cash and cash equivalents</b>   |   |                        |                        |
| Balance with banks - on current accounts  |   | 114.16                 | 8.26                   |
| <b>Total cash and cash equivalents</b>  |   | <b>114.16</b>          | <b>8.26</b>            |
| <b>13(b). Other bank balances</b>   |   |                        |                        |
| Margin money with bank*   |   | 0.55                   | 0.50                   |
| <b>Total other bank balances</b>  |   | <b>0.55</b>            | <b>0.50</b>            |
| *For bank guarantees in favour of government authorities  |   |                        |                        |



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

(₹ in million)

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| <b>14. Equity share capital</b>                                 |                        |                        |
| <b>Authorized</b>   |                        |                        |
| 58,24,000 (Previous Year: 58,24,000) equity shares of ₹ 10 each | 58.24                  | 58.24                  |
|   | <b>58.24</b>           | <b>58.24</b>           |
| <b>Issued, subscribed and paid-up</b>                           |                        |                        |
| 56,08,552 (Previous Year: 56,08,552) equity shares of ₹ 10 each | 56.09                  | 56.09                  |
| <b>Total equity share capital</b>                               | <b>56.09</b>           | <b>56.09</b>           |

**14.1 Movement in equity share capital:**

|                                 | As at 31 March 2024 |              | As at 31 March 2023 |              |
|---------------------------------|---------------------|--------------|---------------------|--------------|
|                                 | No. of shares       | ₹ in million | No. of shares       | ₹ in million |
| At the commencement of the year | 56,08,552           | 56.09        | 56,08,552           | 56.09        |
| Add: Issued during the year     | -                   | -            | -                   | -            |
| At the end of the year          | <b>56,08,552</b>    | <b>56.09</b> | <b>56,08,552</b>    | <b>56.09</b> |

**14.2** The Company has only one class of shares referred to as equity shares having par value of ₹ 10 each. Holder of each equity share 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 any of the remaining assets of the Company, after distribution of all preferential amounts. 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 aggregate shares in the Company:

|   | As at 31 March 2024 |        | As at 31 March 2023 |        |
|---|---------------------|--------|---------------------|--------|
|   | No. of shares       | % held | No. of shares       | % held |
| Jubilant Industries Limited* and its nominees (Equity shares) | 56,08,552           | 100.00 | 56,08,552           | 100.00 |

\* Holding Company

**14.4** Information regarding issue of shares in the last five years

- i) The Company has not issued any shares without payment being received in cash.
- ii) The Company has not issued any bonus shares.
- iii) The Company has not undertaken any buy-back of shares.

**14.5** Disclosure of Shareholding of Promoters

The Company is a wholly owned subsidiary of Jubilant Industries Limited and its 100% shareholding is with Jubilant Industries Limited.

(₹ in million)

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| <b>14 (a). Other equity</b>                       |                        |                        |
| Securities premium                                | 880.47                 | 880.47                 |
| Share based payment reserve                       | 64.29                  | 33.58                  |
| Retained earnings                                 | 1,307.82               | 1,050.82               |
| <b>Items of other comprehensive income (OCI):</b> |                        |                        |
| Equity instruments through OCI                    | 0.59                   | 0.30                   |
| Re-measurement of defined benefit plans           | (7.87)                 | (4.54)                 |
| Cash hedge reserve                                | (0.11)                 | (0.19)                 |
| Foreign currency translation reserve              | (0.63)                 | (0.44)                 |
| <b>Total other equity</b>                         | <b>2,244.56</b>        | <b>1,960.00</b>        |



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

(₹ in million)

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| <b>15(a). Borrowings</b>                          |                        |                        |
| <b>(Non-current)</b>                              |                        |                        |
| <b>Term loans from banks</b>                      |                        |                        |
| - Indian rupee loans (secured)                    | 245.94                 | 371.60                 |
| Less: Current maturities of long term debts       | 126.18                 | 135.45                 |
| <b>Total borrowings</b>                           | <b>119.76</b>          | <b>236.15</b>          |
| <b>15(b). Lease liabilities</b>                   |                        |                        |
| <b>(Non-current)</b>                              |                        |                        |
| Non-current portion of lease liabilities          | 171.32                 | 193.99                 |
| <b>Total lease liabilities</b>                    | <b>171.32</b>          | <b>193.99</b>          |
| <b>15(c). Borrowings</b>                          |                        |                        |
| <b>(Current)</b>                                  |                        |                        |
| <b>From Banks (Secured) - repayable on demand</b> |                        |                        |
| Cash credit and working capital loans             | 1,188.67               | 1,075.98               |
| Current maturities of long term debts             | 126.18                 | 135.45                 |
| Foreign currency term loan                        | -                      | 224.92                 |
| <b>From Others (Unsecured)</b>                    |                        |                        |
| MSME Treds borrowings                             | -                      | 24.75                  |
| <b>Total borrowings</b>                           | <b>1,314.85</b>        | <b>1,461.10</b>        |
| <b>15(d). Lease liabilities</b>                   |                        |                        |
| <b>(Current)</b>                                  |                        |                        |
| Current portion of lease liabilities              | 14.27                  | 26.76                  |
| <b>Total lease liabilities</b>                    | <b>14.27</b>           | <b>26.76</b>           |

**15.1 Nature of security of non-current borrowings and other terms of repayment**

- 15.1.1 Term loan I availed from Ratnakar Bank Limited amounting to ₹ Nil (Previous Year: ₹ 197.82 million) including current maturities of ₹ Nil (Previous Year: ₹ 65.94 million) is secured by first pari passu charge on all fixed assets (both present and future) of the Company.
- 15.1.2 Term loan II availed from HDFC Bank Limited amounting to ₹ 50.00 million (Previous Year: ₹ 83.33 million) including current maturities of ₹ 33.33 million (Previous Year: ₹ 33.33 million) is secured by first pari passu charge on all movable fixed assets (both present and future) of the Company.
- 15.1.3 Term loan III availed from HDFC Bank Limited amounting to ₹ 54.27 million (Previous Year: ₹ 90.45 million) including current maturities of ₹ 36.18 million (Previous Year: ₹ 36.18 million) is secured by first pari passu charge on all movable fixed assets (both present and future) of the Company.
- 15.1.4 Term loan IV availed from HDFC Bank Limited amounting to ₹ 141.67 million (Previous Year: ₹ Nil) including current maturities of ₹ 56.67 million (Previous Year: ₹ Nil) is secured by first pari passu charge on all movable fixed assets (both present and future) of the Company.
- 15.1.5 Term loan I availed from Ratnakar Bank Limited is fully repaid during the current year.
- 15.1.6 Term loan II availed from HDFC Bank Limited is repayable in remaining six equal quarterly instalments, payable up to September 2025.
- 15.1.7 Term loan III availed from HDFC Bank Limited is repayable in remaining six equal quarterly instalments, payable up to September 2025.
- 15.1.8 Term loan IV availed from HDFC Bank Limited is repayable in remaining ten equal quarterly instalments, payable up to September 2026.

**15.2 Nature of security of current borrowings and other terms of repayment**

- 15.2.1 Working capital facilities (including cash credit) sanctioned by Consortium of banks are secured by a first pari passu charge by way of hypothecation, of the entire book debts, inventories and current assets both present and future of the Company wherever the same may be held. Short term borrowings from banks are availed in Indian rupees and in foreign currency.
- 15.2.2 Short term loan availed in foreign currency from Ratnakar Bank Limited amounting to ₹ Nil (Previous Year: ₹ 224.92 million) is secured by first pari passu charge on all fixed assets (both present and future) of the Company and is fully repaid during the current year.
- 15.2.3 The quarterly returns or statements [Financial Follow-up Report (FFR I)] by the Company for working capital limits with such banks are in agreement with the books of accounts of the Company.
- 15.2.4 There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

(₹ in million)

|  | As at 31 March 2024 |               | As at 31 March 2023 |               |
|--|---------------------|---------------|---------------------|---------------|
|  | Non-current         | Current       | Non-current         | Current       |
| <b>16. Other financial liabilities</b>           |                     |               |                     |               |
| Capital creditors                                | -                   | 10.25         | -                   | 18.56         |
| Employee benefits payable                        | -                   | 83.36         | -                   | 69.36         |
| Security deposit                                 | 79.18               | 2.66          | 67.37               | 2.73          |
| Interest accrued but not due on borrowings       | -                   | 8.77          | -                   | 2.16          |
| Other payables                                   | -                   | 777.64        | -                   | 528.95        |
| <b>Total other financial liabilities</b>         | <b>79.18</b>        | <b>882.68</b> | <b>67.37</b>        | <b>621.76</b> |
| <b>17. Provisions</b>                            |                     |               |                     |               |
| Provisions for employee benefits (Refer note 31) | 119.02              | 74.01         | 126.81              | 55.45         |
| Other provisions                                 | -                   | 0.30          | -                   | 0.90          |
| <b>Total provisions</b>                          | <b>119.02</b>       | <b>74.31</b>  | <b>126.81</b>       | <b>56.35</b>  |

**18. Trade payables**

(₹ in million)

|  | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| <b>(Current)</b>   |                     |                     |
| Total outstanding dues of micro enterprises and small enterprises [Refer note 44 (vi)] | 177.40              | 181.28              |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,698.62            | 1,545.45            |
| <b>Total trade payables</b>  | <b>1,876.02</b>     | <b>1,726.73</b>     |

**18.1 Trade payable ageing schedule**

(₹ in million)

| As at 31 March 2024   | Not Due         | Outstanding for following periods from due date of payment |             |             |                   | Total           |
|---|-----------------|--|-------------|-------------|-------------------|-----------------|
|   |                 | Up to 1 year   | 1-2 years   | 2-3 years   | More than 3 years |                 |
| <b>Total outstanding dues of micro and small enterprises</b>                      |                 |  |             |             |                   |                 |
| (a) Disputed  | -               | -  | -           | -           | -                 | -               |
| (b) Undisputed  | 169.81          | 7.59   | -           | -           | -                 | 177.40          |
|   | <b>169.81</b>   | <b>7.59</b>  | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>177.40</b>   |
| <b>Total outstanding dues of creditors other than micro and small enterprises</b> |                 |  |             |             |                   |                 |
| (a) Disputed  | -               | -  | -           | -           | -                 | -               |
| (b) Undisputed  | 1,531.58        | 162.88   | 1.43        | 0.63        | 2.10              | 1,698.62        |
|   | <b>1,531.58</b> | <b>162.88</b>  | <b>1.43</b> | <b>0.63</b> | <b>2.10</b>       | <b>1,698.62</b> |

(₹ in million)

| As at 31 March 2023   | Not Due        | Outstanding for following periods from due date of payment |             |             |                   | Total           |
|---|----------------|--|-------------|-------------|-------------------|-----------------|
|   |                | Up to 1 year   | 1-2 years   | 2-3 years   | More than 3 years |                 |
| <b>Total outstanding dues of micro and small enterprises</b>                      |                |  |             |             |                   |                 |
| (a) Disputed  | -              | -  | -           | -           | -                 | -               |
| (b) Undisputed  | 127.84         | 53.44  | -           | -           | -                 | 181.28          |
|   | <b>127.84</b>  | <b>53.44</b>   | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>181.28</b>   |
| <b>Total outstanding dues of creditors other than micro and small enterprises</b> |                |  |             |             |                   |                 |
| (a) Disputed  | -              | -  | -           | -           | 0.96              | 0.96            |
| (b) Undisputed  | 1,409.72       | 131.47   | 1.45        | 0.86        | 0.99              | 1,544.49        |
|   | <b>1409.72</b> | <b>131.47</b>  | <b>1.45</b> | <b>0.86</b> | <b>1.95</b>       | <b>1,545.45</b> |

(₹ in million)

|                                | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------|---------------------|---------------------|
| <b>19. Other liabilities</b>   |                     |                     |
| <b>(Current)</b>               |                     |                     |
| Advance from customers         | 68.32               | 88.16               |
| Statutory dues payables        | 332.10              | 112.79              |
| Others                         | 9.14                | 5.48                |
| <b>Total other liabilities</b> | <b>409.56</b>       | <b>206.43</b>       |



**Jubilant Agri And Consumer Products Limited (CIN-U52100UP2008PLC035862)**

**Notes to the financial statements for the year ended 31 March 2024**

(₹ in million)

|  | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
|--|--|--|
| <b>20. Revenue from operations</b>   |  |  |
| Sale of products:  |  |  |
| - Domestic [including ₹ 902.75 million (Previous Year: ₹ 2,346.59 million) subsidy on fertilizers]         | 9,542.46                               | 11,733.24                              |
| - Export   | 2,694.35                               | 2,608.43                               |
| Other operating revenue  | 23.90                                  | 23.82                                  |
| <b>Total revenue from operations</b>   | <b>12,260.71</b>                       | <b>14,365.49</b>                       |
| <b>21. Other income</b>  |  |  |
| Interest income [including interest on income tax refund of ₹ 0.16 million (Previous Year: ₹0.19 million)] | 1.52                                   | 6.43                                   |
| Insurance claim  | 4.40                                   | 2.47                                   |
| Net gain on sale/disposal of property, plant and equipment   | -                                      | 0.42                                   |
| Gain on termination of lease   | 0.60                                   | 2.02                                   |
| Rent received  | 3.46                                   | 3.43                                   |
| Other non-operating income   | 4.59                                   | 11.03                                  |
| Bad Debts/ irrecoverable advances and receivables written in (net)   | -                                      | 2.59                                   |
| <b>Total other income</b>  | <b>14.57</b>                           | <b>28.39</b>                           |
| <b>22. Cost of materials consumed</b>  |  |  |
| Raw and process materials consumed   | 6,862.24                               | 9,484.55                               |
| <b>Total cost of materials consumed</b>  | <b>6,862.24</b>                        | <b>9,484.55</b>                        |
| <b>23. Purchases of stock-in-trade</b>   |  |  |
| Purchases of stock-in-trade  | 267.11                                 | 206.63                                 |
| <b>Total purchases of stock-in-trade</b>   | <b>267.11</b>                          | <b>206.63</b>                          |
| <b>24. Changes in inventories of finished goods, stock-in-trade and work-in-progress</b>                   |  |  |
| <b>Opening balance</b>   |  |  |
| Work-in-progress   | 333.70                                 | 212.57                                 |
| Finished goods   | 571.14                                 | 420.41                                 |
| Stock-in-trade   | 49.08                                  | 19.96                                  |
| <b>Total opening balance</b>   | <b>953.92</b>                          | <b>652.94</b>                          |
| <b>Closing balance</b>   |  |  |
| Work-in-progress   | 405.42                                 | 333.70                                 |
| Finished goods   | 628.11                                 | 571.14                                 |
| Stock-in-trade   | 76.39                                  | 49.08                                  |
| <b>Total closing balance</b>   | <b>1,109.92</b>                        | <b>953.92</b>                          |
| <b>Changes in inventories of finished goods, stock-in-trade and work-in-progress</b>                       | <b>(156.00)</b>                        | <b>(300.98)</b>                        |
| <b>25. Employee benefits expense</b>   |  |  |
| Salaries, wages, bonus, gratuity and allowances  | 1,165.61                               | 946.79                                 |
| Contribution to provident and other funds  | 50.26                                  | 41.81                                  |
| Employee share based expense   | 10.11                                  | 13.67                                  |
| Staff welfare expenses   | 64.53                                  | 54.71                                  |
| <b>Total employee benefits expense</b>   | <b>1,290.51</b>                        | <b>1,056.98</b>                        |
| <b>26. Finance costs</b>   |  |  |
| Interest expense   | 170.48                                 | 163.72                                 |
| Other finance costs  | 26.91                                  | 23.61                                  |
| Exchange difference to the extent considered as an adjustment to finance costs                             | 1.78                                   | 6.64                                   |
| <b>Total finance costs</b>   | <b>199.17</b>                          | <b>193.97</b>                          |





Notes to the financial statements for the year ended 31 March 2024

|   | (₹ in million)                         |  |
|---|--|--|
|   | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| <b>27. Depreciation and amortization expense</b>  |  |  |
| Depreciation of property, plant and equipment [including amortization of Right of use (ROU) assets] | 143.85                                 | 136.07                                 |
| Amortization of intangible assets   | 6.62                                   | 5.97                                   |
| <b>Total depreciation and amortization expense</b>  | <b>150.47</b>                          | <b>142.04</b>                          |
| <b>28. Other expenses</b>   |  |  |
| Power and fuel  | 259.56                                 | 325.89                                 |
| Stores, spares and packing materials consumed   | 715.82                                 | 744.73                                 |
| Job work charges  | 4.11                                   | 2.13                                   |
| Repairs and maintenance:  |  |  |
| Plant and machineries   | 101.46                                 | 92.31                                  |
| Buildings   | 6.63                                   | 5.38                                   |
| Others  | 63.99                                  | 56.54                                  |
| Rent  | 38.11                                  | 25.71                                  |
| Rates & taxes   | 10.16                                  | 7.01                                   |
| Insurance   | 31.83                                  | 25.16                                  |
| Advertisement, publicity & sales promotion  | 635.09                                 | 420.83                                 |
| Travelling & other incidental expenses  | 164.75                                 | 121.12                                 |
| Vehicle running & maintenance   | 2.79                                   | 2.62                                   |
| Printing & stationery   | 9.82                                   | 7.25                                   |
| Communication expenses  | 9.82                                   | 8.74                                   |
| Staff recruitment & training  | 4.19                                   | 6.40                                   |
| Legal, professional and consultancy charges (Refer note 40)   | 167.43                                 | 124.60                                 |
| Directors' sitting fees   | 1.72                                   | 1.63                                   |
| Bank charges  | 3.36                                   | 8.12                                   |
| Foreign exchange fluctuation - net  | 1.70                                   | 62.58                                  |
| CSR expenses [Refer note 44 (viii)]   | 11.45                                  | 7.85                                   |
| Freight & forwarding  | 555.60                                 | 681.62                                 |
| Commission on Sales   | 39.35                                  | 22.93                                  |
| Discounts, claims to customers and other selling expenses   | 90.17                                  | 101.94                                 |
| Bad Debts/ irrecoverable advances & receivables written off (net)                                   | 0.61                                   | -                                      |
| Net loss on sale/disposal of property, plant and equipment  | 1.77                                   | -                                      |
| Property, plant and equipment written off   | 20.66                                  | 26.55                                  |
| Miscellaneous expenses  | 4.64                                   | 6.16                                   |
| <b>Total other expenses</b>   | <b>2,956.59</b>                        | <b>2,895.80</b>                        |



Notes to the financial statements for the year ended 31 March 2024

| 29. Income tax   |  |  |
|--|--|--|
| The major components of income tax expense are:                                      |  |  |
| <b>Profit or loss section</b>  |  |  |
|  | (₹ in million)                         |  |
|  | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| <b>Current income tax:</b>   |  |  |
| Current income tax charge for the year   | -                                      | -                                      |
| <b>Deferred tax:</b>   |  |  |
| Deferred tax charge for the year   | 113.37                                 | 186.33                                 |
|  | 113.37                                 | 186.33                                 |
| <b>Income tax expense reported in the Statement of profit and loss</b>               | <b>113.37</b>                          | <b>186.33</b>                          |
| <b>Other comprehensive income (OCI) section</b>                                      |  |  |
|  | (₹ in million)                         |  |
|  | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| Tax (credit)/charge related to items that will not be reclassified to profit or loss | (1.03)                                 | 0.10                                   |
| Tax charge/(credit) related to items that will be reclassified to profit or loss     | 0.03                                   | (0.06)                                 |
| <b>Income tax (credit)/charged to Other comprehensive income</b>                     | <b>(1.00)</b>                          | <b>0.04</b>                            |
| <b>Reconciliation between average effective rate and applicable tax rate:</b>        |  |  |
|  | (₹ in million)                         |  |
|  | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| Accounting profit before income tax  | 370.37                                 | 714.89                                 |
| At India's statutory income tax rate 25.168% (Previous Year: 25.168%)                | 93.22                                  | 179.92                                 |
| - Permanent Difference   | 3.00                                   | 6.65                                   |
| - Adjustments of earlier years   | 15.97                                  | -                                      |
| - Others   | 1.18                                   | (0.24)                                 |
| <b>Income tax expense reported in the Statement of profit and loss</b>               | <b>113.37</b>                          | <b>186.33</b>                          |



## Notes to the financial statements for the year ended 31 March 2024

### 30. Composite Scheme of Arrangement

(a) Proposed Composite Scheme of Arrangement (Scheme), approved by the Board on 12th August 2022 between the following companies:

- HSSS Investment Holding Private Limited (Amalgamating Company-1),
- KBHB Investment Holding Private Limited (Amalgamating Company-2),
- SSBPB Investment Holding Private Limited (Amalgamating Company-3),
- Jubilant Industries Limited (JIL) is the holding company of the Amalgamated company namely, Jubilant Agri and Consumer Products Limited (JACPL), and
- Jubilant Agri and Consumer Products Limited (JACPL) (Amalgamated Company), a wholly owned subsidiary of JIL.

(b) The Companies under Composite Scheme of Arrangement had received NOC (observation letters) from National Stock Exchange of India (NSE) and BSE Limited (BSE) dated February 17, 2023. Upon receipt of NOCs (observation letters) from NSE and BSE, JIL had filed the application, under section 230 to 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, before jurisdictional bench of NCLT dated 28 March, 2023 in respect of the Composite Scheme of Arrangement amongst the Company as mentioned above in note 30 (a).

(c) Pursuant to the Composite Scheme JIL would amalgamate with the Company from the appointed date i.e. July 01, 2022 wherein JIL shall cease to exist.

Pursuant to Part C of the Scheme, upon the effective date and with effect from the appointed date, JIL shall stand amalgamated in the Company, its wholly owned subsidiary. In so far as the amalgamation of JIL into the Company is concerned, upon the effective date, the equity shares of the Company held by JIL shall be automatically cancelled, and simultaneously and concurrent with such cancellation, the Company shall issue and allot equity shares, such that for every 1 (One) fully paid up equity share of ₹ 10/- each of JIL held by the equity shareholders of JIL as on the Record Date, 1 (One) equity Share shall be issued and allotted by the Company.

The equity shares issued by the Company, subject to approval/exemption from SEBI, be listed and/or admitted to trading on the stock exchanges where the equity shares of JIL are listed and/or admitted to trading.

(d) Upon the scheme becoming effective, the authorized share capital of the Company shall automatically stand enhanced by the authorized share capital of the JIL.

Further, the resultant authorized share capital of the Company comprising: (i) 7,43,54,000 equity shares of ₹ 10 each aggregating ₹ 74,35,40,000/-; (ii) 26,23,617 10% optionally convertible non-cumulative redeemable preference shares of ₹ 10 each, aggregating ₹ 2,62,36,170/- ; and (iii) 10,00,000 10% non-cumulative redeemable preference shares of ₹ 10 each, aggregating ₹ 1,00,00,000/-, shall stand reclassified entirely only as equity share capital, comprising 7,79,77,617 equity shares of ₹ 10 each, aggregating ₹ 77,97,76,170/-



**Notes to the financial statements for the year ended 31 March 2024**

**(e) Computation of net impact of Investment of JIL in the Company:**

(₹ in million)

| Particulars  |           | Amount  |
|--|-----------|---------|
| Investment in the company as per books of JIL                        | A         | 3016.28 |
| <b>Less:</b>   |           |         |
| Share capital as per books of the Company                            | B         | 56.09   |
| Security premium as per books of the Company                         | C         | 880.47  |
| Reversal of capital reserve created pursuant to Part B of the Scheme | D         | 48.85   |
| Adjusted in retained earnings (balancing figure)                     | A-(B+C+D) | 2030.87 |

**(f) Effects on the financial statements**

(₹ in million)

| Particulars                                  |       | Amount         |
|--|-------|----------------|
| <b>Assets</b>                                |       |                |
| <b>Non-current assets</b>                    |       |                |
| Property, plant and equipment                |       | 0.10           |
| Investments                                  |       | 10.75          |
| Loans  |       | 0.03           |
| Deferred tax assets                          |       | 0.03           |
| Other non-current assets                     |       | 1.35           |
| <b>Current assets</b>                        |       |                |
| Inventories                                  |       | 0.12           |
| Trade receivables                            |       | 1.12           |
| Cash and cash equivalents                    |       | 17.17          |
| Other bank balances                          |       | 1.00           |
| Loans  |       | 0.01           |
| Other financial assets                       |       | 3.00           |
| Current tax assets                           |       | 0.89           |
| Other current assets                         |       | 4.81           |
| Assets classified as held for sale           |       | 13.57          |
| <b>Total assets</b>                          | A     | <b>53.95</b>   |
| <b>Liabilities</b>                           |       |                |
| <b>Non-current liabilities</b>               |       |                |
| Provisions                                   |       | 0.67           |
| <b>Current liabilities</b>                   |       |                |
| Trade payables                               |       | 1.49           |
| Other financial liabilities                  |       | 3.31           |
| Other current liabilities                    |       | 116.77         |
| Provisions                                   |       | 0.25           |
| <b>Total liabilities</b>                     | B     | <b>122.49</b>  |
| <b>Equity</b>                                |       |                |
| Share capital                                |       | 94.58          |
| Security premium                             |       | 344.95         |
| General reserve                              |       | 200.31         |
| Share based payment reserve                  |       | (10.86)        |
| OCI- Re-measurement of defined benefit plans |       | 0.02           |
| Retained earnings                            |       | (697.54)       |
| <b>Total equity</b>                          | C     | <b>(68.54)</b> |
| <b>Total equity and liabilities</b>          | (B+C) | <b>53.95</b>   |

(g) In the books of JIL equity settled share payment based transactions with the employees of the Company, was recognised in investment, therefore, capital contribution of the JIL is adjusted with share based payment reserve of the Company.

(h) In the books of JIL Trade receivable of ₹ 1.12 million is receivable from the Company so adjusted with the Trade payable of the Company.

The above have been accounted for, in compliance with Ind AS 103 "Business Combination".



**Notes to the financial statements for the year ended 31 March 2024**

**31. Employee benefits in respect of the Company have been calculated as under:**

**A. Defined Contribution Plans**

The Company has certain defined contribution plan such as provident fund, employee state insurance, employee pension scheme, employee superannuation fund wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

| Particulars   | (₹ in million)                         |  |
|---|--|--|
|   | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| Employer's contribution to provident fund                 | 29.67                                  | 24.45                                  |
| Employer's contribution to employee's pension scheme 1995 | 14.20                                  | 11.61                                  |
| Employer's contribution to superannuation fund            | 0.73                                   | 0.91                                   |
| Employer's contribution to employee state insurance       | 0.34                                   | 0.39                                   |

**B. Defined Benefits Plans**

**i. Gratuity**

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 7.13% p.a. (Previous Year: 7.35% p.a.) which is determined by reference to market yield at the Balance Sheet date on government bonds. The retirement age has been considered at 58 years (Previous Year: 58 years) and mortality table is as per IALM (2012-14) [Previous Year: IALM (2012-14)].

The estimates of future salary increases, considered in actuarial valuation is 9% p.a. for first three years and 5% p.a. thereafter (Previous Year: 9% p.a. for first three years and 5% p.a. thereafter), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan assets are maintained with Life Insurance Corporation of India in respect of gratuity scheme for certain employees of one unit of the Company. The details of investments maintained by Life Insurance Corporation of India are not available with the Company, hence not disclosed. The expected rate of return on plan assets is 7.00% p.a. (Previous Year: 7.00% p.a.).

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

| Particulars   | (₹ in million)                         |  |
|---|--|--|
|   | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| Present vale of obligation at the beginning of the year | 107.14                                 | 104.12                                 |
| Current service cost                                    | 12.37                                  | 10.23                                  |
| Interest cost   | 7.87                                   | 7.50                                   |
| Actuarial loss/(gain)                                   | 4.47                                   | (0.10)                                 |
| Benefits paid   | (19.46)                                | (14.61)                                |
| Present vale of obligation at the end of the year       | 112.39                                 | 107.14                                 |

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

| Particulars                                       | (₹ in million) |               |
|---|----------------|---------------|
|   | 31 March 2024  | 31 March 2023 |
| Present vale of obligation at the end of the year | 112.39         | 107.14        |
| Fair value of plan assets at the end of the year  | 13.49          | 12.54         |
| Net liabilities recognized in the Balance Sheet   | 98.90          | 94.60         |

**Fair value of plan assets\*:**

| Particulars                              | (₹ in million) |               |
|--|----------------|---------------|
|  | 31 March 2024  | 31 March 2023 |
| Plan assets at the beginning of the year | 12.54          | 11.40         |
| Expected return on plan assets           | 0.92           | 0.82          |
| Actuarial gain                           | 0.03           | 0.32          |
| Plan assets at the end of the year       | 13.49          | 12.54         |

In respect of one unit of the Company, the plan assets were invested in insurer managed funds.



Notes to the financial statements for the year ended 31 March 2024

Company's best estimate of contribution during next year is ₹ 22.87 million (Previous Year: ₹ 19.74 million).

Expense recognized in the Statement of Profit and Loss under employee benefits expense:

(₹ in million)

| Particulars  | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Total service cost   | 12.37         | 10.23         |
| Net interest cost  | 6.95          | 6.68          |
| <b>Expenses recognized in the Statement of Profit and Loss</b> | <b>19.32</b>  | <b>16.91</b>  |

Amount recognized in other comprehensive income:

(₹ in million)

| Particulars  | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Actuarial (loss)/gain due to financial assumption change   | (4.47)        | 0.10          |
| Actuarial gain on plan assets                              | 0.03          | 0.31          |
| <b>Amount recognized in the Other Comprehensive Income</b> | <b>(4.44)</b> | <b>0.41</b>   |

Sensitivity analysis:

(₹ in million)

| Particulars<br>Assumptions           | 31 March 2024 |               |                        |               |
|--------------------------------------|---------------|---------------|------------------------|---------------|
|                                      | Discount rate |               | Future salary increase |               |
| Sensitivity level                    | 0.5% increase | 0.5% decrease | 0.5% increase          | 0.5% decrease |
| Impact on defined benefit obligation | (3.37)        | 3.60          | 3.64                   | (3.44)        |

(₹ in million)

| Particulars<br>Assumptions           | 31 March 2023 |               |                        |               |
|--------------------------------------|---------------|---------------|------------------------|---------------|
|                                      | Discount rate |               | Future salary increase |               |
| Sensitivity level                    | 0.5% increase | 0.5% decrease | 0.5% increase          | 0.5% decrease |
| Impact on defined benefit obligation | (3.12)        | 3.32          | 3.36                   | (3.19)        |

The sensitivity analysis above have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

C. Other long term benefits (compensated absences)

(₹ in million)

| Particulars  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--|------------------------|------------------------|
| Present value of obligation at the end of the year | 36.28                  | 44.44                  |



Notes to the financial statements for the year ended 31 March 2024

32. Fair value measurement

| Particulars   | Note   | Level of hierarchy | 31 March 2024 |             |                 | 31 March 2023 |             |                 |
|---|--------|--------------------|---------------|-------------|-----------------|---------------|-------------|-----------------|
|   |        |                    | FVPL          | FVOCI       | Amortized Cost  | FVPL          | FVOCI       | Amortized Cost  |
| <b>Financial assets</b>                                     |        |                    |               |             |                 |               |             |                 |
| Investments in quoted equity instruments                    | (d)    | 1                  | -             | 0.84        | -               | -             | 0.47        | -               |
| Trade receivables   | (a)    |                    | -             | -           | 2,516.46        | -             | -           | 2,721.47        |
| Loans   | (a, b) |                    | -             | -           | 13.93           | -             | -           | 1.89            |
| Cash and cash equivalents                                   | (a)    |                    | -             | -           | 114.16          | -             | -           | 8.26            |
| Other bank balances   | (a)    |                    | -             | -           | 0.55            | -             | -           | 0.50            |
| Other financial assets                                      | (a, b) |                    | -             | -           | 18.41           | -             | -           | 17.27           |
| <b>Total financial assets</b>                               |        |                    | -             | <b>0.84</b> | <b>2,663.51</b> | -             | <b>0.47</b> | <b>2,749.39</b> |
| <b>Financial liabilities</b>                                |        |                    |               |             |                 |               |             |                 |
| Non-current borrowings (including other current maturities) | (c)    | 3                  | -             | -           | 245.94          | -             | -           | 371.60          |
| Current borrowings  | (a)    |                    | -             | -           | 1,188.67        | -             | -           | 1,325.65        |
| Trade payables  | (a)    |                    | -             | -           | 1,876.02        | -             | -           | 1,726.73        |
| Lease liabilities   | (a)    |                    | -             | -           | 185.59          | -             | -           | 220.75          |
| Other financial liabilities                                 | (a)    |                    | -             | -           | 961.86          | -             | -           | 689.13          |
| <b>Total financial liabilities</b>                          |        |                    | -             | -           | <b>4,458.08</b> | -             | -           | <b>4,333.86</b> |

Note:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- (b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant differences between carrying value and fair value.



**Notes to the financial statements for the year ended 31 March 2024**

(c) Fair value of non-current borrowings as below:

| Particulars                                      | Level | Fair value<br>(₹ in million) |                  |
|--|-------|------------------------------|------------------|
|  |       | 31 March<br>2024             | 31 March<br>2023 |
| Borrowings (including other current maturities)* | 3     | 245.94                       | 371.60           |
|  |       | <b>245.94</b>                | <b>371.60</b>    |

\* The fair value of other borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

(d) The fair value is determined by using the valuation model/technique with observable/non-observable inputs and assumptions.

There are no transfers between Level 1, Level 2 and Level 3 during the years ended 31 March 2024 and 31 March 2023.

Reconciliation of Level 1 fair value measurement:

| Particulars                                   | Fair value<br>(₹ in million)           |  |
|---|--|--|
|   | For the year<br>ended 31<br>March 2024 | For the year<br>ended 31<br>March 2023 |
| Opening balance                               | 0.47                                   | 0.47                                   |
| Additional investments                        | -                                      | -                                      |
| Gain recognized in other comprehensive income | 0.37                                   | -                                      |
| Sale of investments                           | -                                      | -                                      |
| <b>Closing balance</b>                        | <b>0.84</b>                            | <b>0.47</b>                            |





Notes to the financial statements for the year ended 31 March 2024

33. Financial risk management

**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit committee of the Board with top management oversee the formulation and implementation of the risk management policies. The risk are identified at business unit level and mitigation plan are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- credit risk [see(i)];
- liquidity risk [see(ii)]; and
- market risk [see(iii)].

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments.

The carrying amount of financial assets represents the maximum credit exposure.

**Trade receivables and other financial assets**

The Company has established a credit policy under which new customer is analysed individually for credit worthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

**Expected credit loss for trade receivables:**

Based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance) is ₹ 64.74 million (Previous Year: ₹ 14.53 million).

Movement in the expected credit loss is as follows:

| Particulars                                     | (₹ in million) |               |
|---|----------------|---------------|
|   | 31 March 2024  | 31 March 2023 |
| Balance at the beginning of the year            | 39.63          | 39.26         |
| Add: Provided during the year (net of reversal) | 3.31           | 0.42          |
| Less Amount written off/adjusted                | 0.11           | 0.05          |
| Balance at the end of the year                  | 42.83          | 39.63         |

The ageing of trade receivables as on balance sheet date is given below. The age analysis has been considered from the due date.

| As at 31 March 2024                            | Not due         | Outstanding for following periods from due date of payment |                    |              |           |                   | Total           |
|--|-----------------|--|--------------------|--------------|-----------|-------------------|-----------------|
|  |                 | Up to 6 months   | 6 months to 1 year | 1-2 years    | 2-3 years | More than 3 years |                 |
|  |                 | (₹ in million)   |                    |              |           |                   |                 |
| <b>Undisputed</b>                              |                 |  |                    |              |           |                   |                 |
| Considered good                                | 2,231.24        | 220.48   | 6.90               | 57.84        | -         | -                 | 2,516.46        |
| Which have significant increase in credit risk | -               | -  | -                  | -            | -         | -                 | -               |
| Credit impaired                                | -               | -  | 6.90               | 2.96         | 1.50      | 2.48              | 13.84           |
| <b>Disputed</b>                                |                 |  |                    |              |           |                   |                 |
| Considered good                                | -               | -  | -                  | -            | -         | -                 | -               |
| Which have significant increase in credit risk | -               | -  | -                  | -            | -         | -                 | -               |
| Credit impaired                                | -               | 0.22   | 1.02               | 3.98         | 3.59      | 20.18             | 28.99           |
| Total  | 2,231.24        | 220.7  | 14.82              | 64.78        | 5.09      | 22.66             | 2,559.29        |
| Less: Allowance for credit impaired            | -               | 0.22   | 7.92               | 6.94         | 5.09      | 22.66             | 42.83           |
| <b>Total</b>                                   | <b>2,231.24</b> | <b>220.48</b>  | <b>6.90</b>        | <b>57.84</b> | <b>-</b>  | <b>-</b>          | <b>2,516.46</b> |



Notes to the financial statements for the year ended 31 March 2024

| As at 31 March 2023                          | Not due         | Outstanding for following periods from due date of payment |                    |             |             |                   | Total           |
|--|-----------------|--|--------------------|-------------|-------------|-------------------|-----------------|
|  |                 | Up to 6 months   | 6 months to 1 year | 1-2 years   | 2-3 years   | More than 3 years |                 |
|  |                 |  |                    |             |             |                   |                 |
| <b>Undisputed</b>                            |                 |  |                    |             |             |                   |                 |
| Considered good                              | 2,452.42        | 254.52   | 14.19              | -           | -           | -                 | 2,721.13        |
| credit risk                                  | -               | -  | -                  | -           | -           | -                 | -               |
| Credit impaired                              | -               | -  | 0.68               | 4.18        | 2.11        | 1.23              | 8.20            |
| <b>Disputed</b>                              |                 |  |                    |             |             |                   |                 |
| Considered good                              | -               | -  | -                  | -           | -           | -                 | -               |
| credit risk                                  | -               | -  | -                  | -           | -           | -                 | -               |
| Credit impaired                              | -               | 1.02   | 2.86               | 3.47        | 4.21        | 20.21             | 31.77           |
| <b>Total</b>                                 | <b>2,452.42</b> | <b>255.54</b>  | <b>17.73</b>       | <b>7.65</b> | <b>6.32</b> | <b>21.44</b>      | <b>2,761.10</b> |
| Less: Allowance for credit impaired balances | -               | 1.02   | 3.20               | 7.65        | 6.32        | 21.44             | 39.63           |
| <b>Total</b>                                 | <b>2,452.42</b> | <b>254.52</b>  | <b>14.53</b>       | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>2,721.47</b> |

Expected credit loss on financial assets other than trade receivables:

With regard to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected loss has been provided on these financial assets. Break up of financial assets other than trade receivables have been disclosed on Balance Sheet.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short-term and long-term liquidity requirements. Short term liquidity situation is reviewed daily by the Treasury. Longer term liquidity position is reviewed on a regular basis by the Company's Board of Directors and appropriate decisions are taken according to the situation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

(₹ in million)

| As at 31 March 2024                         | Contractual cash flows |          |               |                  |
|---|------------------------|----------|---------------|------------------|
|   | Carrying amount        | Total    | Within 1 year | More than 1 year |
| <b>Non-derivative financial liabilities</b> |                        |          |               |                  |
| Borrowings (1)                              | 1,434.61               | 1,434.61 | 1,314.85      | 119.76           |
| Trade payables                              | 1,876.02               | 1,876.02 | 1,876.02      | -                |
| Lease liabilities                           | 185.59                 | 185.59   | 14.27         | 171.32           |
| Other financial liabilities                 | 961.86                 | 961.86   | 882.68        | 79.18            |

(₹ in million)

| As at 31 March 2023                         | Contractual cash flows |          |               |                  |
|---|------------------------|----------|---------------|------------------|
|   | Carrying amount        | Total    | Within 1 year | More than 1 year |
| <b>Non-derivative financial liabilities</b> |                        |          |               |                  |
| Borrowings (1)                              | 1,697.25               | 1,697.25 | 1,461.10      | 236.15           |
| Trade payables                              | 1,726.73               | 1,726.73 | 1,726.73      | -                |
| Lease liabilities                           | 220.75                 | 220.75   | 26.76         | 193.99           |
| Other financial liabilities                 | 689.13                 | 689.13   | 621.76        | 67.37            |

(1) Carrying amount presented as net of unamortized transaction cost.

iii. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Foreign currency is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has obtained foreign currency borrowing and has foreign currency trade payable and trade receivable and is therefore, exposed to foreign currency risk.



Notes to the financial statements for the year ended 31 March 2024

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(₹ in million)

| Particulars         | 31 March 2024   |               | 31 March 2023   |               |
|---------------------|-----------------|---------------|-----------------|---------------|
|                     | USD             | EUR           | USD             | EUR           |
| Trade receivable    | 498.23          | 127.95        | 414.36          | 136.17        |
| Trade payables      | (588.80)        | (0.68)        | (597.79)        | (10.47)       |
| Borrowings          | (47.69)         | -             | -               | -             |
| <b>Net exposure</b> | <b>(138.26)</b> | <b>127.27</b> | <b>(183.43)</b> | <b>125.70</b> |

**Sensitivity analysis**

A reasonable possible strengthening/ weakening of the EUR, USD currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in million)

| Particulars          | Profit or loss (before tax) |           |
|----------------------|-----------------------------|-----------|
|                      | Strengthening               | Weakening |
| <b>31 March 2024</b> |                             |           |
| USD (1% movement)    | (1.38)                      | 1.38      |
| EUR (1% movement)    | 1.27                        | (1.27)    |
| <b>31 March 2023</b> |                             |           |
| USD (1% movement)    | (1.83)                      | 1.83      |
| EUR (1% movement)    | 1.26                        | (1.26)    |

**Hedging of foreign currency risk:**

The Company hedge its foreign currency exposures using various hedging instruments such as fowrads, options and swaps. The objective of the hedging is to minimize the impact of currency fluctuations on the company's financial performance, without speculating on currency movements.

The table below shows the position of hedging instruments and hedged items as on the balance sheet date.

**Cash flow hedge (Hedging instrument-forward contract)**

(₹ in million)

| As at 31st March 2024                               | Nominal Value | Carrying amount |             | Change in fair value |
|---|---------------|-----------------|-------------|----------------------|
|   |               | Assets          | Liabilities |                      |
| Foreign currency risk component - Trade receivables | 88.63         | 88.50           | -           | (0.13)               |

(₹ in million)

| As at 31st March 2023                        | Nominal Value | Carrying amount |             | Change in fair value |
|--|---------------|-----------------|-------------|----------------------|
|  |               | Assets          | Liabilities |                      |
| Foreign currency risk component - Borrowings | 24.75         | -               | 25.47       | (0.72)               |

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR and USD with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

**Exposure to interest rate risk**

The interest rate profile of the Company's interest bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in million)

| Particulars  | As at           | As at           |
|--|-----------------|-----------------|
|  | 31 March 2024   | 31 March 2023   |
| Fixed-rate borrowings                                | -               | -               |
| Floating rate borrowings                             | 1,434.61        | 1,697.25        |
| <b>Total borrowings (gross of transaction costs)</b> | <b>1,434.61</b> | <b>1,697.25</b> |

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher/ lower and all other variables were held constant, the Company's profit for the year ended 31 March 2024 would decrease / increase by ₹ 3.59 million (Previous Year: ₹ 4.24 million). This is mainly attributable to the Company's exposure to interest rates on floating rate borrowings.



**Notes to the financial statements for the year ended 31 March 2024****34. Capital management****Risk management**

The Company's objectives when managing capital are to:

- safeguarding their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

'Net Debt' (total borrowings net of cash and cash equivalents, other bank balances and current investments) divided by 'Total Equity' (as shown in the Balance sheet).

The gearing ratios were as follows:

| Particulars   | (₹ in million)         |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Total borrowings [Refer note 15 (a) & 15 (c)]       | 1,434.61               | 1,697.25               |
| Less: Cash and cash equivalents [Refer note 13 (a)] | 114.16                 | 8.26                   |
| Less: Other bank balances [Refer note 13 (b)]       | 0.55                   | 0.50                   |
| Less: Current investments (Refer note 11)           | 0.84                   | 0.47                   |
| Net debt  | 1,319.06               | 1,688.02               |
| Total equity [Refer note 14 & 14 (a)]               | 2,300.65               | 2,016.09               |
| <b>Gearing ratio</b>                                | <b>0.57</b>            | <b>0.84</b>            |

No Changes were made in the objective, policies or process for managing capital during the years 31 March 2024 and 31 March 2023.



**Notes to the financial statements for the year ended 31 March 2024**

| 35. Changes in financial liabilities arising from financing activities |                     |               |                 |                  |             |                     |
|--|---------------------|---------------|-----------------|------------------|-------------|---------------------|
| (₹ in million)   |                     |               |                 |                  |             |                     |
| For the year ended 31 March 2024                                       | As at 01 April 2023 | Receipt       | Repayment       | Transaction cost | Others      | As at 31 March 2024 |
| Long term borrowings from banks  | 371.60              | 170.00        | (295.66)        | -                | -           | 245.94              |
| Short term borrowings from banks                                       | 1325.65             | -             | (137.24)        | -                | 0.26        | 1188.67             |
| Short term borrowings from others                                      | -                   | -             | -               | -                | -           | -                   |
| <b>Total</b>   | <b>1,697.25</b>     | <b>170.00</b> | <b>(432.90)</b> | <b>-</b>         | <b>0.26</b> | <b>1,434.61</b>     |
| (₹ in million)   |                     |               |                 |                  |             |                     |
| For the year ended 31 March 2023                                       | As at 01 April 2022 | Receipt       | Repayment       | Transaction cost | Others      | As at 31 March 2023 |
| Long term borrowings from banks  | 974.99              | 199.50        | (582.20)        | 4.31             | (225.00)    | 371.60              |
| Short term borrowings from banks                                       | 483.98              | 616.67        | -               | -                | 225.00      | 1325.65             |
| Short term borrowings from others                                      | 2.20                | 100.00        | (102.20)        | -                | -           | -                   |
| <b>Total</b>   | <b>1,461.17</b>     | <b>916.17</b> | <b>(684.40)</b> | <b>4.31</b>      | <b>-</b>    | <b>1,697.25</b>     |



**Notes to the financial statements for the year ended 31 March 2024**

**36. Segment information**

**Business Segment**

The CEO and Whole-time Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 "Operating Segments". Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of each segment and to make decision about allocation of resources. Further, in compliance to the office memorandum vide F.No.23011/9/2023-P&K dated 18th Jan 2024 as issued by the Ministry of Chemicals and Fertilizers, Department of Fertilizers "Phosphatic and Potassic fertilizers (P&K Fertilizers)" have been reported as separate segment. Accordingly, the Company has determined reportable segments by the nature of its products and services, which are as follows:

- a. **Performance Polymers & Chemicals:** Adhesives & Wood Finishes, Sulphuric Acid, Food Polymer (Solid PVA), and Latex
- b. **P&K Fertilizers:** Single Super Phosphate
- c. **Agri Nutrients:** Agro Chemicals for Crop Products

There are no separate reportable geographical segment in accordance with the requirement of Ind AS 108 "Operating Segments".

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

No operating segments have been aggregated to from the above reportable operating segments.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocable revenue/ expenses/ assets/ liabilities'.

Finance costs and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Company basis.

Borrowings, current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a Company basis.

(₹ in million)

| Particulars                  | For the year ended 31 March 2024 |                        |                                 | For the year ended 31 March 2023 |                        |                                 |
|------------------------------|----------------------------------|------------------------|---------------------------------|----------------------------------|------------------------|---------------------------------|
|                              | Total segment revenue            | Inter- segment revenue | Revenue from external customers | Total segment revenue            | Inter- segment revenue | Revenue from external customers |
| <b>REVENUE</b>               |                                  |                        |                                 |                                  |                        |                                 |
| Performance Polymers         | 9,432.24                         | 126.77                 | 9,305.47                        | 9,296.44                         | 351.91                 | 8,944.53                        |
| P&K Fertilizers              | 2,822.88                         | -                      | 2,822.88                        | 5,292.94                         | -                      | 5,292.94                        |
| Agri Nutrients               | 132.36                           | -                      | 132.36                          | 128.02                           | -                      | 128.02                          |
| <b>Total segment revenue</b> | <b>12,387.48</b>                 | <b>126.77</b>          | <b>12,260.71</b>                | <b>14,717.40</b>                 | <b>351.91</b>          | <b>14,365.49</b>                |

(₹ in million)

| Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| <b>RESULT</b>  |                                  |                                  |
| Performance Polymers   | 1310.50                          | 707.38                           |
| P&K Fertilizers  | (216.30)                         | 361.42                           |
| Agri Nutrients   | 22.61                            | 26.64                            |
| <b>Total Segment</b>   | <b>1,116.81</b>                  | <b>1,095.44</b>                  |
| Un-allocated corporate expenses (net of un-allocable income) | 343.06                           | 186.58                           |
| Exceptional items  | 204.21                           | -                                |
| Finance costs  | 199.17                           | 193.97                           |
| <b>Profit before tax</b>                                     | <b>370.37</b>                    | <b>714.89</b>                    |
| Tax expense  | 113.37                           | 186.33                           |
| <b>Profit for the year</b>                                   | <b>257.00</b>                    | <b>528.56</b>                    |



Notes to the financial statements for the year ended 31 March 2024

| (₹ in million)                                  |                 |                 |                     |                 |
|---|-----------------|-----------------|---------------------|-----------------|
| Particulars                                     | Segment Assets  |                 | Segment Liabilities |                 |
|   | As at 31 March  | As at 31 March  | As at 31 March      | As at 31 March  |
|   | 2024            | 2023            | 2024                | 2023            |
| Performance Polymers                            | 4,298.32        | 3,557.06        | 2,380.67            | 1,690.91        |
| P&K Fertilizers                                 | 2,662.68        | 2,767.79        | 985.38              | 1,073.38        |
| Agri Nutrients                                  | 30.28           | 26.32           | 23.37               | 8.74            |
| <b>Segment Total</b>                            | <b>6,991.28</b> | <b>6,351.17</b> | <b>3,389.42</b>     | <b>2,773.03</b> |
| Un-allocated corporate assets/ liabilities      | 330.61          | 236.27          | 236.94              | 253.17          |
| <b>Total</b>                                    | <b>7,321.89</b> | <b>6,587.44</b> | <b>3,626.36</b>     | <b>3,026.20</b> |
| Deferred tax asset/ liabilities                 | 39.73           | 152.10          | -                   | -               |
| Borrowings (including other current maturities) | -               | -               | 1,434.61            | 1,697.25        |
| <b>Total assets/ liabilities</b>                | <b>7,361.62</b> | <b>6,739.54</b> | <b>5,060.97</b>     | <b>4,723.45</b> |

| (₹ in million)       |                             |                             |                             |                             |
|----------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Particulars          | Capital Expenditure         |                             | Depreciation/ amortization  |                             |
|                      | For the year ended 31 March | For the year ended 31 March | For the year ended 31 March | For the year ended 31 March |
|                      | 2024                        | 2023                        | 2024                        | 2023                        |
| Performance Polymers | 171.48                      | 133.31                      | 73.46                       | 68.87                       |
| P&K Fertilizers      | 17.46                       | 36.57                       | 43.71                       | 44.94                       |
| Agri Nutrients       | -                           | -                           | -                           | -                           |
| Un-allocated         | 7.23                        | 20.55                       | 33.30                       | 28.23                       |
| <b>Total</b>         | <b>196.17</b>               | <b>190.43</b>               | <b>150.47</b>               | <b>142.04</b>               |



## Notes to the financial statements for the year ended 31 March 2024

## 37. Related party disclosures

## 1. Holding company and Fellow subsidiary company

Holding Company: Jubilant Industries Limited

Fellow Subsidiary Company: Jubilant Industries Inc. USA

## 2. Enterprises in which certain key management personnel are interested

Jubilant Pharmova Limited, Jubilant Ingrevia Limited, Jubilant Enpro (P) Limited.

## 3. Key management personnel (KMP)

Mr. Manu Ahuja (CEO and Whole-time Director) up to 09 December 2023, Mr. Jagat Sharma (Whole-time Director) w.e.f. 12 December 2023, Mr. Umesh Sharma (Chief Financial Officer), Mr. Priyavrat Bhartia (Director), Mr. Shamit Bhartia (Director), Ms. Shivpriya Nanda (Director) up to 31 March 2024, Mr. Radhey Shyam Sharma (Director), Mr. Ravinder Pal Sharma (Director), Ms. Sanjanthi Sajan (Director) w.e.f. 10 February 2024, and Mr. Brijesh Kumar (Company Secretary) w.e.f. 07 August 2023.

## 4. Others

Pace Marketing Specialties Limited Officer's Superannuation Scheme (Trust), Jubilant Bhartia Foundation.

## 5. Details of related party transactions (at arm length):

31 March 2024

(₹ in million)

| Sr. No. | Particulars   | Holding company | Fellow subsidiary company | Enterprises in which certain key management personnel are interested | Key management personnel | Others      | Total         |
|---------|---|-----------------|---------------------------|--|--------------------------|-------------|---------------|
| 1       | <b>Sale of goods, utilities and services:</b>                                 |                 |                           |  |                          |             |               |
|         | Jubilant Industries Inc. USA  | -               | 809.16                    | -  | -                        | -           | 809.16        |
|         | Jubilant Ingrevia Limited   | -               | -                         | 142.49   | -                        | -           | 142.49        |
|         |   | -               | <b>809.16</b>             | <b>142.49</b>  | -                        | -           | <b>951.65</b> |
| 2       | <b>Purchase of goods, utilities and services:</b>                             |                 |                           |  |                          |             |               |
|         | Jubilant Pharmova Limited   | -               | -                         | 38.37  | -                        | -           | 38.37         |
|         | Jubilant Ingrevia Limited   | -               | -                         | 241.59   | -                        | -           | 241.59        |
|         | Jubilant Industries Limited   | 3.48            | -                         | -  | -                        | -           | 3.48          |
|         | Jubilant Enpro (P) Limited  | -               | -                         | 0.14   | -                        | -           | 0.14          |
|         |   | <b>3.48</b>     | -                         | <b>280.10</b>  | -                        | -           | <b>283.58</b> |
| 3       | <b>Rent expenses:</b>   |                 |                           |  |                          |             |               |
|         | Jubilant Pharmova Limited   | -               | -                         | 2.90   | -                        | -           | 2.90          |
|         | Jubilant Ingrevia Limited   | -               | -                         | 6.23   | -                        | -           | 6.23          |
|         |   | -               | -                         | <b>9.13</b>  | -                        | -           | <b>9.13</b>   |
| 4       | <b>Interest income on inter-corporate loan:</b>                               |                 |                           |  |                          |             |               |
|         | Jubilant Industries Limited   | 0.77            | -                         | -  | -                        | -           | 0.77          |
|         |   | <b>0.77</b>     | -                         | -  | -                        | -           | <b>0.77</b>   |
| 5       | <b>Transfer out of employee related liabilities on transfer of employees:</b> |                 |                           |  |                          |             |               |
|         | Jubilant Ingrevia Limited   | -               | -                         | 1.95   | -                        | -           | 1.95          |
|         | Jubilant Industries Limited   | 0.02            | -                         | -  | -                        | -           | 0.02          |
|         |   | <b>0.02</b>     | -                         | <b>1.95</b>  | -                        | -           | <b>1.97</b>   |
| 6       | <b>Remuneration (including perquisites)*:</b>                                 |                 |                           |  |                          |             |               |
|         | Manu Ahuja (Whole-time Director)  | -               | -                         | -  | 56.23                    | -           | 56.23         |
|         | Umesh Sharma (Chief Financial Officer)  | -               | -                         | -  | 15.66                    | -           | 15.66         |
|         | Jagat Sharma (Whole-time Director)  | -               | -                         | -  | 4.78                     | -           | 4.78          |
|         | Brijesh Kumar (Company Secretary)   | -               | -                         | -  | 1.78                     | -           | 1.78          |
|         |   | -               | -                         | -  | <b>78.45</b>             | -           | <b>78.45</b>  |
| 7       | <b>Sitting fees:</b>  |                 |                           |  |                          |             |               |
|         | Shivpriya Nanda (Director)  | -               | -                         | -  | 0.43                     | -           | 0.43          |
|         | Radhey Shyam Sharma (Director)  | -               | -                         | -  | 0.64                     | -           | 0.64          |
|         | Ravinder Pal Sharma (Director)  | -               | -                         | -  | 0.65                     | -           | 0.65          |
|         |   | -               | -                         | -  | <b>1.72</b>              | -           | <b>1.72</b>   |
| 8       | <b>Contribution towards superannuation fund:</b>                              |                 |                           |  |                          |             |               |
|         | Pace Marketing Specialties Limited Officer's Superannuation                   | -               | -                         | -  | -                        | 0.73        | 0.73          |
|         |   | -               | -                         | -  | -                        | <b>0.73</b> | <b>0.73</b>   |





Notes to the financial statements for the year ended 31 March 2024

| 31 March 2024 |   |                 |                           |  |                          |              | (₹ in million) |
|---------------|---|-----------------|---------------------------|--|--------------------------|--------------|----------------|
| Sr. No.       | Particulars                             | Holding company | Fellow subsidiary company | Enterprises in which certain key management personnel are interested | Key management personnel | Others       | Total          |
| 9             | <b>CSR Expenses:</b>                    |                 |                           |  |                          |              |                |
|               | Jubilant Bhartia Foundation             | -               | -                         | -  | -                        | 11.45        | 11.45          |
|               |   | -               | -                         | -  | -                        | <b>11.45</b> | <b>11.45</b>   |
| 10            | <b>Reimbursement of expenses:</b>       |                 |                           |  |                          |              |                |
|               | Jubilant Enpro (P) Limited              | -               | -                         | 1.00   | -                        | -            | 1.00           |
|               | Jubilant Pharmova Limited               | -               | -                         | 1.21   | -                        | -            | 1.21           |
|               |   | -               | -                         | <b>2.21</b>  | -                        | -            | <b>2.21</b>    |
| 11            | <b>Inter-corporate loan given:</b>      |                 |                           |  |                          |              |                |
|               | Jubilant Industries Limited             | 12.50           | -                         | -  | -                        | -            | 12.50          |
|               |   | <b>12.50</b>    | -                         | -  | -                        | -            | <b>12.50</b>   |
| 12            | <b>Interest receivable:</b>             |                 |                           |  |                          |              |                |
|               | Jubilant Industries Limited             | 0.46            | -                         | -  | -                        | -            | 0.46           |
|               |   | <b>0.46</b>     | -                         | -  | -                        | -            | <b>0.46</b>    |
| 13            | <b>Trade payables:</b>                  |                 |                           |  |                          |              |                |
|               | Jubilant Pharmova Limited               | -               | -                         | 4.87   | -                        | -            | 4.87           |
|               | Jubilant Ingrevia Limited               | -               | -                         | 49.09  | -                        | -            | 49.09          |
|               |   | -               | -                         | <b>53.96</b>   | -                        | -            | <b>53.96</b>   |
| 14            | <b>Inter-corporate loan receivable:</b> |                 |                           |  |                          |              |                |
|               | Jubilant Industries Limited             | 12.50           | -                         | -  | -                        | -            | 12.50          |
|               |   | <b>12.50</b>    | -                         | -  | -                        | -            | <b>12.50</b>   |
| 15            | <b>Trade receivables:</b>               |                 |                           |  |                          |              |                |
|               | Jubilant Ingrevia Limited               | -               | -                         | 0.32   | -                        | -            | 0.32           |
|               | Jubilant Industries Inc. USA            | -               | 128.10                    | -  | -                        | -            | 128.10         |
|               |   | -               | <b>128.10</b>             | <b>0.32</b>  | -                        | -            | <b>128.42</b>  |
| 16            | <b>Equity share capital held by:</b>    |                 |                           |  |                          |              |                |
|               | Jubilant Industries Limited             | 56.09           | -                         | -  | -                        | -            | 56.09          |
|               |   | <b>56.09</b>    | -                         | -  | -                        | -            | <b>56.09</b>   |

| 31 March 2023 |   |                 |                           |  |                          |        | (₹ in million)  |
|---------------|---|-----------------|---------------------------|--|--------------------------|--------|-----------------|
| Sr. No.       | Particulars                                       | Holding company | Fellow subsidiary company | Enterprises in which certain key management personnel are interested | Key management personnel | Others | Total           |
| 1             | <b>Sale of goods, utilities and services:</b>     |                 |                           |  |                          |        |                 |
|               | Jubilant Industries Inc. USA                      | -               | 1,039.58                  | -  | -                        | -      | 1,039.58        |
|               | Jubilant Ingrevia Limited                         | -               | -                         | 181.93   | -                        | -      | 181.93          |
|               |   | -               | <b>1,039.58</b>           | <b>181.93</b>  | -                        | -      | <b>1,221.51</b> |
| 2             | <b>Purchase of goods, utilities and services:</b> |                 |                           |  |                          |        |                 |
|               | Jubilant Pharmova Limited                         | -               | -                         | 33.03  | -                        | -      | 33.03           |
|               | Jubilant Ingrevia Limited                         | -               | -                         | 253.23   | -                        | -      | 253.23          |
|               | Jubilant Enpro (P) Limited                        | -               | -                         | 0.08   | -                        | -      | 0.08            |
|               |   | -               | -                         | <b>286.34</b>  | -                        | -      | <b>286.34</b>   |
| 3             | <b>Rent expenses:</b>                             |                 |                           |  |                          |        |                 |
|               | Jubilant Pharmova Limited                         | -               | -                         | 4.98   | -                        | -      | 4.98            |
|               | Jubilant Ingrevia Limited                         | -               | -                         | 5.52   | -                        | -      | 5.52            |
|               |   | -               | -                         | <b>10.50</b>   | -                        | -      | <b>10.50</b>    |



Notes to the financial statements for the year ended 31 March 2024

31 March 2023

(₹ in million)

| Sr. No. | Particulars  | Holding company | Fellow subsidiary company | Enterprises in which certain key management personnel are interested | Key management personnel | Others      | Total         |
|---------|--|-----------------|---------------------------|--|--------------------------|-------------|---------------|
| 4       | <b>Interest expenses on inter-corporate loan:</b>                        |                 |                           |  |                          |             |               |
|         | Jubilant Enpro (P) Limited   | -               | -                         | 3.14   | -                        | -           | 3.14          |
|         | Jubilant Industries Limited  | 0.02            | -                         | -  | -                        | -           | 0.02          |
|         |  | <b>0.02</b>     | <b>-</b>                  | <b>3.14</b>  | <b>-</b>                 | <b>-</b>    | <b>3.16</b>   |
| 5       | <b>Transfer out of employee related liabilities on transfer of</b>       |                 |                           |  |                          |             |               |
|         | Jubilant Ingrevia Limited  | -               | -                         | 0.57   | -                        | -           | 0.57          |
|         | Jubilant Bhartia Foundation  | -               | -                         | -  | -                        | 0.33        | 0.33          |
|         |  | <b>-</b>        | <b>-</b>                  | <b>0.57</b>  | <b>-</b>                 | <b>0.33</b> | <b>0.90</b>   |
| 6       | <b>Remuneration (including perquisites)*:</b>                            |                 |                           |  |                          |             |               |
|         | Manu Ahuja (Whole-time Director)   | -               | -                         | -  | 66.17                    | -           | 66.17         |
|         | Umesh Sharma (Chief Financial Officer)                                   | -               | -                         | -  | 14.74                    | -           | 14.74         |
|         |  | <b>-</b>        | <b>-</b>                  | <b>-</b>   | <b>80.91</b>             | <b>-</b>    | <b>80.91</b>  |
| 7       | <b>Sitting fees:</b>   |                 |                           |  |                          |             |               |
|         | Shivpriya Nanda (Director)   | -               | -                         | -  | 0.40                     | -           | 0.40          |
|         | Radhey Shyam Sharma (Director)   | -               | -                         | -  | 0.60                     | -           | 0.60          |
|         | Ravinder Pal Sharma (Director)   | -               | -                         | -  | 0.63                     | -           | 0.63          |
|         |  | <b>-</b>        | <b>-</b>                  | <b>-</b>   | <b>1.63</b>              | <b>-</b>    | <b>1.63</b>   |
| 8       | <b>Contribution towards superannuation fund:</b>                         |                 |                           |  |                          |             |               |
|         | Pace Marketing Specialties Limited Officer's Superannuation Scheme Trust | -               | -                         | -  | -                        | 0.91        | 0.91          |
|         |  | <b>-</b>        | <b>-</b>                  | <b>-</b>   | <b>-</b>                 | <b>0.91</b> | <b>0.91</b>   |
| 9       | <b>CSR Expenses</b>  |                 |                           |  |                          |             |               |
|         | Jubilant Bhartia Foundation  | -               | -                         | -  | -                        | 7.85        | 7.85          |
|         |  | <b>-</b>        | <b>-</b>                  | <b>-</b>   | <b>-</b>                 | <b>7.85</b> | <b>7.85</b>   |
| 10      | <b>Recovery of expenses:</b>   |                 |                           |  |                          |             |               |
|         | Jubilant Pharmova Limited  | -               | -                         | 0.01   | -                        | -           | 0.01          |
|         | Jubilant Ingrevia Limited  | -               | -                         | 0.01   | -                        | -           | 0.01          |
|         | Jubilant Bhartia Foundation  | -               | -                         | -  | -                        | 0.01        | 0.01          |
|         |  | <b>-</b>        | <b>-</b>                  | <b>0.02</b>  | <b>-</b>                 | <b>0.01</b> | <b>0.03</b>   |
| 11      | <b>Reimbursement of expenses:</b>  |                 |                           |  |                          |             |               |
|         | Jubilant Enpro (P) Limited   | -               | -                         | 2.41   | -                        | -           | 2.41          |
|         |  | <b>-</b>        | <b>-</b>                  | <b>2.41</b>  | <b>-</b>                 | <b>-</b>    | <b>2.41</b>   |
| 12      | <b>Inter-corporate loan taken:</b>                                       |                 |                           |  |                          |             |               |
|         | Jubilant Enpro (P) Limited   | -               | -                         | 100.00   | -                        | -           | 100.00        |
|         |  | <b>-</b>        | <b>-</b>                  | <b>100.00</b>  | <b>-</b>                 | <b>-</b>    | <b>100.00</b> |
| 13      | <b>Repayment of inter-corporate loan taken:</b>                          |                 |                           |  |                          |             |               |
|         | Jubilant Industries Limited  | 2.20            | -                         | -  | -                        | -           | 2.20          |
|         | Jubilant Enpro (P) Limited   | -               | -                         | 100.00   | -                        | -           | 100.00        |
|         |  | <b>2.20</b>     | <b>-</b>                  | <b>100.00</b>  | <b>-</b>                 | <b>-</b>    | <b>102.20</b> |
| 14      | <b>Trade payables:</b>   |                 |                           |  |                          |             |               |
|         | Jubilant Pharmova Limited  | -               | -                         | 8.36   | -                        | -           | 8.36          |
|         | Jubilant Ingrevia Limited  | -               | -                         | 38.34  | -                        | -           | 38.34         |
|         |  | <b>-</b>        | <b>-</b>                  | <b>46.70</b>   | <b>-</b>                 | <b>-</b>    | <b>46.70</b>  |
| 15      | <b>Trade receivables:</b>  |                 |                           |  |                          |             |               |
|         | Jubilant Ingrevia Limited  | -               | -                         | 0.08   | -                        | -           | 0.08          |
|         | Jubilant Industries Inc. USA   | -               | 219.76                    | -  | -                        | -           | 219.76        |
|         |  | <b>-</b>        | <b>219.76</b>             | <b>0.08</b>  | <b>-</b>                 | <b>-</b>    | <b>219.84</b> |



## Notes to the financial statements for the year ended 31 March 2024

31 March 2023

(₹ in million)

| Sr. No. | Particulars  | Holding company | Fellow subsidiary company | Enterprises in which certain key management personnel are interested | Key management personnel | Others | Total           |
|---------|--|-----------------|---------------------------|--|--------------------------|--------|-----------------|
| 16      | Equity share capital held by:<br>Jubilant Industries Limited   | 56.09           | -                         | -  | -                        | -      | 56.09           |
|         |  | <b>56.09</b>    | -                         | -  | -                        | -      | <b>56.09</b>    |
| 17      | Financial guarantee received from and outstanding at the end of the year:<br>Jubilant Industries Limited | 2,711.80        | -                         | -  | -                        | -      | 2,711.80        |
|         |  | <b>2,711.80</b> | -                         | -  | -                        | -      | <b>2,711.80</b> |

\* Does not include provision in respect of gratuity and leave encashment since the provision is made on actuarial basis for the Company as a whole.

Note: Transactions are shown inclusive of GST, wherever applicable.



Notes to the financial statements for the year ended 31 March 2024

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

A) Guarantees:

Outstanding guarantees furnished by banks on behalf of the Company/by the Company including in respect of letters of credit is ₹ 836.50 million (Previous Year: ₹ 877.69 million).

B) Claims against Company not acknowledged as debt\*:

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

| Particulars   | (₹ in million)         |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Sales tax   | -                      | 1.75                   |
| Custom duty   | 20.28                  | -                      |
| Service tax   | 2.36                   | 1.18                   |
| GST   | 45.81                  | 0.23                   |
| Others (excluding amounts mentioned in note (ii) and (iii) below) | 62.77                  | 77.76                  |

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

ii) A civil suit (OS No. 5549/2013) has been filed by Kids Kemp (the lessor) against Food Express Stores and the Company, and the same is pending before the City Civil Court Bangalore. Part of the claims were settled by means of a compromise petition between the parties and the remaining claims amounting to ₹ 23.10 million (Previous Year: ₹ 23.10 million) relate to claims for past periods. The company has filed detailed statement of objections and is strongly contesting the claims on a number of grounds, including that a significant part of the claims is barred by the law of limitation. The Company is reasonably confident that its position will be upheld by the court. Hence, no liability is acknowledged. This relates to the Retail business which has been sold out.

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

39. Commitments as at year end

a) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 120.55 million (Previous Year: ₹ 54.68 million) [Advances ₹ 2.76 million (Previous Year: ₹ 8.03 million)].

b) Other commitments

Export obligation under Advance License Scheme on duty free import of raw materials, remaining outstanding ₹ 960.76 million (Previous Year: ₹ 1,161.13 million)

40. Auditors remuneration:

|                        | (₹ in million)                         |  |
|------------------------|--|--|
|                        | For the year<br>ended<br>31 March 2024 | For the year<br>ended<br>31 March 2023 |
| Audit fee              | 0.81                                   | 0.81                                   |
| Limited review         | 0.83                                   | 0.83                                   |
| Other certifications   | 0.30                                   | 0.40                                   |
| Out of pocket expenses | 0.45                                   | 0.38                                   |
| <b>Total</b>           | <b>2.39</b>                            | <b>2.42</b>                            |

41. Leases

| Particulars   | (₹ in million)         |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
| Lease liabilities at the beginning of the year                              | 220.75                 | 53.52                  |
| Add: Additions during the year  | 2.20                   | 209.00                 |
| Add/(Less): Adjustments on account of extension/termination during the year | (10.89)                | (19.25)                |
| Less: Payments on account of lease liabilities during the year              | 26.47                  | 22.52                  |
| Lease liabilities at the end of the year                                    | <b>185.59</b>          | <b>220.75</b>          |



Notes to the financial statements for the year ended 31 March 2024

| Carrying value of assets                                    |                     |             |                     |              | (₹ in million) |
|---|---------------------|-------------|---------------------|--------------|----------------|
| Particulars   | As at 31 March 2024 |             | As at 31 March 2023 |              |                |
|   | Land & Buildings    | Others      | Land & Buildings    | Others       |                |
| Balance at the beginning of the year                        | 193.82              | 17.03       | 41.89               | 6.90         |                |
| Add: Additions during the year                              | 0.22                | 1.98        | 191.40              | 17.60        |                |
| Add/(Less): Adjustments on account of extension/termination | (0.04)              | (10.25)     | (13.82)             | (3.41)       |                |
| Less: Amortization during the year                          | 27.98               | 6.80        | 25.65               | 4.06         |                |
| Balance at the end of the year                              | <b>166.02</b>       | <b>1.96</b> | <b>193.82</b>       | <b>17.03</b> |                |

| Maturity analysis of lease liabilities                 |  |               |               | (₹ in million) |
|--|--|---------------|---------------|----------------|
| Maturity analysis- contractual undiscounted cash flows |  | As at         | As at         |                |
|  |  | 31 March 2024 | 31 March 2023 |                |
| Less than one year                                     |  | 28.67         | 43.73         |                |
| One to five years                                      |  | 131.24        | 133.89        |                |
| More than five years                                   |  | 228.48        | 263.99        |                |
| <b>Total undiscounted lease liabilities</b>            |  | <b>388.39</b> | <b>441.61</b> |                |
| Current lease liabilities                              |  | 14.27         | 26.76         |                |
| Non-current lease liabilities                          |  | 171.32        | 193.99        |                |

| Amount recognized in Statement of profit and loss |                    |  |                    | (₹ in million) |
|---|--------------------|--|--------------------|----------------|
| Particulars                                       | For the year ended |  | For the year ended |                |
|   | 31 March 2024      |  | 31 March 2023      |                |
| Interest on lease liabilities                     | 16.92              |  | 15.60              |                |
| Expenses related to short-term leases             | 38.11              |  | 25.71              |                |
| Gain on termination of lease                      | 0.60               |  | 2.02               |                |
| Amortization of right of use assets               | 34.78              |  | 29.71              |                |

| Amount recognized in statement of cash flows |                    |  |                    | (₹ in million) |
|--|--------------------|--|--------------------|----------------|
| Particulars                                  | For the year ended |  | For the year ended |                |
|  | 31 March 2024      |  | 31 March 2023      |                |
| Total cash outflows for leases               | 43.39              |  | 38.12              |                |

**42. Exceptional item includes:**

- impact of increase in realisable value of subsidy receivable consequent to the upward revision in Nutrient Based Subsidy (NBS) rates by Ministry of Chemicals & Fertilizers vide office memorandum no. 23011/2/2024-P&K dated 1st March 2024,
- impact of reduction in realisable value of subsidy receivable consequent to the downward revision in Nutrient Based Subsidy (NBS) rates by Ministry of Chemicals & Fertilizers vide office memorandum no. 23011/10/2023-P&K dated 26th October 2023, and
- provision made for one time ex-gratia payment to be made to the legal heir of the diseased CEO & Whole-time Director of the Company.

**43.** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the specified domestic transactions entered into with the specified persons and the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its specified domestic transactions and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.



**Notes to the financial statements for the year ended 31 March 2024**

**44. Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding Benami property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (v) The Company has not revalued any of its Property, Plant and Equipment during the year.

**(vi) Micro, small and medium enterprises**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the end of the year. The information as required to be disclosed in relation to Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in million)

| Particulars   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| The principal amount remaining unpaid to any supplier as at the end of the year   | 177.40                 | 181.28                 |
| The interest due on principal amount remaining unpaid to any supplier as at the end of the year   | 0.09                   | -                      |
| The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year                | -                      | -                      |
| The amount of 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 the MSMED Act  | -                      | -                      |
| The amount of interest accrued and remaining unpaid at the end of the year  | -                      | -                      |
| The amount of 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, for the purpose of disallowance as a deductible expenditure under the MSMED Act | -                      | -                      |

**(vii) Transactions with Struck off Companies**

The transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 are as under:

For the year/As at March 31 2024:

(₹ in million)

| Name of struck off company        | Nature of transactions | Amount of transactions | Balance outstanding | Relationship with struck off company |
|-----------------------------------|------------------------|------------------------|---------------------|--------------------------------------|
| Laxmi Agro-Industrial Consultants | Payable                | -                      | 0.24                | External Vendor                      |

For the year/As at March 31 2023:

(₹ in million)

| Name of struck off company   | Nature of transactions | Amount of transactions | Balance outstanding | Relationship with struck off company |
|------------------------------|------------------------|------------------------|---------------------|--------------------------------------|
| Tube Trading Private Limited | Payable                | -                      | 0.71                | External Vendor                      |

**(viii) CSR expenses**

Expenditure related to corporate social responsibility as per section 135 of the Companies Act, 2013, read with Schedule VII, thereof is tabulated as under:

(₹ in million)

|  | As at<br>31 March 2024         | As at<br>31 March 2023         |
|--|--------------------------------|--------------------------------|
| Amount required to be spent by the Company during the year | 11.45                          | 7.85                           |
| Amount of expenditure incurred                             | 11.45                          | 7.85                           |
| Shortfall at the end of the year                           | -                              | -                              |
| Total of Previous years shortfall                          | -                              | -                              |
| Reason for shortfall                                       | -                              | -                              |
| Nature of CSR activities                                   | Health, Education & Livelihood | Health, Education & Livelihood |
| Details of related party transactions*                     | 11.45                          | 7.85                           |

\* The Group has established an Organisation for CSR activities namely Jubilant Bhartia Foundation and the Company contribute their amount to the same.



Notes to the financial statements for the year ended 31 March 2024

45. Ratio

| Sr. No. | Particulars  | For the year ended 31 March 2024 | For the year ended 31 March 2023 | Change  | Reason for change  |
|---------|--|----------------------------------|----------------------------------|---------|--|
| a)      | Current Ratio (number of times)<br>[Current assets / Current Liabilities]  | 1.21                             | 1.17                             | 3.20%   |  |
| b)      | Debt - Equity Ratio (number of times)<br><br>[Total Debt <sup>(i)</sup> /Shareholders' Equity <sup>(ii)</sup> ]                        | 0.62                             | 0.84                             | -25.93% | Due to increase in share holders' equity and change in borrowings            |
| c)      | Debt Service Coverage Ratio (number of times)<br>[Earnings available for debt service <sup>(iii)</sup> /Debt service <sup>(iv)</sup> ] | 1.23                             | 1.11                             | 10.38%  | Decrease in debt obligation  |
| d)      | Return on Equity (number of times)<br>[Net profit after tax/Average shareholders' equity]  | 0.12                             | 0.30                             | -60.69% | Due to increase in share holders' equity and decrease in profit after tax    |
| e)      | Inventory Turnover Ratio (number of times)<br>[Raw material consumed <sup>(v)</sup> /Average inventory <sup>(vi)</sup> ]               | 3.53                             | 4.93                             | -28.42% | Due to increase in inventory   |
| f)      | Trade Receivables Turnover Ratio (number of times)<br><br>[Revenue from operations/Average trade receivables]                          | 4.68                             | 5.84                             | -19.80% | Due to decrease in revenue   |
| g)      | Trade Payables Turnover Ratio (number of times)<br><br>[Cost of materials consumed <sup>(vii)</sup> / Average trade payables]          | 3.96                             | 4.35                             | -9.05%  |  |
| h)      | Net Capital Turnover Ratio (number of times)<br><br>[Revenue from operations/Working capital]  | 12.93                            | 20.62                            | 37.29%  | Due to increase in inventory and decrease in trade payable and revenue       |
| i)      | Net Profit Ratio (%)<br><br>[Net profit after tax/Revenue from operations]   | 0.02                             | 0.04                             | 43.03%  | Due to one time impact of exceptional items                                  |
| j)      | Return on Capital Employed (number of times)<br><br>[Profit before interest and tax/Capital employed <sup>(viii)</sup> ]               | 0.15                             | 0.26                             | -39.61% | Due to increase in capital employed and one time impact of exceptional items |
| k)      | Return on Investments (number of times)<br><br>[Net profit after tax/Average investments]  | -                                | -                                | -       | Company carry a nominal amount of investment                                 |

Notes:

- i Total debts includes non-current and current borrowings.
- ii Equity = Equity share capital + Other equity.
- iii Earning available for debt service = Net profit after taxes + Depreciation and amortization + Interest + Employee share-based payment expenses + adjustment of profit/(loss) on sale of property, plant & equipment and property, plant & equipment written off.
- iv Debt Service = Interest + Lease payments + Principal repayment of non-current borrowings .
- v Raw material consumed includes Cost of material consumed, Purchase of stock-in-trade and changes in inventories of finished goods. Stock-in-trade and work-in-progress.
- vi Inventory includes Raw materials (including goods-in-transit), Work-in-progress, Finished goods, Stock-in-trade, Stores and spares, Fuel and packing materials.
- vii Includes Cost of material consumed and Purchase of stock-in-trade.
- viii Capital employed includes Shareholders' Equity, non-current borrowings, current borrowings and adjustment of Deferred Tax Assets



Notes to the financial statements for the year ended 31 March 2024

46. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses accounting software for maintaining its books of account for all accounting and payroll records. During the year ended 31 March 2024, the Company had not enabled the feature of recording audit trail (edit log) at the database level the said accounting software for the period 1 April 2023 till 30 November 2023 to log any direct data changes. While for the period from 01 April 2023 to 30 November 2023, the audit trail was managed by a third party service provider but the record for this period were not preserved by the Company.

47. Earnings per share (EPS)

| Particulars   |              | For the year ended<br>31 March 2024 | For the year ended<br>31 March 2023 |
|---|--------------|-------------------------------------|-------------------------------------|
| <b>I Profit computation for basic &amp; diluted earnings per share of ₹ 10/- each</b> |              |                                     |                                     |
| Net profit as per Statement of Profit and Loss available for equity shareholders      | ₹ in million | 257.00                              | 528.56                              |
| <b>II Weighted average number of equity shares for earnings per share computation</b> |              |                                     |                                     |
| (A) For basic earnings per share  | Nos          | 56,08,552                           | 56,08,552                           |
| (B) For diluted earnings per share  | Nos          | 56,08,552                           | 56,08,552                           |
| <b>III Earnings per share</b>   |              |                                     |                                     |
| Basic   | ₹            | 45.82                               | 94.24                               |
| Diluted   | ₹            | 45.82                               | 94.24                               |

48. Previous year figures have been re-grouped and re-arranged where ever necessary to conform current year's classification.


The accompanying notes "1" to "48" form an integral part of these financial statements.

In terms of our report of even date.

For BGJC & Associates LLP  
Chartered Accountants  
Firm's Registration Number : 003304N/N500056

  
Pranav Jain  
Partner  
Membership No.098308



  
Brijesh Kumar  
Company Secretary  
Membership No. A36070

For and on behalf of the Board of Jubilant Agri and Consumer Products Limited

  
Umesh Sharma  
Chief Financial Officer

  
Priyavrat Bhartia  
Director  
DIN: 00020603

Place: Gurugram  
Date: 27 May, 2024

  
Jagat Sharma  
Whole-time Director  
DIN: 02997958