Notes forming part of the financial statements

1. Corporate information

Tata Chemicals Limited (the 'Company') is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India; the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The Company is a diversified business dealing in inorganic chemicals, fertilisers, other agri inputs, consumer and nutritional solutions business sectors. The Company has a global presence with key subsidiaries in United States of America ('USA'), United Kingdom ('UK') and Kenya that are engaged in the manufacture and sale of soda ash, industrial salt and related products.

2. Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies

2.1 Basis of compliance

The financial statements comply, in all material aspects, with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis, except for certain financial instruments and defined benefit plans which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the 2013 Act.

The Company's opening Balance Sheet was prepared as at 1 April, 2015 ('Transition Date'), the Company's date of transition to Ind-AS.

2.3 Critical accounting estimates, assumptions and judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

2.3.1 Deferred income tax assets and liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change.

2.3.2 Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

2.3.3 Employee benefit obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.3.4 Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the financial statements. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.4 Foreign currency translation

The functional currency of Tata Chemicals Limited (i.e. the currency of the primary economic environment in which the Company operates) is the Indian Rupee (₹).

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the Statement of Profit and Loss.

2.5 Property, plant and equipment

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Machinery spares that meet the definition of PPE are capitalised and depreciated over the useful life of the principal item of asset.

All other repair and maintenance costs, including regular servicing, are recognised in the Statement of Profit and Loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

PPE acquired and put to use for projects are capitalised and depreciation thereon is included in the project cost till the project is ready for commissioning.

Depreciation methods, estimated useful lives and residual value

Depreciation on PPE (except leasehold improvements and PPE acquired under finance lease) is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. However, leasehold improvements and PPE acquired under finance lease are depreciated on a straight-line method over the shorter of their respective useful lives or the tenure of the lease arrangement. Freehold land is not depreciated.

Schedule II to the Companies Act, 2013 prescribes the useful lives for various class of assets. For certain class of assets, based on technical evaluation and assessment, Management believes that the useful lives adopted by it reflects the periods over which these assets are expected to be used. Accordingly for those assets, the useful lives estimated by the management are different from those prescribed in the Schedule. Management's estimates of the useful lives for various class of fixed assets are as given below:

Asset	Useful life
Salt Works, Water Works, Reservoirs and Pans	1-30 years
Plant and Machinery	1-60 years
Traction Lines and Railway Sidings	15 years
Factory Buildings	5-60 years
Other Buildings	5-60 years
Furniture and Fittings and Office Equipment (including Computers and Data Processing Equipment)	1-10 years
Vehicles	4-10 years

Useful lives and residual values of assets are reviewed at the end of each reporting period.

Losses arising from the retirement of, and gains or losses arising from disposal/adjustments of PPE are recognised in the Statement of Profit and Loss.

2.6 Intangible assets

Intangible assets generally comprise software licenses and rights to use railway wagon.

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets with a finite useful life are amortised using straight line method over their estimated useful lives. The management's estimates of the useful lives for various class of Intangibles are as given below:

Asset	Useful life
Computer software	5 years
Rights to use railway wagon	20 years

The estimated useful life is reviewed annually by the management.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2.7 Capital work-in-progress ('CWIP') and intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

2.8 Investment property

Investment properties are land and buildings that are held for long term lease rental yields and/or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on buildings is provided over the estimated useful lives as specified in note 2.5 above. The residual values, estimated useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each reporting date. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Statement of Profit and Loss in the period of de-recognition.

2.9 Research and development expenses

Research expenses are charged to the Statement of Profit and Loss as expenses in the year in which they are incurred. Development costs are capitalised as an intangible asset under development when the following criteria are met:

- the project is clearly defined, and the costs are separately identified and reliably measured;
- the technical feasibility of the project is demonstrated;
- the ability to use or sell the products created during the project is demonstrated;
- the intention to complete the project exists and use or sale of output manufactured during the project;
- a potential market for the products created during the project exists or their usefulness, in case of internal use, is demonstrated, such that the project will generate probable future economic benefits; and
- adequate resources are available to complete the project.

These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released to production.

2.10 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the Balance Sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations and;
- is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the Statement of Profit and Loss.

2.11 Financial instruments

2.11.1 Investments and other financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or through OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI. The Company has elected to consider the carrying cost of equity investments in subsidiaries and joint venture at cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments

Measurement

At initial recognition, the Company measures a financial asset at its fair value (other than financial asset at fair value through profit or loss). Transaction costs that are directly attributable to the acquisition of the financial assets are added to the fair value measured on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost**

  Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment (unhedged) that is subsequently measured at amortised cost is recognised in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate ('EIR') method.

- **Fair value through other comprehensive income ('FVTOCI')**

  Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are recorded through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss. Interest income from these financial assets is included in other income using the EIR method.

- **Fair value through profit or loss ('FVTPL')**

  Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL (unhedged) is recognised net in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to equity. Dividends from such investments are recognised in the Statement of Profit and Loss within other income when the Company's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with a maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Derecognition of financial assets

A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company transfers an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has transferred substantially all risks and rewards of ownership, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

2.11.2 Debt and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.11.3 Financial liabilities

The Company's financial liabilities comprise borrowings, trade payables and other liabilities. These are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the EIR method. The EIR is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period at effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Changes to the carrying amount of a financial liability as a result of renegotiation or modification of terms that do not result in derecognition of the financial liability, is recognised in the Statement of Profit and Loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire.

Presentation

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

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.11.4 Derivatives and hedging activities

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations associated with borrowings (cash flow hedges). When the Company opts to undertake hedge accounting, 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 or fair values of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured 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 and the type of hedge relationship designated.

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 recognised through OCI and as cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts accumulated in equity are reclassified to the Statement of Profit and Loss on settlement. When the hedged forecast transaction results in the recognition of a non-financial asset, the amounts accumulated in equity with respect to gain or loss relating to the effective portion of the spot component of forward contracts, both the deferred hedging gains and losses and the deferred aligned forward points are included within the initial cost of the asset. The deferred amounts are ultimately recognised in the Statement of Profit and Loss as the hedged item affects profit or loss.

When a hedging instrument expires, is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively and 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 transferred to the Statement of Profit and Loss.

Derivatives that are not designated as hedges

When derivative contracts to hedge risks are not designated as hedges, such contracts are accounted through FVTPL.

As at the year end, there were no designated accounting hedges.

The entire fair value of a hedging derivative is classified as a noncurrent asset or liability when the remaining maturity of the hedged item exceeds 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item does not exceed 12 months.

2.11.5 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time of issuance of guarantee. The liability is initially measured at fair value and are subsequently measured at the higher of the amount of loss allowance determined, or the amount initially recognised less, the cumulative amount of income recognised.

2.11.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.11.7 Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

2.12 Impairment

Financial assets (other than at fair value)

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instruments carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables the Company applies the simplified approach permitted by Ind AS 109 - Financial Instruments, which requires expected lifetime losses to be recognised upon initial recognition of the receivables.

PPE, CWIP and intangible assets

The carrying values of assets / cash generating units ('CGU') at each Balance Sheet date are reviewed to determine whether there is any indication that an asset may be impaired. If any indication of such impairment exists, the recoverable amount of such assets / CGU is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment loss is recognised in the Statement of Profit and Loss. The recoverable amount is the higher of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, consequent to which such reversal of impairment loss is recognised in the Statement of Profit and Loss.

2.13 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, taxes and duties. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Revenue recognition

2.14.1 Sale of goods

Revenue from the sale of goods is recognised at the fair value of the consideration received or receivable, net of returns, including estimated returns where applicable, and trade discounts, rebates and related taxes, when all significant risks and rewards of ownership of the goods have been passed to the buyer, either on despatch or delivery of goods, based on the contracts.

In respect of Urea, sales are recognised based on concession rates as notified under the New Pricing Scheme. Equated freight claims and escalation claims for Urea sales are estimated by Management based on the norms prescribed or notified under the said Scheme. In case of Complex Fertilisers, sales include price concessions, as notified under the Nutrient Based Subsidy policy, or as estimated by the Management based on the norms prescribed.

2.14.2 Interest income

For all debt instruments measured either at amortised cost or at FVTOCI, interest income is recorded using the EIR method.

2.14.3 Dividend income

Dividend income is accounted for when Company's right to receive the income is established.

2.14.4 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.15 Leases

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Finance Leases:

Lease arrangements in which substantially all risks and rewards of ownership of the under-lying assets are transferred to the Company, are classified as finance lease.

Assets held under finance leases are initially recognised at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Operating leases:

The leases which are not classified as finance lease are operating leases.

Lease arrangements where the risks and rewards of ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.16 Employee benefits plans

Employee benefits consist of provident fund, superannuation fund, gratuity fund, compensated absences, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

2.16.1 Post-employment benefit plans

Defined contribution plans

Payments to a defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

Defined benefit plans

Contributions to a Provident Fund are made to Tata Chemicals Limited Employees' Provident Fund Trust, administered by the Company, and are charged to the Statement of Profit and Loss as incurred. The Trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund. The Company is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to members at the rate declared by the Government of India in respect of the Trust administered by the Company.

For defined benefit schemes in the form of gratuity fund, post-retirement medical benefits, pension liabilities (including directors') and family benefit scheme, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability.

The interest income/(expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income/(expense) on the net defined benefit liability is recognised in the Statement of Profit and loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

2.16.2 Short-term employee benefits

The short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

(a) In case of accumulating compensated absences, when employees render service that increase their entitlement of future compensated absences; and

(b) In case of non-accumulating compensated absence, when the absences occur.

2.16.3 Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognised in the Statement of Profit and Loss.

2.17 Employee separation compensation

Compensation paid/payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to the Statement of Profit and Loss in the year of separation.

2.18 Borrowing costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of qualifying assets is added to the cost of the assets upto the date the asset is ready for its intended use. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.19 Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance sheet and transferred to the Statement of Profit and Loss on systematic and rational basis over the useful lives of the related asset.

2.20 Segment reporting

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director and Chief Executive Officer (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

2.21 Income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to realise the asset or to settle the liability on a net basis.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in OCI or directly in equity.

Deferred tax assets include a credit for the Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT asset is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

2.22 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current estimate.

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

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.23 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3. Recent accounting pronouncements and business combination

3.1 Recent accounting pronouncements

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

On 28 March, 2018, Ministry of Corporate Affairs ('MCA') has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April, 2018. The Company is evaluating the requirements of the amendment and its effect on the financial statements.

Ind AS 115- Revenue from contracts with customers:

On 28 March, 2018, Ministry of Corporate Affairs ('MCA') has notified the Ind AS 115, Revenue from contracts with customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognised at the date of initial application (Cumulative catch-up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April, 2018. The Company is evaluating the requirements of the amendment and its effect on the financial statements.

3.2 Business combination

Subsequent to balance sheet date, the Company has signed a Business Transfer Agreement with M/s. Allied Silica Limited to acquire their business of precipated silica, on a slump sale basis for a consideration of ₹ 123 crore (subject to fulfilment of certain agreed conditions and milestones). The effect of the transfer will be reflected in the financial information of the period in which the deal is consummated post fulfilment of agreed conditions.

4. Property, plant and equipment

₹ in crore

Particulars	Freehold Land	Factory Buildings	Other Buildings *	Plant and Machinery	Furniture and Fittings	Vehicles	Office Equipment	Salt works, Water works, Reservoirs and Pans	Traction Lines and Railway Sidings	Total
Gross Block										
Balance as at 1 April, 2016	37.73	200.15	240.51	1,517.41	15.62	5.37	47.42	24.88	15.29	2,104.38
Additions/adjustments	4.43	12.22	1.86	207.33	1.13	1.06	8.36	6.13	0.68	243.20
Disposals	-	(0.43)	(0.63)	(22.43)	(0.22)	(0.36)	(0.92)	(0.05)	(0.11)	(25.15)
Transferred to discontinued operations (note 23 and 31)	(0.75)	(47.86)	(93.42)	(431.59)	(1.77)	(0.43)	(8.41)	-	(2.45)	(586.68)
Balance as at 31 March, 2017	**41.41**	**164.08**	**148.32**	**1,270.72**	**14.76**	**5.64**	**46.45**	**30.96**	**13.41**	**1,735.75**
Additions/adjustments	-	20.48	16.42	191.87	3.45	2.82	2.36	5.52	-	242.92
Disposals	-	(2.15)	(0.85)	(3.98)	(0.64)	(0.49)	(1.65)	-	-	(9.76)
Transferred to Investment property	(1.13)	-	(23.15)	-	-	-	-	-	-	(24.28)
Transferred to discontinued operations (note 23 and 31)	-	(38.27)	(1.03)	(149.48)	(0.80)	(0.15)	(4.32)	-	(4.73)	(198.78)
Balance as at 31 March, 2018	**40.28**	**144.14**	**139.71**	**1,309.13**	**16.77**	**7.82**	**42.84**	**36.48**	**8.68**	**1,745.85**
Accumulated Depreciation										
Balance as at 1 April, 2016	-	12.67	9.63	151.42	2.21	1.33	13.19	5.98	1.25	197.68
Depreciation for the year	-	9.85	7.43	129.50	1.98	1.36	12.49	4.03	1.17	167.81
Disposals	-	(0.18)	(0.59)	(19.62)	(0.15)	(0.32)	(0.45)	-	(0.07)	(21.38)
Transferred to discontinued operations (note 23 and 31)	-	(5.89)	(2.54)	(46.70)	(0.18)	-	(2.56)	-	(0.18)	(58.05)
Balance as at 31 March, 2017	**-**	**16.45**	**13.93**	**214.60**	**3.86**	**2.37**	**22.67**	**10.01**	**2.17**	**286.06**
Depreciation for the year	-	7.95	5.97	106.48	1.98	1.37	9.68	2.67	0.95	137.05
Impairment	-	15.10	0.44	47.06	0.18	0.06	0.83	-	1.72	65.39
Disposals	-	(0.31)	(0.09)	(1.02)	(0.47)	(0.27)	(0.94)	-	-	(3.10)
Transferred to Investment property	-	-	(1.92)	-	-	-	-	-	-	(1.92)
Transferred to discontinued operations (note 23 and 31)	-	(21.11)	(0.52)	(96.65)	(0.55)	(0.08)	(2.69)	-	(2.78)	(124.38)
Balance as at 31 March, 2018	**-**	**18.08**	**17.81**	**270.47**	**5.00**	**3.45**	**29.55**	**12.68**	**2.06**	**359.10**
Net Block as at 31 March, 2017	**41.41**	**147.63**	**134.39**	**1,056.12**	**10.90**	**3.27**	**23.78**	**20.95**	**11.24**	**1,449.69**
Net Block as at 31 March, 2018	**40.28**	**126.06**	**121.90**	**1,038.66**	**11.77**	**4.37**	**13.29**	**23.80**	**6.62**	**1,386.75**

* Other Buildings includes cost of residential flats aggregating ₹ 3.17 crore (2017 : ₹ 1.82 crore) for which legal formalities relating to transfer of title are pending.

5. Investment property

₹ in crore

Particulars	Land	Building	Total
Gross Block			
Balance as at 31 March, 2017	-	-	-
Transferred from property, plant and equipment	1.13	23.15	24.28
Balance as at 31 March, 2018	**1.13**	**23.15**	**24.28**
Accumulated amortisation			
Balance as at 31 March, 2017	-	-	-
Transferred from property, plant and equipment	-	1.92	1.92
Balance as at 31 March, 2018	**-**	**1.92**	**1.92**
Net Block as at 31 March, 2017	**-**	**-**	**-**
Net Block as at 31 March, 2018	**1.13**	**21.23**	**22.36**

Footnotes:

a) As at 31 March, 2018, the Company has classified above properties as investment property and is in process of assessment of fair value of the above investment property.

b) The Company has not earned any material rental income on the above properties after its classification as investment property during the year.

6. Intangible assets

₹ in crore

Particulars	Computer software	Others *	Total
Gross Block			
Balance as at 1 April, 2016	4.57	6.78	11.35
Additions	2.63	-	2.63
Disposals	(0.21)	-	(0.21)
Transferred to discontinued operations (note 23 and 31)	(1.18)	-	(1.18)
Balance as at 31 March, 2017	**5.81**	**6.78**	**12.59**
Additions	1.17	-	1.17
Disposals/Adjustments	(1.61)	-	(1.61)
Transferred to discontinued operations (note 23 and 31)	(0.04)	-	(0.04)
Balance as at 31 March, 2018	**5.33**	**6.78**	**12.11**
Accumulated amortisation			
Balance as at 1 April, 2016	0.21	0.76	0.97
Amortisation for the year	1.31	0.76	2.07
Disposals	-	-	-
Transferred to discontinued operations (note 23 and 31)	(0.99)	-	(0.99)
Balance as at 31 March, 2017	**0.53**	**1.52**	**2.05**
Amortisation for the year	1.32	0.76	2.08
Impairment	0.01	-	0.01
Disposals	(0.04)	-	(0.04)
Transferred to discontinued operations (note 23 and 31)	(0.02)	-	(0.02)
Balance as at 31 March, 2018	**1.80**	**2.28**	**4.08**
Net Block as at 31 March, 2017	**5.28**	**5.26**	**10.54**
Net Block as at 31 March, 2018	**3.53**	**4.50**	**8.03**

* Others include rights to use the wagon provided by the Ministry of Railways to carry goods at concessional freight.

7. Investments

Particulars	As at 31 March, 2018 Holdings No. of shares	As at 31 March, 2018 Amount ₹ in crore	As at 31 March, 2017 Holdings No. of shares	As at 31 March, 2017 Amount ₹ in crore
(a) Investments in equity instruments in subsidiaries and joint venture (fully paid up)				
(i) Subsidiaries (at cost)				
Quoted				
Rallis India Ltd.	9,73,41,610	479.97	9,73,41,610	479.97
Unquoted				
Bio Energy Ventures -1 (Mauritius) Pvt. Ltd. (footnote 'i')	57,53,81,426	2,398.39	57,53,81,426	2,398.39
Ncourage Social Enterprise Foundation	50,000	0.05	-	-
(ii) Investments in preference shares (fully paid up)				
Subsidiaries (Fair value through profit and loss)				
Unquoted				
5% Non-Cumulative Redeemable Preference Shares of Bio Energy Venture -1 (Mauritius) Pvt. Ltd (footnote 'i')	15,00,014	977.63	15,00,014	972.75
(iii) Joint venture (at cost)				
Unquoted				
Indo Maroc Phosphore, S.A. , Morocco	2,06,666	166.26	2,06,666	166.26
Total investments (i+ii+iii)		**4,022.30**	**-**	**4,017.37**
(b) Other investments				
(i) Investments in equity instruments (Fair value through other comprehensive income)				
Quoted				
The Indian Hotels Co. Ltd.	1,06,89,348	138.32	89,07,790	113.04
Oriental Hotels Ltd.	25,23,000	10.53	25,23,000	8.96
Tata Investment Corporation Ltd.	4,75,840	35.01	4,75,840	30.27
Tata Steel Ltd.	28,90,693	165.07	24,91,977	120.29
Tata Steel Ltd. (Partly Paid)	1,99,358	2.80	-	-
Tata Motors Ltd.	19,66,294	64.27	19,66,294	91.60
Tata Global Beverages Ltd.	-	-	4,31,75,140	650.00
Titan Company Ltd.	1,38,26,180	1,302.84	1,38,26,180	639.81
Unquoted				
The Associated Building Co. Ltd.	550	0.02	550	0.02
Taj Air Ltd.	40,00,000	-	40,00,000	-
Tata Industries Ltd.	98,61,303	170.19	98,61,303	170.19
Tata Capital Ltd.	32,30,859	16.15	32,30,859	10.79
Tata International Ltd.	48,000	137.76	48,000	124.80
Tata Projects Ltd.	1,93,500	264.48	1,93,500	210.24
Tata Services Ltd.	1,260	0.13	1,260	0.13
Tata Sons Ltd.	10,237	56.86	10,237	56.86
Tata Teleservices Ltd. (footnote 'ii')	12,85,110	-	12,85,110	1.51
IFCI Venture Capital Funds Ltd.	2,50,000	0.67	2,50,000	0.67
Kowa Spinning Ltd.	60,000	*	60,000	*
Global Innovation And Technology Alliance (GITA)	15,000	1.50	15,000	1.50
Water Quality India Association	7,100	0.01	7,100	0.01
Total investments (b(i))		**2,366.61**		**2,230.69**
Aggregate amount of quoted investments		2,198.81		2,133.94
Aggregate market value of quoted investments		4,021.46		4,182.42
Aggregate carrying value of unquoted investments		4,190.10		4,114.12
Aggregate amount of impairment in value of Investments		1.51		-

Footnotes:

i. During the year ended 31 March, 2018, the Board of Directors of the Company has approved the Scheme of Amalgamation ("Scheme") under the provisions of Section 234 read with Sections 230 to 232 of the Companies Act, 2013 for the merger of Bio Energy Venture 1 (Mauritius) Pvt. Ltd., a wholly owned subsidiary of the Company, with the Company, subject to necessary statutory and regulatory approvals, including approval of the National Company Law Tribunal. The Scheme is in process of being filed.

ii. Shares can be transferred only with the prior approval of the Board of Directors of Tata Teleservices Ltd.

* value below ₹ 50,000/-

8. Loans

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Non-Current		
(a) Other loans (Unsecured, considered good)		
Loans to employees (footnote 'i')	1.38	1.10
	1.38	**1.10**
Current		
(a) Other loans (Unsecured, considered good)		
Loans to employees (footnote 'i')	0.51	0.67
	0.51	**0.67**

Footnote:

(i) Loans to employees includes ₹ Nil (2017: ₹ *) due from officer of the Company. Maximum balance outstanding during the year is ₹ * (2017: ₹ *).

* value below ₹ 50,000.

9. Other financial assets

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Non-Current		
(a) Fixed deposits	0.26	0.26
(b) Derivatives (note 36)	4.87	0.38
	5.13	**0.64**
Current		
(a) Claim receivable - Related party (note 39)	34.97	37.86
(b) Derivatives (note 36)	8.85	6.32
(c) Accrued interest income	10.02	0.54
(d) Advance recoverable - Related party	16.24	1.20
(e) Others	1.57	2.46
	71.65	**48.38**

10. Other assets

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Non-Current		
(a) Capital advances	30.13	22.24
(b) Deposit with public bodies and others	36.57	39.65
(c) Prepaid expenses	1.61	3.05
(d) Gratuity fund	7.07	-
(e) Others	-	0.31
	75.38	**65.25**
Current		
(a) Prepaid expenses	9.33	10.65
(b) Advance to suppliers	30.12	65.71
Less: Allowances for bad and doubtful advances	(0.01)	(0.46)
	30.11	**65.25**
(c) Statutory receivables	130.84	57.69
(d) Others	1.80	0.44
	172.08	**134.03**

11. Inventories

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Raw materials	239.27	321.77
(b) Work-in-progress	28.94	23.78
(c) Finished goods	77.10	72.28
(d) Stock in trade	40.66	107.25
(e) Stores, spare parts and packing materials	64.69	86.45
	450.66	**611.53**

Footnotes:

(i) Inventories include goods in transit:

- Raw materials	55.82	77.97
- Stock in trade	7.09	5.23
- Stores and spare parts and packing materials	1.75	0.40

(ii) The cost of inventories recognised as an expense in the form of raw material consumption, change in inventory, stores consumption, trading purchases, packing materials consumption and power and fuel consumption during the year in respect of the continuing operations was ₹ 1,490.85 crore (2017: ₹ 1,632.66 crore)

(iii) The cost of inventories recognised as an expense includes ₹ 7.67 crore (2017: ₹ 35.47 crore) in respect of write-down of inventories to net realisable value, and has been reduced by ₹ 4.17 crore (2017: ₹ 2.55 crore) in respect of reversal of such write-down. Reversal of previous write-downs have been largely as a result of increased selling prices of certain products.

(iv) Inventories have been offered as security against the working capital facilities provided by the bank.

12. Trade receivables

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Current		
(a) Secured, considered good	37.75	39.91
(b) Unsecured, considered good	102.61	991.78
(c) Unsecured, considered doubtful	14.87	42.60
Less: Allowance for doubtful trade receivables	(14.87)	(42.60)
	140.36	**1,031.69**

Footnotes:

(i) Trade receivables include ₹ Nil (2017: ₹ 870.98 crore) on account of subsidy receivable from the Government. Subsidy receivable that relates to Phosphatic Fertiliser business and Trading business are reflected in note 31.

(ii) Before accepting any new customer, the Company has appropriate levels of control procedures which ensure the potential customer's credit quality; credit limits scoring attributed to customers are reviewed periodically by Management.

(iii) Movement in allowance for doubtful trade receivables.

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Balance at the beginning of the year	**42.60**	**45.94**
Allowance for doubtful debts pertaining to discontinued operations	(31.33)	(0.05)
Provision during the year	6.55	71.33
Reversal during the year	(2.95)	(74.62)
Balance at the end of the year	**14.87**	**42.60**

(iv) Trade receivables have been offered as security against the working capital facilities provided by the bank.

13. Cash and cash equivalents

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	Balance with banks	78.27	79.73
(b)	Cheques on hand	-	37.51
(c)	Cash on hand	0.02	0.14
(d)	Deposits accounts (with original maturity less than 3 months)	3,225.00	980.00
Cash and cash equivalents as per Statement of Cash Flow		**3,303.29**	**1,097.38**
Other bank balances:			
(a)	Earmarked balances with banks	15.63	14.70
(b)	Deposit accounts (other than (d) above, with original maturity less than 12 months from the balance sheet date)	450.00	-
		465.63	**14.70**

Footnote:

(i) Non-cash transactions

The Company has not entered into any non cash investing and financing activities.

14. Equity share capital

		As at 31 March, 2018		As at 31 March, 2017	
		No. of Shares	₹ in crore	No. of Shares	₹ in crore
(a)	**Authorised:**				
	Ordinary shares of ₹ 10 each	27,00,00,000	270.00	27,00,00,000	270.00
(b)	**Issued :**				
	Ordinary shares of ₹ 10 each	25,48,42,598	254.84	25,48,42,598	254.84
(c)	**Subscribed and fully paid up:**				
	Ordinary shares of ₹ 10 each	25,47,56,278	254.76	25,47,56,278	254.76
(d)	**Forfeited shares:**				
	Amount originally paid-up on forfeited shares	86,320	0.06	86,320	0.06
			254.82		**254.82**

Footnotes:

(i) The movement in number of shares and amount outstanding at the beginning and at the year end

Particulars	Year ended 31 March, 2018		Year ended 31 March, 2017	
	No. of Shares	₹ in crore	No. of Shares	₹ in crore
Issued share capital:				
Ordinary shares :				
Balance as at 1 April	25,48,42,598	254.84	25,48,42,598	254.84
Balance as at 31 March	**25,48,42,598**	**254.84**	**25,48,42,598**	**254.84**
Subscribed and paid up:				
Ordinary shares :				
Balance as at 1 April	25,47,56,278	254.76	25,47,56,278	254.76
Balance as at 31 March	**25,47,56,278**	**254.76**	**25,47,56,278**	**254.76**

(ii) Terms/ rights attached to equity shares

The Company has issued one class of ordinary shares at par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential accounts, in proportion to their shareholding.

(iii) Details of shares held by each shareholder holding more than 5% shares.

Particulars	As at 31 March, 2018		As at 31 March, 2017	
Ordinary shares with voting rights	**No. of shares**	**%**	**No. of shares**	**%**
(i) Tata Sons Ltd.	5,97,86,423	23.47	4,93,06,423	19.35
(ii) ICICI Prudential Mutual fund	1,54,19,534	6.05	1,80,53,193	7.09
(iii) Tata Investment Corporation Ltd.	1,52,00,001	5.97	1,52,00,001	5.97
(iv) HDFC Trustee Company Limited	1,38,30,156	5.43	*	*

* Not holding more than 5% shares

15. Other equity

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
1 Capital reserve and other reserves from amalgamation	21.11	21.11
2 Securities premium reserve	1,258.21	1,258.21
3 Capital redemption reserve	0.10	0.10
4 Debenture redemption reserve	240.00	240.00
5 General reserve	1,171.94	1,171.94
6 Retained earnings	6,435.12	4,072.61
7 Equity instruments through other comprehensive income	1,942.84	1,836.66
Total other equity	**11,069.32**	**8,600.63**

The movement in other equity

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
15.1 Capital reserve and other reserves from amalgamation		
Balance at the beginning of the year	21.11	21.11
Balance at the end of the year	**21.11**	**21.11**
15.2 Securities premium reserve		
Balance at the beginning of the year	1,258.21	1,258.21
Balance at the end of the year	**1,258.21**	**1,258.21**
Footnote: Securities premium reserve is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of the 2013 Act.		
15.3 Capital redemption reserve		
Balance at the beginning of the year	0.10	0.10
Balance at the end of the year	**0.10**	**0.10**
15.4 Debenture redemption reserve		
Balance at the beginning of the year	240.00	240.00
Balance at the end of the year	**240.00**	**240.00**
Footnote: The Company is required to create a debenture redemption reserve out of the profits which is available for the purpose of redemption of debentures.		
15.5 General reserve		
Balance at the beginning of the year	1,171.94	1,171.94
Balance at the end of the year	**1,171.94**	**1,171.94**
Footnote: The general reserve represents amounts appropriated out of retained earnings based on the provisions of the Act prior to its amendment.		

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
15.6 Retained earnings		
Balance at the beginning of the year	4,072.61	3,714.09
Profit for the year	1,766.96	692.71
Remeasurement of defined employee benefit plans (net of tax)	21.42	(32.52)
Dividend including tax on dividend	(329.85)	(301.67)
Transfer from Equity instruments through other comprehensive income	903.98	-
Balance at the end of the year (footnote 'ii')	**6,435.12**	**4,072.61**

Footnotes:

(i) The Board of Directors has recommended a dividend of 110% (2017: 110%) for the financial year 2017-18 and a special dividend of 110% to reflect the disposal of the Fertiliser Business, aggregating to ₹ 22 per share (2017: ₹ 11 per share).

(ii) Includes balance of remeasurement of net defined benefit plans loss of ₹ 23.60 crore (2017: ₹ 49.09 crore).

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
15.7 Equity instruments through other comprehensive income		
Balance at the beginning of the year	1,836.66	1,425.98
Changes in fair value of equity instruments at FVTOCI (net of tax)	1,010.16	410.68
Transfer to retained earnings	(903.98)	-
Balance at the end of the year	**1,942.84**	**1,836.66**

Footnote:

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

16. Borrowings

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Non-Current		
Secured - at amortised cost		
(a) Obligations under finance leases (note 33)	18.23	18.99
Unsecured - at amortised cost		
(a) Non-convertible debentures (footnote 'i')	250.00	250.00
(b) Term loans - bank (footnote 'ii')	413.60	821.84
Less: Unamortised finance cost	0.76	2.90
	412.84	**818.94**
	681.07	**1,087.93**

Footnotes:

(i) Unsecured redeemable Non-convertible debentures having face value of ₹ 10 lakhs each are redeemable at par on 2 July, 2019 and bear interest rate of 10% per annum.

(ii) The External Commercial Borrowings ('ECB') are due for repayments on 21 October, 2019 ₹ 413.60 crore (2017: ₹ 411.54 crore) (USD 63.46 million) and bear interest of LIBOR plus spread of 1.95%, payable semiannually.

Current portion due for repayment within one year is ₹ 412.36 crore (2017: ₹ 410.31 crore) (USD 63.27 million). This has been disclosed in note 17 within the heading current maturity of non-current borrowings under other financial liabilities (current).

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Current		
Loans repayable on demand		
Secured - from banks		
(a) Cash/packing credit (footnote 'i')	0.61	2.81
(b) Supplier's credit (footnote 'ii')	-	110.00
(c) Loan against subsidy receivable (footnote 'iii')	-	85.96
Unsecured - from banks		
(a) Working capital demand loan (footnote 'iv')	-	50.00
(b) Supplier's credit (footnote 'ii')	-	273.73
	0.61	**522.50**

Footnotes:

(i) Loans from banks on Cash Credit carry an interest ranging from 8.30% p.a. to 9.00% p.a. and are secured by way of hypothecation of stocks of raw materials, finished products, stores and work-in-process as well as book debts.

(ii) During the previous year ended 31 March, 2017, Supplier's credit due for payment within 180 days bears interest of 'LIBOR plus spread' of 1.31% per annum secured against current assets.

(iii) During the previous year ended 31 March, 2017, The Department of Fertilizers, Government of India, has notified 'Special Banking Arrangement' scheme to address the concern of delay in subsidy disbursement. This arrangement has been made by the Government with the State Bank of India Consortium (SBI Consortium). Loans under this scheme are secured by hypothecation of subsidy receivables. Fixed interest rate of 8.00% per annum out of which 6.25% per annum shall be borne by the government and repaid in April 2017. The remaining 1.75% per annum shall be borne by the Company and will be recovered upfront for 60 days from the company at the time of disbursement of the facility.

(iv) During the previous year ended 31 March, 2017, unsecured working capital demand loan of ₹ 50 crore was availed by the Company repayable in May 2017. The loan bears interest of one month T-bill plus 0.05% per annum.

17. Other financial liabilities

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
Non-Current			
(a)	Derivatives (note 36)	-	1.35
(b)	Pension payable on employee separation scheme	0.29	0.35
		0.29	**1.70**
Current			
(a)	Current maturities of non-curent borrowings (note 16 (footnote 'ii'))	412.36	410.31
	Less: Unamortised cost of borrowings	2.13	3.50
		410.23	**406.81**
(b)	Current maturities of finance lease obligations (note 33)	5.22	23.38
(c)	Interest accrued	31.47	37.30
(d)	Creditors for capital goods	36.77	32.89
(e)	Unclaimed dividend (footnote 'i')	15.66	14.75
(f)	Unclaimed debenture interest	0.01	0.01
(g)	Derivatives (note 36)	0.13	20.72
(h)	Security deposit from customers	28.49	37.10
(i)	Accrued expenses	69.83	77.43
(j)	Others	42.85	5.90
		640.66	**656.29**

Footnote:

(i) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for ₹ 0.02 crore (2017: ₹ 0.53 crore), wherein legal disputes with regards to ownership have remained unresolved.

18. Provisions

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
Non-Current			
(a)	Provision for employee benefits		
(i)	Pension and other post retirement benefits (note 34)	111.76	137.27
(ii)	Others	2.85	3.83
		114.61	**141.10**
(b)	Other provisions (footnote 'i')	2.90	2.42
		117.51	**143.52**
Current			
(a)	Provision for employee benefits		
(i)	Pension and other post retirement benefits (note 34)	5.16	4.25
(ii)	Others	41.77	48.88
		46.93	**53.13**
(b)	Other provisions (footnote 'i')	50.26	129.71
		97.19	**182.84**

Footnotes:

(i) Other provisions include:

₹ in crore

Particulars	Asset retirement obligation (1)	Provision for warranty (2)	Others (3)	Total
Balance at 1 April, 2016	17.55	0.28	101.93	119.76
Provisions pertaining to discontinued operation (note 31)	(3.12)	-	-	(3.12)
Provisions recognised during the year	0.56	0.33	17.07	17.96
Payments / utilisation during the year	-	(0.03)	(1.16)	(1.19)
Unused amount reversed during the year	-	(0.19)	(1.09)	(1.28)
Balance at 31 March, 2017	**14.99**	**0.39**	**116.75**	**132.13**
Provisions pertaining to discontinued operation (note 31)	-	-	(92.29)	(92.29)
Provisions recognised during the year	0.48	0.32	12.71	13.51
Payments/utilisation during the year	-	-	(0.04)	(0.04)
Unused amount reversed during the year	-	(0.15)	-	(0.15)
Balance at 31 March, 2018	**15.47**	**0.56**	**37.13**	**53.16**
Balance at 31 March, 2017				
Non-Current	2.42	-	-	2.42
Current	12.57	0.39	116.75	129.71
Total	**14.99**	**0.39**	**116.75**	**132.13**
Balance at 31 March, 2018				
Non-Current	2.90	-	-	2.90
Current	12.57	0.56	37.13	50.26
Total	**15.47**	**0.56**	**37.13**	**53.16**

Nature of provisions :

1) Asset retirement obligation includes provision towards site restoration expense and decomissioning charges. The timing of the outflows is expected to be within a period of one to thirty years from the date of balance sheet.

2) Provision for warranty represents certain products that fail to perform satisfactorily during the warranty period. Provision made as at respective year ends represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of one year from the date of balance sheet.

3) Provision for others represents management's best estimate of outflow of economic resources in respect of water charges, entry tax, land revenue and other disputed items including direct taxes, indirect taxes and other claims. The timing of outflows is uncertain and will depend on the cessation of the respective cases.

19. Deferred tax assets and liabilities

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Deferred tax assets	(108.23)	(134.86)
(b) Deferred tax liabilities	280.31	273.41
Deferred tax liabilities (net)	**172.08**	**138.55**

2017-18

Particulars	As at 1 April, 2017	Recognised in the Statement of Profit and Loss (continuing operations)	Recognised in the Statement of Profit and Loss (discontinued operation)	Recognised in other comprehensive income	As at 31 March, 2018
Deferred tax assets/(liabilities) in relation to:					-
Allowance for doubtful debts and advances	(15.50)	(1.07)	(17.09)	-	(33.66)
Accrued expenses allowed in the year of payment and on fairvalue of investments	(116.04)	26.08	(4.64)	20.59	(74.01)
Depreciation and amortisation	273.41	6.60	(0.11)	-	279.90
Property, plant and equipment	(2.52)	1.67	1.26	-	0.41
Expenses allowed	(0.80)	0.24	-	-	(0.56)
	138.55	**33.52**	**(20.58)**	**20.59**	**172.08**

As at 31 March, 2018	Assets	Liabilities	Net
Deferred tax assets/(liabilities) in relation to:			
Allowance for doubtful debts and advances	(33.66)	-	(33.66)
Accrued expenses allowed in the year of payment	(74.01)	-	(74.01)
Depreciation and amortisation	-	279.90	279.90
Property, plant and equipment	-	0.41	0.41
Expenses allowed	(0.56)	-	(0.56)
	(108.23)	**280.31**	**172.08**

2016-17

Particulars	As at 1 April, 2016	Recognised in the Statement of Profit and Loss (continuing operations)	Recognised in the Statement of Profit and Loss (discontinued operation)	Recognised in other comprehensive income	As at 31 March, 2017
Deferred tax assets/(liabilities) in relation to:					
Allowance for doubtful debts and advances	(16.56)	1.37	(0.31)	-	(15.50)
Accrued expenses allowed in the year of payment	(87.07)	(15.87)	4.12	(17.22)	(116.04)
Depreciation and amortisation	269.35	(8.50)	12.56	-	273.41
Property, plant and equipment	(9.38)	6.86	-	-	(2.52)
Expenses allowed	-	(0.80)	-	-	(0.80)
	156.34	**(16.94)**	**16.37**	**(17.22)**	**138.55**

As at 31 March, 2017	Assets	Liabilities	Net
Deferred tax assets/(liabilities) in relation to:			
Allowance for doubtful debts and advances	(15.50)	-	(15.50)
Accrued expenses allowed in the year of payment	(116.04)	-	(116.04)
Depreciation and amortisation	-	273.41	273.41
Property, plant and equipment	(2.52)	-	(2.52)
Expenses allowed	(0.80)	-	(0.80)
	(134.86)	**273.41**	**138.55**

20. Other liabilities

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
Non-current			
(a)	Deferred income	10.50	10.50
		10.50	**10.50**
Current			
(a)	Statutory dues	29.58	47.48
(b)	Advance received from customers	3.09	24.53
(c)	Other liabilities	0.11	0.19
		32.78	**72.20**

21. Trade payables

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	Trade payables (footnote 'i') (note 39)	423.10	506.70
(b)	Amount due to Micro, Small and Medium Enterprises (Footnote 'ii')	2.33	5.03
		425.43	**511.73**

Footnotes:

(i) Trade payables are non-interest bearing and are normally settled within 60 days.

(ii) According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

₹ in crore

Particulars			As at 31 March, 2018	As at 31 March, 2017
1	(a)	Principal amount remaining unpaid to any supplier	2.33	5.03
	(b)	Interest on 1(a) above	0.01	-
2	(a)	The amount of principal paid beyond the appointed date	0.17	42.12
	(b)	The amount of interest paid beyond the appointed date	*	-
3		Amount of interest due and payable on delayed payments	*	0.21
4		Amount of interest accrued and remaining unpaid as at year end	*	*
5		The amount of further interest due and payable even in the succeeding year	0.01	0.01

* value below ₹ 50,000

22. Tax assets and liabilities

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
(a)	**Tax assets**		
	Non-Current - Advance tax assets (net)	420.63	431.25
(b)	**Current tax liabilities (net)**	122.15	104.88

23. Held for sale and discontinued operations

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Assets classified as held for sale and discontinued operations		
(i) Assets held for sale (Footnote 'i')	-	0.16
(ii) Discontinued operations (Footnote 'ii')	1,085.69	1,532.46
	1,085.69	**1,532.62**
(b) Liabilities directly associated with discontinued operations		
(i) Discontinued operations (Footnote 'ii')	549.95	511.27
	549.95	**511.27**

Footnotes:

(i) During the current year, the Company disposed off the assets classified as assets held for sale as at 31 March, 2017 for a value higher than the carrying amount and have recorded resultant gain in the Statement of Profit and Loss.

(ii) Discontinued operations comprise of assets and liabilities of Phosphatic Fertilisers business and Trading business as at 31 March, 2018 and of Urea and Customised Fertiliser business as at 31 March, 2017 (note 31).

24. Revenue from operations

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
(a) Sales of products	3,506.15	3,821.60
(b) Other operating revenues		
(i) Sale of scrap	13.32	10.73
(ii) Others	4.70	4.71
	18.02	**15.44**
	3,524.17	**3,837.04**

25. Other income

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
(a) Dividend income from		
(i) Current investments measured at FVTPL	28.62	46.18
(ii) Non-current investments in		
- Subsidiaries	36.50	24.34
- Joint venture	9.82	21.02
- Other non-current investments	27.04	13.78
	101.98	**105.32**
(b) Interest income from financial assets at amortised cost		
(i) On bank deposits	13.55	2.52
(ii) On loans and advances	0.08	0.10
(iii) Other interest	0.14	0.35
	13.77	**2.97**
(c) Interest on refund of taxes	16.01	52.24
(d) Others		
(i) Corporate guarantee commission	11.13	14.09
(ii) Gain on sale/redemption of investments (net)	49.54	2.30
(iii) Foreign exchange gain (net)	1.95	-
(iv) Other	0.11	-
	62.73	**16.39**
	194.49	**176.92**

26. Employee benefits expense

₹ in crore

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
(a)	Salaries, wages and bonus	205.33	207.22
(b)	Contribution to provident and other funds	14.52	16.42
(c)	Staff welfare expense	38.18	43.02
		258.03	**266.66**

27. Finance costs

₹ in crore

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
(a)	Interest costs		
	(i) Interest on loans at amortised cost	127.41	158.32
	(ii) Interest on obligations under finance leases	2.42	2.40
(b)	Translation differences (footnote 'i')	(63.11)	(78.99)
(c)	Discount and other charges	19.79	19.25
		86.51	**100.98**

Footnote:

(i) Translation differences on foreign currency loans regarded as borrowing cost net of changes in fair value of derivative contracts.

28. Depreciation and amortisation expense

₹ in crore

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
(a)	Depreciation of property, plant and equipment	124.48	127.77
(b)	Amortisation of intangible assets	2.07	1.83
		126.55	**129.60**

29. Other expenses

₹ in crore

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
(a)	Stores and spare parts consumed	60.43	61.01
(b)	Packing materials consumed	208.49	225.24
(c)	Power and fuel	473.93	377.55
(d)	Repairs - Buildings	9.58	7.12
	- Machinery	57.28	57.64
	- Others	0.38	0.54
(e)	Rent	23.37	24.87
(f)	Royalty, rates and taxes	29.57	31.01
(g)	Excise duty adjustment for stocks	(3.66)	2.33
(h)	Distributors' service charges	16.18	19.15
(i)	Sales promotion expenses	80.91	119.51
(j)	Insurance charges	4.51	5.48
(k)	Freight and forwarding charges	396.68	404.01
(l)	Loss on assets sold, discarded or written off	7.19	0.75
(m)	Bad debts written off	0.03	1.77
(n)	Provision for doubtful debts and advances (net)	3.06	(0.09)
(o)	Foreign exchange loss (net)	-	23.02
(p)	Directors' fees and commission	5.57	5.35
(q)	Auditors' remuneration (footnote 'i')	4.38	3.98
(r)	Expenditure towards Corporate Social Responsibility (CSR) (footnote 'ii')	14.28	12.56
(s)	Donations and contributions	3.19	5.47
(t)	Others	142.47	125.34
		1,537.82	**1,513.61**

Footnotes:

(i) Auditors' remuneration *

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Statutory Auditors		
a) For services as auditor	2.01	2.57
b) For taxation matters	0.25	0.47
c) For other services	2.33	1.30
d) For reimbursement of expenses	0.21	0.15
Cost Auditors		
a) For services as auditor	-	0.10
	4.80	**4.59**
Less: Pertaining to discontinued operation	0.42	0.61
	4.38	**3.98**

* Including taxes

(ii) Amount required to be spent by the Company during the year on CSR is ₹ 16.80 crore (2017: ₹ 13.92 crore) whereas the Company has spent ₹ 14.28 crore (2017: ₹ 15.00 crore). The Company has spent the following amounts during the year on the activities other than construction/acquisition of any asset.

₹ in crore

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
1)	Health care, nutrition, sanitation and safe drinking water	1.87	3.25
2)	Environmental sustainability	4.63	4.01
3)	Poverty alleviation, livelihood enhancement and infrastructure support	1.06	1.05
4)	Education and vocational skill development	3.66	3.06
5)	Inclusive growth and empowerment	1.15	1.57
6)	Promotion and development of traditional arts and handicrafts	0.81	1.27
7)	Contribution to Prime Minister's National Relief fund/other relief funds	0.75	0.31
8)	Other approved activities	0.35	0.48
		14.28	**15.00**

The above CSR expense includes ₹ Nil (2017: ₹ 2.44 crore) relating to discontinued operations.

(iii) Expenditure incurred on Scientific Research and Development activities @

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
1) Revenue expenditure (note 26 and 29 of Statement of Profit and Loss includes) :		
a) Innovation Centre, Pune	31.45	32.68
b) Centre for agri-solutions and technology, Aligarh (upto 12 January, 2018)	1.97	1.89
c) Mithapur, Okhalamandal	0.33	0.39
2) Capital expenditure		
a) Innovation Centre, Pune	8.45	4.45
b) Centre for agri-solutions and technology, Aligarh	-	0.05

@ The above figures are based on the separate accounts for the research and development ('R&D') centres recognised by the Department of Scientific and Industrial Research, Ministry of Science and Technology ('DSIR') for in-house research.

30. Income tax expense relating to continuing operations

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
(a) Tax expense		
(i) Current tax		
In respect of the current year	245.60	243.23
Reversal pertaining to prior years	-	(1.52)
	245.60	**241.71**
(ii) Deferred tax		
In respect of the current year	33.52	(16.94)
	33.52	**(16.94)**
Total tax expense	**279.12**	**224.77**

(b) The income tax expenses for the year can be reconciled to the accounting profit as follows:

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit before tax from continuing operations	**903.59**	**804.01**
Income tax expenses calculated at 34.608%	312.71	278.25
Effect of income that is exempt from taxation	(31.89)	(29.17)
Effect of expenses not deductible for tax computation	15.02	16.30
Effect of income/expenses of capital nature	(1.69)	7.29
Effect of concessions (research and development and other allowances like 80IA and 32AC of Income Tax Act, 1961)	(13.66)	(28.16)
Effect of different tax rates on distribution by joint venture operating in other jurisdictions.	(1.70)	(3.64)
Effect of income classifed to discontinued operations from continued operations	-	(3.45)
Effect of change in rate of recording deferred tax for discontinued operations	-	(10.63)
Others	0.32	(0.50)
	279.12	**226.29**
Adjustments recognised in the current year in relation to the current tax of prior years	-	(1.52)
Total income tax expense recognised for the year relating to continuing operations	**279.12**	**224.77**

31. Discontinued operations

(I) Disposal of urea and customised fertilisers business

During the previous year, the Company entered into an agreement with Yara Fertilisers India Private Limited ('Yara India') to transfer its Urea Business (which comprises of manufacturing facilities for urea and customised fertilisers at Babrala, Uttar Pradesh), by way of a slump sale.

On 12 January, 2018, the Company consummated the sale and transfer of its Urea and Customised Fertilisers Business to Yara India as contemplated in the Scheme of Arrangement dated 10 August, 2016. The pre-tax gain of ₹ 1,279.39 crore for the year ended 31 March, 2018 is included under exceptional gain for discontinued operations.

(II) Disposal of Phosphatic Fertilisers business and Trading business of bulk and non-bulk fertilisers

The Company has entered into an agreement with IRC Agrochemicals Private Limited ("IRC") and Indorama Holdings BV, Netherlands (Parent company of IRC) to transfer its Phosphatic Fertilisers business and Trading business (which comprises of manufacturing facilities for phosphatic fertilisers at Haldia Plant), by way of a slump sale for a consideration of ₹ 375.00 crore (subject to certain adjustments). The effect of the transfer will be reflected in the financial information of the period in which the deal is consummated post receipt of all the requisite regulatory approvals.

The financial performance and cash flows for Urea Business (till the date of sale) and Phosphatic Fertilisers business and Trading business of bulk and non-bulk fertilisers:

(a) Analysis of profit from discontinued operations

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit for the year from discontinued operations		
Revenue from operations (footnote 'i')	4,086.91	4,616.80
Other income	0.34	0.04
	4,087.25	**4,616.84**
Expenses		
Depreciation and amortisation	12.58	40.28
Other expenses	3,636.95	4,390.97
Profit before exceptional item and tax	**437.72**	**185.59**
Exceptional gain (net)		
Profit on sale of discontinued operation	1,279.39	-
Impairment of assets (footnote 'ii')	(65.40)	-
Profit before tax	**1,651.71**	**185.59**
Tax expense	167.60	72.12
Tax on sale of discontinued operations	341.62	
Profit after tax	**1,142.49**	**113.47**

Footnotes:

(i) Revenue from operations includes subsidy income of ₹ 1,979.51 crore (2017: ₹ 2,012.42 crore)

(ii) The shortfall between the carrying value of net PPE and the recoverable value.

(b) Net cash flows attributable to the discontinued operations

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Net cash (outflows)/inflows from operating activities	240.47	3.25
Net cash used in investing activities	(29.58)	(26.93)
Net cash (outflows)/inflows from financing activities	(209.99)	23.88
Net cash inflows	**0.90**	**0.20**

(c) **Book value of assets and liabilities of discontinued operations:**

₹ in crore

Particulars	Phosphatic Fertilisers business and Trading business Year ended 31 March, 2018	Urea and customised fertilisers business Year ended 31 March, 2017
Property, plant and equipment and intangible assets (including CWIP)	75.05	529.10
Non-current financial assets	-	0.80
Other non-current assets	29.27	10.12
Inventories	149.80	126.68
Trade receivables (including subsidy of ₹ 802.10 crore (2017 : ₹ 813.43 crore)) (Footnote 'ii')	808.23	834.42
Cash and cash equivalents	1.04	0.08
Current financial assets	0.04	0.17
Other current assets	22.26	31.09
Total Assets (A)	**1,085.69**	**1,532.46**
Non-current financial liabilities - provisions	1.54	6.88
Borrowings (Footnote 'i' and 'ii')	310.08	370.70
Trade payables	112.26	89.06
Other financial liabilities	18.57	26.54
Other current liabilities	8.32	6.39
Current liabilities - provisions	99.18	11.70
Total Liabilities (B)	**549.95**	**511.27**
Net assets (A - B)	**535.74**	**1,021.19**

Footnotes:

(i) (a) The Department of Fertilizers, Government of India, has notified 'Special Banking Arrangement' scheme to address the concern of delay in subsidy disbursement. This arrangement has been made by the Government with the State Bank of India Consortium (SBI Consortium). Loans under this scheme are secured by hypothecation of subsidy receivables.

Fixed interest rate of 7.80% per annum out of which 6.84% per annum shall be borne by the Government and repaid in April 2018. The remaining 0.96% per annum shall be borne by the Company and will be recovered upfront for 60 days from the Company at the time of disbursement of the facility. Balance as at 31 March, 2018 : ₹ 307.95 crore (2017 : ₹ 370.70 crore).

(b) Cash credit (Secured) of ₹ 2.13 crore (2017: ₹ *)

* value below ₹ 50,000

(ii) Subsidy receivables and borrowings related to Phosphatic fertilisers and Trading business along with the related revenue and expenses are disclosed as discontinued operations. These receivables and borrowings will not be transferred on disposal of business.

(d) **Gain on disposal of urea and customised fertilisers business**

₹ in crore

Particulars	Year ended 31 March, 2018
Cash consideration received (net of cost to sell)	2,593.98
Net assets transferred (footnote 'i')	1,314.59
Gain on disposal	**1,279.39**

Footnote:

(i) Information of assets and liabilities transferred to Yara India

₹ in crore

Particulars	As at 31 March, 2018
Property, plant and equipment and intangible assets (including CWIP)	545.09
Other non-current assets	2.45
Inventories	27.50
Trade receivables	786.64
Other current assets	99.85
Total Assets (A)	**1,461.53**
Other non-current liabilities	129.73
Other current liabilities	17.21
Total Liabilities (B)	**146.94**
Net assets (A - B)	**1,314.59**

32. Earnings per share

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Basic and Diluted earnings per share (₹)		
From continuing operations (₹)	24.51	22.74
From discontinued operations (₹)	44.85	4.45
Total Basic and Diluted earnings per share (₹)	**69.36**	**27.19**

Footnotes:

The earnings and weighted average numbers of equity shares used in the calculation of basic and diluted earnings per share are as follows.

(a)	**Earnings used in the calculation of basic and diluted earnings per share:**	**₹ in crore**	**₹ in crore**
	Profit for the year from continuing operations	624.47	579.24
	Profit for the year from discontinued operations	1,142.49	113.47
		1,766.96	**692.71**
(b)	**Weighted average number of equity shares used in the calculation of basic and diluted earnings per share:**	**No. of shares**	**No. of shares**
	Weighted average number of equity shares used in the calculation of basic and diluted earnings per share from continuing operations and from discontinued operations	25,47,56,278	25,47,56,278

33. Finance leases

Finance lease commitments

The Company has finance lease contracts for certain items of plant and machinery and vehicles. The Company's obligations under finance leases are secured by the lessor's title to the leased assets.

Future minimum lease payments ('MLP') under finance lease contracts together with the present value of the net minimum lease payments are, as follows:

₹ in crore

Particulars	31 March, 2018		31 March, 2017	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	7.05	5.22	26.41	23.38
After one year but not more than five years	21.12	18.23	15.13	11.73
More than five years	-	-	7.84	7.26
Total minimum lease payments	**28.17**	**23.45**	**49.38**	**42.37**
Less : amounts representing finance charges	4.72		7.01	
Present value of minimum lease payments	**23.45**		**42.37**	
Included in the financial statements as:				
- Non-current borrowings (note 16)		18.23		18.99
- Current maturity of finance lease obligations (note 17)		5.22		23.38
		23.45		**42.37**

Interest rates ranging from 8% to 12% per annum, underlying all obligations under finance leases, are fixed at respective contract dates.

34. Employee benefits obligations

(a) The Company makes contribution towards provident fund, in substance a defined contribution retirement benefit plan and towards pension fund, superannuation fund, a defined contribution retirement plan for qualifying employees. The provident fund is administered by the Trustees of the Tata Chemicals Limited Provident Fund and the superannuation fund is administered by the Trustees of the Tata Chemicals Limited Superannuation Fund. The Company is liable to pay to the provident fund to the extent of the amount contributed and any shortfall in the fund assets based on Government specified minimum rates of return relating to current services. The Company recognises such contribution and shortfall if any as an expense in the year incurred.

On account of the above contribution plans, a sum of ₹ 14.62 crore (2017: ₹ 15.00 crore) has been charged to the Statement of Profit and Loss.

(b) The Company makes annual contributions to the Tata Chemicals Employees' Gratuity Trust and to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, for funding the defined benefit plans for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement or death while in employment or on termination of employment. Employees, upon completion of the vesting period, are entitled to a benefit equivalent to either half month, three fourth month and full month salary last drawn for each completed year of service depending upon the completed years of continuous service in case of retirement or death while in employment. In case of termination, the benefit is equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. Vesting occurs upon completion of five years of continuous service.

The Company also provides post retirement medical benefits to eligible employees under which employees at Mithapur who have retired from service of the Company are entitled for free medical facility at the Company hospital during their lifetime. Other employees are entitled to domiciliary treatment exceeding the entitled limits for the treatments covered under the Health Insurance Scheme upto slabs defined in the scheme. The floater mediclaim policy also covers retired employees based on eligibility, for such benefit.

The Company provides pension, housing / house rent allowance and medical benefits to retired Managing and Executive Directors who have completed ten years of continuous service in Tata Group and three years of continuous service as Managing Director/ Executive Director or five years of continuous service as Managing Director/Executive Director. The directors are entitled upto seventy five percent of last drawn salary for life and on death 50% of the pension is payable to the spouse for the rest of his/her life.

Family benefit scheme is applicable to all permanent employees in management, officers and workmen who have completed one year of continuous service. In case of untimely death of the employee, nominated beneficiary is entitled to an amount equal to the last drawn salary (Basic Salary, DA and FDA) till the normal retirement date of the deceased employee.

The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at 31 March, 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The following tables set out the funded status and amounts recognised in the Company's financial statements as at 31 March, 2018 for the Defined Benefit Plans.

1. Changes in the defined benefit obligation:

₹ in crore

Particulars	As at 31 March, 2018				As at 31 March, 2017			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
At the beginning of the year	95.20	84.14	42.63	17.48	87.78	42.88	31.86	15.48
Current service cost	5.65	4.20	0.44	1.81	5.09	1.90	0.29	1.61
Past service cost	1.19	-	-	-	-	-	-	-
Interest cost	6.16	5.71	2.83	1.15	6.41	3.30	2.42	1.17
Remeasurement (gain)/loss								
Actuarial (gain) / loss arising from:								
- Change in financial assumptions	(5.30)	(11.51)	(4.78)	(0.82)	6.70	34.26	7.97	1.08
- Experience adjustments	6.46	(9.80)	(0.54)	(4.32)	(2.45)	2.99	1.33	(0.93)
Transfer out *	(17.22)	(6.27)	-	(0.62)	-	-	-	-
Benefits paid	(10.10)	(1.27)	(1.18)	(1.10)	(8.33)	(1.19)	(1.24)	(0.93)
	82.04	**65.20**	**39.40**	**13.58**	**95.20**	**84.14**	**42.63**	**17.48**
Pertaining to discontinued operation	(8.75)	-	-	(1.26)	(16.95)	-	-	(2.73)
At the end of the year	**73.29**	**65.20**	**39.40**	**12.32**	**78.25**	**84.14**	**42.63**	**14.75**

* Pertaining to urea and customised fertilisers business.

2. Changes in the fair value of plan assets:

₹ in crore

Particulars	As at 31 March 2018				As at 31 March 2017			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
At the beginning of the year	94.07	-	-	-	84.73	-	-	-
Interest on plan assets	6.14	-	-	-	6.29	-	-	-
Employer's contributions	11.19	-	-	-	10.17	-	-	-
Remeasurement gain/(loss)								
Annual return on plan assets less interest on plan assets	2.68	-	-	-	1.21	-	-	-
Benefits paid	(10.10)	-	-	-	(8.33)	-	-	-
Transfer out *	(16.15)	-	-	-	-	-	-	-
	87.83	**-**	**-**	**-**	**94.07**	**-**	**-**	**-**
Pertaining to discontinued operations (note 31)	(7.10)	-	-	-	(16.48)	-	-	-
Value of plan assets at the end of the year	**80.73**	**-**	**-**	**-**	**77.59**	**-**	**-**	**-**
Impact of asset ceiling	(0.37)	-	-	-	-	-	-	-
Liability (net)	**(7.07)**	**65.20**	**39.40**	**12.32**	**0.66**	**84.14**	**42.63**	**14.75**

* Pertaining to urea and customised fertilisers business

3. Net employee benefit expense for the year:

₹ in crore

Particulars	Year ended 31 March, 2018				Year ended 31 March, 2017			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Current service cost	5.65	4.20	0.44	1.81	5.09	1.90	0.29	1.61
Past service cost	1.19	-	-	-	-	-	-	-
Interest on defined benefit obligation (net)	0.02	5.71	2.83	1.15	0.12	3.30	2.42	1.17
Pertaining to discontinued operations	(1.03)	-	-	-	(1.02)	-	-	(0.28)
Components of defined benefits costs recognised in the Statement of Profit and Loss	**5.83**	**9.91**	**3.27**	**2.96**	**4.19**	**5.20**	**2.71**	**2.50**
Remeasurement								
Actuarial (gain) / loss arising from:								
- Change in financial assumptions	(5.30)	(11.51)	(4.78)	(0.82)	6.70	34.26	7.97	1.08
- Experience changes	6.46	(9.80)	(0.54)	(4.32)	(2.45)	2.99	1.33	(0.93)
Impact of asset ceiling	0.37	-	-	-	-	-	-	-
Return on plan assets less interest on plan assets	(2.68)	-	-	-	(1.21)	-	-	-
Components of defined benefits costs recognised in other comprehensive income	**(1.15)**	**(21.31)**	**(5.32)**	**(5.14)**	**3.04**	**37.25**	**9.30**	**0.15**
Net employee benefit expense	**4.68**	**(11.40)**	**(2.05)**	**(2.18)**	**7.23**	**42.45**	**12.01**	**2.65**

4 **Categories of the fair value of total plan assets :**

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
	Gratuity	Gratuity
Government of India Securities (Quoted)	8.27	14.45
Corporate Bonds (Quoted)	5.30	6.47
Fund Managed by Life Insurance Corporation of India (Unquoted)	73.94	72.57
Others	0.32	0.58
Total	**87.83**	**94.07**

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study.

5 **Risk Exposure :**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Investment risk	If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher, than expected.
Changes in bond yields	A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Longevity risk	If improvements in life expectancy are greater than assumed, the cost of benefits will increase because pensions are paid for longer than expected. This will mean the funding level will be higher than expected.
Inflation risk	If inflation is greater than assumed, the cost of benefits will increase as pension increases and deferred revaluations are linked to inflation.

6 **Assumptions used in accounting for gratuity, post retirement medical benefits, directors' retirement obligations and family benefit scheme:**

Particulars		Gratuity and Compensated absences	Post retirement medical benefits	Directors' retirement obligations	Family Benefit Scheme
Discount rate	As at 31 March, 2018	7.75%	7.75%	7.75%	7.75%
	As at 31 March, 2017	6.85%	6.85%	6.85%	6.85%
Increase in Compensation cost	As at 31 March, 2018	7.50%	NA	7.50%	7.50%
	As at 31 March, 2017	7.50%	NA	7.50%	7.50%
Healthcare cost increase rate	As at 31 March, 2018	NA	10.00%	8.00%	NA
	As at 31 March, 2017	NA	10.00%	8.00%	NA
Pension increase rate	As at 31 March, 2018	NA	NA	6.00%	NA
	As at 31 March, 2017	NA	NA	6.00%	NA

(a) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(b) The estimates of future salary increases, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors.

7 Sensitivity Analysis

Impact on defined benefit obligation due to change in assumptions

₹ in crore

Particulars	As at 31 March 2018									
	Gratuity		Post retirement medical benefits		Directors' retirement obligations		Directors' post retirement medical benefits		Family benefit scheme	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate										
0.5% change	(2.70)	2.85	(5.33)	6.05	(1.94)	2.15	(0.38)	0.42	(0.42)	0.43
Compensation rate										
0.5% change	2.90	(2.72)	-	-	-	-	-	-	-	-
Pension rate										
1% change	-	-	-	-	3.29	(2.86)	-	-	-	-
Healthcare costs										
1% change	-	-	12.53	(9.93)	-	-	0.88	(0.72)	-	-
Life expectancy										
Change by 1 year	-	-	3.81	(3.78)	1.01	(1.02)	0.19	(0.19)	-	-

Particulars	As at 31 March 2017									
	Gratuity		Post retirement medical benefits		Directors' retirement obligations		Directors' post retirement medical benefits		Family benefit scheme	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate										
0.5% change	(2.97)	3.18	(7.82)	8.98	(2.25)	2.51	(0.46)	0.52	(0.49)	0.53
Compensation rate										
0.5% change	3.11	(2.94)	-	-	-	-	-	-	-	-
Pension rate										
1% change	-	-	-	-	3.83	(3.30)	-	-	-	-
Healthcare costs										
1% change	-	-	18.50	(14.40)	-	-	1.08	(0.87)	-	-
Life expectancy										
Change by 1 year	-	-	5.09	(5.01)	1.15	(1.16)	0.22	(0.23)	-	-

The sensitivity analysis above has been determined based on reasonably possible changes of the respective key assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

8 Maturity profile of defined benefit obligation is as follows:

₹ in crore

Particulars	As at 31 March, 2018				As at 31 March, 2017			
	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme	Gratuity	Post retirement medical benefits	Directors' retirement obligations	Family benefit scheme
Within the next 12 months (next annual reporting period)	14.27	1.42	2.63	1.25	10.51	1.29	2.52	1.30
Later than 1 year and not later than 5 years	34.93	7.78	9.03	5.72	36.01	7.11	8.74	6.62
Later than 5 year and not later than 9 years	30.07	11.95	9.75	5.23	35.76	11.44	9.56	6.80
10 years and above	82.71	400.15	128.44	13.12	103.71	481.24	126.21	16.58
Total expected payments	**161.98**	**421.30**	**149.84**	**25.33**	**185.99**	**501.08**	**147.03**	**31.30**
Weighted average duration to the payment of cash flows (in Year)	6.83	17.39	12.96	6.31	7.85	19.89	14.16	6.90

9 The details of the Company's post-retirement and other benefit plans for its employees given above are certified by the actuary and relied upon by the Auditors.

10 Average longevity at retirement age for current beneficiaries of the plan (years)*

Particulars	As at 31 March, 2018	As at 31 March, 2017
Males	17.51	17.51
Females	22.02	22.02

* Based on India's standard mortality table with modification to reflect expected changes in mortality.

(c) Provident Fund

The Company operates Provident Fund Schemes and the contributions are made to recognised funds maintained by the Company. The Company is required to offer a defined benefit interest rate guarantee on provident fund balances of employees. The interest rate guarantee is payable to the employees for the year when the exempt fund declares a return on provident fund investments which is less than the rate declared by the Regional Provident Fund Commissioner (RPFC) on the provident fund corpus for their own subscribers. The Actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no material shortfall as on 31 March, 2018.

The details of fund and plan assets position are given below:

₹ in crore

Particulars	As at 31 March, 2018
Plan assets at the end of the year	365.31
Present value of funded obligation	365.31
Amount recognised in the Balance Sheet	-

Assumptions used in determining present value of obligation of interest rate guarantee under a deterministic approach:	
Guaranteed rate of return	8.55%
Discount rate for remaining term to maturity of investments	7.65%
Discount rate	7.75%
Expected rate of return on investments	8.38%

35. Segment information

35.1 Continuing operations

₹ in crore

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
(a)	**Information about operating segments**		
1.	**Segment revenue (Revenue from operations)**		
(i)	Inorganic chemicals	3,376.83	3,459.80
(ii)	Others	146.07	374.83
		3,522.90	3,834.63
	Unallocated	1.27	2.41
		3,524.17	**3,837.04**
2.	**Segment result (Reconciliation with profit from continuing operations)**		
(i)	Inorganic chemicals	996.28	983.03
(ii)	Others	(43.75)	(86.25)
	Total Segment results	**952.53**	**896.78**
	Unallocated expenditure net of unallocated income	37.57	8.21
	Finance costs	(86.51)	(100.98)
	Profit before tax	**903.59**	**804.01**
	Tax expense	(279.12)	(224.77)
	Profit for the year from continuing operations	**624.47**	**579.24**

3. Segment assets and segment liabilities

₹ in crore

Particulars		Segment assets		Segment liabilities	
		As at 31 March, 2018	As at 31 March, 2017	As at 31 March, 2018	As at 31 March, 2017
(i)	Inorganic chemicals	1,943.86	1,868.31	600.78	534.47
(ii)	Others	189.74	144.73	51.86	42.78
		2,133.60	**2,013.04**	**652.64**	**577.25**
	Unallocated	10,955.07	8,000.90	1,647.63	2,530.56
		13,088.67	**10,013.94**	**2,300.27**	**3,107.81**

4. Other information

₹ in crore

Particulars		Addition to non-current assets *		Depreciation and amortisation		Other non-cash expenses	
		Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017	Year ended 31 March, 2018	Year ended 31 March, 2017
(i)	Inorganic chemicals	236.15	192.67	107.87	111.00	2.73	19.76
(ii)	Others	24.14	6.49	3.30	3.13	3.62	1.12
		260.29	**199.16**	**111.17**	**114.13**	**6.35**	**20.88**
	Unallocated	27.31	11.37	15.38	15.47	16.56	8.89
		287.60	**210.53**	**126.55**	**129.60**	**22.91**	**29.77**

* Comprises additions to Property, plant and equipment, Capital work-in-progress, Intangible assets and Intangible assets under development.

(b) Information about geographical areas

The Company sells its products mainly within India where the conditions prevailing are uniform. Since the sales outside India are below threshold limit, no separate geographical segment disclosure is considered necessary.

All non-current assets in the nature of property, plant and equipment (including capital work in progress) and intangible assets (including those under development) are domiciled in india.

(c) Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
(i) Soda Ash	1,415.48	1,549.27
(ii) Vaccum and Iodised Salt	1,275.47	1,236.46
(iii) Others	833.22	1,051.31
	3,524.17	**3,837.04**

(d) Major Customer

No single customers contributed 10% or more to the Company's revenue for the year ended 31 March, 2018 and 31 March, 2017.

(e) Other notes

(i) Management has identified one reportable business segments, namely:

- Inorganic Chemicals: Comprising soda ash, marine chemicals, caustic soda, cement, bulk chemicals and salt.
- Others: Comprising pulses, spices, water purifiers and nutritional solutions.

(ii) Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

35.2 Segment information

Discontinued operations (note 31)

(a) Information about operating segment

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Revenue from operations (external)	4,086.91	4,616.80
Result :		
Segment result	1,715.12	361.27
Finance costs	(63.41)	(175.68)
Profit before tax	**1,651.71**	**185.59**
Tax expenses	(509.22)	(72.12)
Profit from discontinued operations after tax	**1,142.49**	**113.47**

Other information :

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Segment assets	1,085.69	2,785.42
Segment liabilities	549.95	836.10

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Addition to non-current assets *	10.58	25.52
Depreciation and amortisation	12.58	40.28
Other non-cash expenses	103.20	18.58

* Comprises additions to Property, plant and equipment, Capital work-in-progress and Intangible assets.

(b) Information about geographical area

Discontinued operations sells its products within India where the conditions prevailing are uniform.

(c) Revenue from major products

Discontinued operations segment deals in one product group i.e fertilisers and other agri inputs.

(d) Major Customer

No single customers contributed 10% or more to the discontinued operations of the Company's revenue for the year ended 31 March, 2018 and 31 March, 2017.

35.3 Reconciliation of information on reportable segment to Balance sheet and Statement of Profit and Loss

(a) Reconciliation of profit for the year as per Statement of Profit and Loss

₹ in crore

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Profit for the year from continuing operations (note 35.1 (a) (2))	624.47	579.24
Profit for the year from discontinued operations (note 35.2 (a))	1,142.49	113.47
Profit for the year as per Statement of Profit and Loss	**1,766.96**	**692.71**

(b) Reconciliation of total assets as per Balance sheet

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Total assets as per continuing operations (note 35.1 (a) (3))	13,088.67	10,013.94
Total assets as per discontinued operations (note 35.2 (a))	1,085.69	2,785.42
Total assets as per Balance sheet	**14,174.36**	**12,799.36**

(c) Reconciliation of total liabilities as per Balance sheet

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Total liabilities as per continuing operations (note 35.1 (a) (3))	2,300.27	3,107.81
Total liabilities as per discontinued operations (note 35.2 (a))	549.95	836.10
Total liabilities as per Balance sheet	**2,850.22**	**3,943.91**

36. Derivative financial instruments

(a) The details of the various outstanding derivative financial instruments are given below:

₹ in crore

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Assets	Liabilities	Assets	Liabilities
Current portion				
- Forward contracts	0.76	0.13	-	20.72
- Cross-currency interest rate swaps	8.01	-	6.32	-
- Option contracts	0.08	-		
Total current portion	**8.85**	**0.13**	**6.32**	**20.72**
Non-current portion				
Derivatives not designated in a hedge relationship				
- Cross-currency interest rate swaps	4.87	-	0.38	1.35
Total non-current portion	**4.87**	**-**	**0.38**	**1.35**
Total	**13.72**	**0.13**	**6.70**	**22.07**

Although these contracts are effective as hedges from an economic perspective, these are not designated for hedge accounting.

(b) **The details of the gross notional amounts of derivative financial instruments outstanding are given in the table below:**

Derivative instruments	Underlying	As at 31 March, 2018	As at 31 March, 2017
Forward contracts	USD/INR	$ 17.6 million	$ 89.7 million
Forward contracts	EUR/INR	€ 1.8 million	€ 0.4 million
Forward contracts	CHF/INR	-	CHF 0.7 million
Option contracts	USD/INR	$ 0.9 million	-
Cross-currency interest rate swaps	USD/INR and floating to fixed	$ 126.7 million	$ 190 million

37. Disclosures on financial instruments

(a) Financial instruments by category

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 March 2018.

₹ in crore

Particulars		Investments - FVTOCI	Investments - FVTPL	Derivatives	Amortised cost	Total carrying value
Financial assets						
(a)	Investments - non-current					
	Equity instrument at fair value	2,366.61	-	-	-	2,366.61
	Debt instrument at fair value	-	977.63	-	-	977.63
(b)	Trade receivables	-	-	-	140.36	140.36
(c)	Cash and cash equivalents	-	-	-	3,303.29	3,303.29
(d)	Other bank balances	-	-	-	465.63	465.63
(e)	Loans - non-current	-	-	-	1.38	1.38
(f)	Loans - current	-	-	-	0.51	0.51
(g)	Other financial assets - non-current	-	-	4.87	0.26	5.13
(h)	Other financial assets - current	-	-	8.85	62.80	71.65
Total		**2,366.61**	**977.63**	**13.72**	**3,974.23**	**7,332.19**
Financial liabilities						
(a)	Borrowings - non-current			-	681.07	681.07
(b)	Borrowings - current			-	0.61	0.61
(c)	Trade payables			-	425.43	425.43
(d)	Other financial liabilities - non-current			-	0.29	0.29
(e)	Other financial liabilities - current			0.13	640.53	640.66
Total				**0.13**	**1,747.93**	**1,748.06**

Integrated Report

Statutory Reports

Financial Statements

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 March, 2017.

₹ in crore

Particulars		Investments - FVTOCI	Investments - FVTPL	Derivatives	Amortised cost	Total carrying value
Financial assets						
(a)	Investments - non-current					
	Equity instrument at fair value	2,230.69	-	-	-	2,230.69
	Debt instrument at fair value	-	972.75	-	-	972.75
(b)	Trade receivables	-	-	-	1,031.69	1,031.69
(c)	Cash and cash equivalents	-	-	-	1,097.38	1,097.38
(d)	Other bank balances	-	-	-	14.70	14.70
(e)	Loans - non-current	-	-	-	1.10	1.10
(f)	Loans - current	-	-	-	0.67	0.67
(g)	Other financial assets - non-current	-	-	0.38	0.26	0.64
(h)	Other financial assets - current	-	-	6.32	42.06	48.38
Total		**2,230.69**	**972.75**	**6.70**	**2,187.86**	**5,398.00**
Financial liabilities						
(a)	Borrowings - non-current			-	1,087.93	1,087.93
(b)	Borrowings - current			-	522.50	522.50
(c)	Trade payables			-	511.73	511.73
(d)	Other financial liabilities - non-current			1.35	0.35	1.70
(e)	Other financial liabilities - current			20.72	635.57	656.29
Total				**22.07**	**2,758.08**	**2,780.15**

(b) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following tables provides the fair value measurement hierarchy of the Company's financials assets and liabilities that are measured at fair value or where fair value disclosure is required.

₹ in crore

Particulars	As at 31 March, 2018 Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	12.88	-	12.88	-
Options	0.08	-	0.08	-
Foreign exchange forward contracts	0.76	-	0.76	-
FVTOCI financial investments				
Quoted equity instruments	1,718.84	1,718.84	-	-
Unquoted equity instruments	647.77	-	-	647.77
FVTPL financial investments				
Unquoted debt instruments	977.63	-	-	977.63
Liabilities measured at fair value:				
Derivative financial liabilities				
Foreign exchange forward contracts	0.13	-	0.13	-
Liabilities for which fair values are disclosed				
Borrowings:				
Unsecured Non-convertible debentures	256.32	256.32	-	-

There have been no transfers between levels during the period.

₹ in crore

Particulars	As at 31 March, 2017 Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative financial assets				
Cross currency interest rate swaps	6.70	-	6.70	-
FVTOCI financial investments				
Quoted equity instruments	1,653.97	1,653.97	-	-
Unquoted equity instruments	576.72	-	-	576.72
FVTPL financial investments				
Unquoted debt instruments	972.75	-	-	972.75
Liabilities measured at fair value:				
Derivative financial liabilities				
Coupon only swaps	1.35	-	1.35	-
Foreign exchange forward contracts	20.72	-	20.72	-
Liabilities for which fair values are disclosed :				
Borrowings:				
Unsecured Non-convertible debentures	262.90	262.90	-	-

There have been no transfers between levels during the period.

(c) The following tables shows a reconciliation from the opening balance to the closing balance for level 3 fair values.

₹ in crore

Particulars	Total	FVTOCI financial investments	FVTPL financial investments- Equity	FVTPL financial investments- Debt
Balance as at 1 April 2016	1,552.37	555.65	2.89	993.83
Addition / (Deletion) during the year	(2.89)	-	(2.89)	-
Add / (less): fair value through Other comprehensive income	21.07	21.07	-	-
Add / (less): Foreign currency translation adjustment	(21.08)	-	-	(21.08)
Balance as at 31 March, 2017	**1,549.47**	**576.72**	**-**	**972.75**
Add / (less): fair value through Other comprehensive income	71.05	71.05	-	-
Add / (less): Foreign currency translation adjustment	4.88	-	-	4.88
Balance as at 31 March, 2018	**1,625.40**	**647.77**	**-**	**977.63**

(d) Valuation technique to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

(i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. The Investments measured at fair value and falling under fair value hierarchy Level 3 are valued on the basis of valuation reports provided by external valuers with the exception of certain investments, where cost has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair values within that range.

(iii) The Company enters into derivative financial instruments with various counterparties, principally banks. The fair value of derivative financial instruments is based on observable market inputs including currency spot and forward rate, yield curves, currency volatility, credit quality of counterparties, interest rate and forward rate curves of the underlying insturments etc. and use of appropriate valuation models.

(iv) The fair value of non-current Borrowings carrying floating-rate of interest is not impacted due to interest rate changes, and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).

(v) The fair values of the 10% unsecured redeemable non-convertible debenture (included in non-current borrowings) are derived from quoted market prices. The Company has no other long-term borrowings with fixed-rate of interest.

(e) Financial risk management objectives

The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. The Company's senior management which is supported by a Treasury Risk Management Group ('TRMG') manages these risks. TRMG advises on financial risks and the appropriate financial risk governance framework for the Company and provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

All hedging activities are carried out by specialist teams that have the appropriate skills, experience and supervision. The Company's policy is not to trade in derivatives for speculative purposes.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

Foreign currency risk management

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set a policy wherein exposure is identified, a benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. The policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and foreign currency borrowings, primarily with respect to USD.

As at the end of the reporting period , the carrying amounts of the Company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
USD exposure*		
Assets	1,010.83	1,007.76
Liabilities	(863.83)	(1,787.56)
Net	**147.00**	**(779.81)**
Derivatives to hedge USD exposure		
Forward contracts - (USD/ INR)	115.03	499.30
Option contracts - (USD/ INR)	6.04	-
Cross currency swaps - (USD/ INR)	825.96	1,232.15
	947.03	**1,731.45**
Net exposure	**1,094.03**	**951.65**

* includes exposure relating to discontinued operation.

The Company's exposure to foreign currency changes for all other currencies is not material.

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
If INR had (strengthened) / weakened against USD by 5% (Decrease) / increase in profit for the year	54.70	47.58

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's non-current debt obligations with floating interest rates.

The Company's policy is generally to undertake non-current borrowings using facilities that carry floating-interest rate. The Company manages its interest rate risk by entering into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

Moreover, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure.

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates.

As at the end of reporting period, the Company had the following long term variable interest rate borrowings and derivatives to hedge the interest rate risk as follows:

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Non-current variable interest rate borrowings	825.96	1,232.15
Derivatives to hedge interest rate risk		
Cross currency swaps	825.96	1,232.15
Total	**825.96**	**1,232.15**
Net exposure	-	-

Interest rate sensitivity

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's results arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Equity price risk management

Equity price risk is related to the change in market price of the investments in quoted equity securities. The Company's exposure to equity price risk arises from investment held by the Company and classified as FVTOCI. In general, these investments are strategic investments and are not held for trading purposes. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis.

Equity price sensitivity analysis

If prices of quoted equity securities had been 5% higher / (lower), the OCI for the year ended March 31, 2018 and 2017 would increase / (decrease) by ₹ 85.94 crore and ₹ 82.70 crore respectively.

Credit risk management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade receivables and from its financing activities, including deposits with banks and financial institutions, investment in mutual funds, foreign exchange transactions and other financial instruments.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term deposits with banks, short term investment, trade receivables and other financial assets excluding equity investments.

Trade receivables

Trade receivables of the Company are typically unsecured and derived from sales made to a large number of independent customers. Customer credit risk is managed by each business unit subject to established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. The credit period provided by the Company to its customers generally ranges from 0-60 days. Outstanding customer receivables are reviewed periodically.

The credit risk related to the trade receivables is mitigated by taking security deposits / bank guarantee / letter of credit - as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

There is no substantial concentration of credit risk as the revenue and trade receivables from any of the single customer do not exceed 10% of Company revenue.

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Financial guarantees

Financial guarantees disclosed in note 41.1(b) have been provided as corporate guarantees to financial institutions and banks that have extended credit facilities to the Company's subsidiaries. In this regard, the Company does not foresee any significant credit risk exposure.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The below table analyses the Company's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

₹ in crore

Particulars	Carrying amount	Up-to 1 year	1-3 years	3-5 years	Above 5 years	Total
As at 31 March, 2018						
Borrowings and future interest thereon	1,097.13	444.39	677.78	-	-	1,122.17
Trade and other payables	650.80	650.51	0.29	-	-	650.80
Total	**1,747.93**	**1,094.90**	**678.07**	**-**	**-**	**1,772.97**
As at 31 March, 2017						
Borrowings and future interest thereon	2,047.98	1,020.61	1,147.66	-	-	2,168.27
Trade and other payables	717.46	717.11	0.35	-	-	717.46
Total	**2,765.44**	**1,737.72**	**1,148.01**	**-**	**-**	**2,885.73**

The below table analyses the Company's derivative financial liabilities into relevant maturity groupings based on the remaining period (as at the reporting date) to the contractual maturity date.

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Current portion	0.13	20.72
Non-current portion (within one-three years)	-	1.35
Net	**0.13**	**22.07**

All the derivative financial liabilities are included in the above analysis, as their contractual maturity dates are essential for the understanding of the timing of the under-lying cash flows.

38. Capital management

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

39. Related Party Disclosure

(a) Related parties and their relationship (as defined under Ind AS-24 Related Party Disclosures)

Subsidiaries

Direct

Rallis India Limited, India

Bio Energy Venture - 1 (Mauritius) Pvt. Ltd, Mauritius (note 7)

Encourage Social Enterprise Foundation

Indirect

Rallis Chemistry Exports Limited, India

Metahelix Life Sciences Limited, India

Zero Waste Agro Organics Limited (ZWAOL), India

PT Metahelix Lifesciences Indonesia (PTLI), Indonesia @

Valley Holdings Inc., United States of America

Tata Chemicals North America Inc., United States of America

General Chemical International Inc., United States of America

NHO Canada Holdings Inc., United States of America

Tata Chemicals (Soda Ash) Partners (TCSAP), United States of America **

Tata Chemicals (Soda Ash) Partners Holdings (TCSAPH), United States of America **

TCSAP Holdings

TCSAP LLC, United States of America

Homefield Pvt UK Limited, United Kingdom

Homefield 2 UK Limited, United Kingdom

Tata Chemicals Africa Holdings Limited, United Kingdom

Tata Chemicals Europe Holdings Limited, United Kingdom

Tata Chemicals Europe Limited, United Kingdom

Winnington CHP Limited, United Kingdom

Brunner Mond Group Limited, United Kingdom

Brunner Mond Limited , United Kingdom ##

Tata Chemicals Magadi Limited, United Kingdom

Northwich Resource Management Limited, United Kingdom

Brunner Mond Generation Company Limited , United Kingdom*

Gusiute Holdings (UK) Limited, United Kingdom

TCNA (UK) Limited, United Kingdom

British Salt Limited, United Kingdom

Cheshire Salt Holdings Limited, United Kingdom

Cheshire Salt Limited, United Kingdom

Brinefield Storage Limited, United Kingdom

Cheshire Cavity Storage 2 Limited, United Kingdom

Cheshire Compressor Limited, United Kingdom

Irish Feeds Limited, United Kingdom

New Cheshire Salt Works Limited, United Kingdom

Tata Chemicals International Pte. Limited, Singapore

Tata Chemicals (South Africa) Proprietary Limited, South Africa

Magadi Railway Company Limited, Kenya

Alcad, United States of America **

Grown Energy Zambeze Holdings Pvt. Ltd, Mauritius (ceased w.e.f 28 June, 2017)

Grown Energy (Pty) Limited, South Africa (ceased w.e.f 28 June, 2017)

Grown Energy Zambeze Limitada, Mozambique (ceased w.e.f 28 June, 2017)

Joint Ventures

Direct

Indo Maroc Phosphore S.A., Morocco

Indirect

The Block Salt Company Limited, United Kingdom (Holding by New Cheshire Salt Works Limited)

JOil (S) Pte. Ltd and its subsidiaries (Holding by Tata Chemicals International Pte. Limited)

Natronx Technologies LLC, United States of America (Holding by TCSAP)

Other related parties

Tata Chemicals Ltd Provident Fund

Tata Chemicals Ltd Emp Pension Fund

Tata Chemicals Superannuation Fund

Tata Chemicals Employees Gratuity Trust

TCL Employees Gratuity Fund

Key Management Personnel

Mr. R. Mukundan, Managing Director and CEO

Promoter Group

Tata Sons Limited, India

List of subsidiaries and joint ventures of Tata Sons Limited @@

TATA AIG General Insurance Company Limited

Tata Autocomp Systems Limited

Tata Capital Forex Limited (ceased w.e.f 30 October, 2017)

Tata Capital Financial Services Limited

TC Travel and Services Limited (ceased w.e.f 30 October, 2017)

Tata International Limited

Tata Consultancy Services Limited

TATA AIA Life Insurance Company Limited

Tata Business Support Services Limited (ceased w.e.f 27 November, 2017)

Tata Consulting Engineers Limited

Infiniti Retail Limited

TASEC Limited (formely TAS-AGT Systems Limited)

Tata Industries Limited

Tata Unistore Limited (formerly Tata Industrial Services Limited)

Tata Teleservices Limited

Ecofirst Services Limited

Tata Realty and Infrastructure Limited

Tata Investment Corporation Limited

Ewart Investments Limited

Simto Investment Company Limited

Tata Autocomp Hendrickson Limited

Tata Advanced System Limited

** a general partnership formed under the laws of the State of Delaware (USA).

@ PT Metahelix Lifesciences Indonesia was incorporated in the year 2016-17.

* Brunner Mond Generation Company Limited (Dissolved with effect from 19 December, 2017)

Brunner Mond Limited (Dissolved with effect from 2 January, 2018)

@@ The above list includes the Companies with whom the Company has entered into the transactions during the course of the year.

(b) Transactions with Related parties (as defined under Ind AS 24) during the year ended 31 March, 2018 and balances outstanding as at 31 March, 2018 and as at 31 March, 2017

Particulars	Subsidiaries of Tata Chemicals Limited										Joint Venture of Tata Chemicals Limited	Promoter	Tata Sons Limited, Its Subsidiaries and Joint Ventures			Other related parties	Key Management Personnel (KMP)	Total
	Rallis India Limited, India	Metahelix	Ncourage Social Enterprise Foundation	Tata Chemicals North America Inc, United States of America	Tata Chemicals Magadi Limited, U.K	Tata Chemicals International Pte. Limited, Singapore	Homefield UK Private Limited, U.K.	Tata Chemicals Europe Limited	British Salt Limited, U.K	Grown Energy Zambeze Limitada, Mozambique	Indo Maroc Phosphore S.A. Morocco	Tata Sons Limited	TC Travel and Services Limited	Tata Consultancy Services Limited	Other Entities			
Transactions with related parties																		
Investments	-	-	**0.05**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.05**
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of goods (includes stock in transit) - (net of returns)	**0.08**	**(3.12)**	-	**64.44**	**11.23**	**176.61**	-	-	**0.75**	-	**290.77**	-	-	-	-	-	-	**540.76**
	14.43	22.36	-	10.74	12.96	46.35	-	-	0.43	-	310.73	-	-	-	2.04	-	-	420.04
Sales (net)	**6.41**	-	-	-	-	**0.08**	-	-	-	-	-	-	-	-	-	-	-	**6.49**
	5.74	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.76
Other services - expenses & Reimbursement of Expenses	-	-	-	**(1.29)**	**(0.94)**	**(0.04)**	-	**(1.69)**	-	-	**1.71**	**19.90**	**5.21**	**11.93**	**4.67**	-	-	**39.46**
	-	-	-	(1.29)	(1.96)	(0.11)	-	(2.32)	-	-	2.95	25.43	7.56	7.85	5.79	-	-	43.90
Other services - Income	*	*	-	-	**1.90**	**5.59**	**4.00**	**0.11**	-	-	-	**0.07**	-	-	**0.22**	-	-	**11.89**
	-	-	-	-	1.96	8.25	3.77	0.11	-	-	-	0.22	-	0.04	0.10	-	-	14.45
Dividend received	**36.50**	-	-	-	-	-	-	-	-	-	**9.82**	**8.19**	-	-	**0.86**	-	-	**55.37**
	24.34	-	-	-	-	-	-	-	-	-	21.02	-	-	-	0.72	-	-	46.08
Deposit Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	-	0.02
Miscellaneous purchases/Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.69**	-	-	**0.69**
	-	-	-	-	-	-	-	-	-	-	-	1.63	-	-	0.02	-	-	1.65
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	**54.24**	-	-	**18.88**	-	-	**73.12**
	-	-	-	-	-	-	-	-	-	-	-	49.31	-	-	17.52	-	-	66.83
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**0.40**	-	-	**0.40**
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.40	-	-	0.40
Contributions to employee benefit trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**37.81**	-	**37.81**
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40.36	-	40.36
Compensation to key Managerial Person																		
Short-term employee benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**5.84**	**5.84**
	-	-		-	-	-	-	-	-	-	-		-	-	-	-	5.15	5.15
Post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**(0.82)**	**(0.82)**
	-	-		-	-	-	-	-	-	-	-		-	-	-	-	3.98	3.98
Balances due from /to related parties																		
Amount receivables/advances																		
As at 31 March, 2018	**0.19**	-	-	-	-	**0.04**	-	-	-	-	-	-	-	-	**0.64**	**23.31**	-	**24.18**
As at 31 March, 2017	-	-	-	-	-	-	-	-	0.05	1.20	0.54	-	-	-	0.71	0.01	-	2.51
Amount payables (in respect of goods purchased and other services)																		
As at 31 March, 2018	*	-	-	**28.15**	**0.96**	**119.03**	-	*	**0.10**	-	**0.52**	**0.10**	-	**0.46**	**0.58**	**2.49**	-	**152.39**
As at 31 March, 2017	0.40	0.73	-	-	1.65	26.75	-	-	0.24	-	35.47	23.47	0.28	0.26	0.43	2.88	-	92.56
Amount receivable on account of any management contracts																		
As at 31 March, 2018	*	*	-	**0.33**	**0.82**	**3.64**	**29.53**	**0.52**	-	-	-	**0.07**	-	-	**0.06**	-	-	**34.97**
As at 31 March, 2017	-	-	-	0.54	2.60	4.15	23.90	6.48	-	-	0.11	-	-	-	0.08	-	-	37.86

Footnotes:

1. For Investment in related parties as at 31 March 2018 refer Note 7
2. For Guarantee to third parties on behalf of subsidiaries in related parties as at 31 March 2018 refer 41.1.(b)
3. The above figures do not include provision for Compensated absences and contribution to gratuity fund, as separate figures are not available for the Directors.
4. * value below ₹ 50,000.

The figures in light print are for previous year

40. Commitments

₹ in crore

Particulars	As at 31 March, 2018	As at 31 March, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for	167.81	88.06
Commitment towards partly paid investment	9.19	-

The above commitments include ₹ 1.01 crore (2017: ₹ 1.88 crore) relating to discontinued operations.

41. Contingent liabilities and assets

41.1 Contingent liabilities

(a) Claims not acknowledged by the Company relating to cases contested by the Company and which, in the opinion of the Management, are not likely to devolve on the Company relating to the following areas:

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
(i)	Excise, Customs and Service Tax	42.43	27.70
(ii)	Sales Tax	37.97	36.93
(iii)	Demand for utility charges	14.47	11.02
(iv)	Labour and other claims against the Company not acknowledged as debt	23.08	22.05
(v)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	451.20	274.53
(vi)	Income Tax (decided in Company's favor by Appellate authorities and Department is in further appeal)	47.15	47.15
(vii)	Contractual obligation upto	100.11	-

Item (i) to (vii)) above includes ₹ 136.65 crore (upto) (2017: ₹45.37 crore) relating to discontinued operations.

(b) Guarantees provided by the Company to third parties on behalf of subsidiaries aggregates USD 124.80 million & GBP 2.76 million (₹ 838.82 crore) (2017: USD 408.40 million & GBP 2.76 million (₹ 2,670.77 crore)).

41.2 Contingent assets

₹ in crore

Particulars		As at 31 March, 2018	As at 31 March, 2017
(i)	Income Tax (pending before Appellate authorities in respect of which the Company is in appeal)	87.02	87.02
(ii)	Legal cases	-	0.24

42. Approval of financial statements

The financial statements were approved for issue by the board of directors on 18 May, 2018.

Signatures to notes forming part of the financial statements 1 - 42

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W - 100022

Vijay Mathur
Partner
Membership No. 046476
Mumbai, 18 May, 2018

John Mulhall Chief Financial Officer
Rajiv Chandan General Counsel & Company Secretary

For and on behalf of the Board

Bhaskar Bhat Director
Nasser Munjee Director
Dr. Y. S. P. Thorat Director
Vibha Paul Rishi Director
S. Padmanabhan Director
Padmini Khare Kaicker Director
R. Mukundan Managing Director and CEO
Zarir Langrana Executive Director