

ENRICHING AGRICULTURE
ENRICHING NATION

74TH

वार्षिक रिपोर्ट
ANNUAL
REPORT
— 2017-2018 —



प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS

दि फर्टिलाइजर्स एण्ड केमिकल्स ट्रावन्कोर लिमिटेड
(भारत सरकार का उद्यम)

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Enterprise)



FACT bagged first prize (C Region) for the best performance in the implementation of official language during the year 2017-18. Shri. Manoj Mishra, C & M D receives the Golden Shield.

BOARD OF DIRECTORS



Shri Manoj Mishra
Chairman & Managing Director



Shri U Saravanan
Director (Technical)



Shri D Nandakumar
Director (Marketing)



Shri Sanjai Maheshwari
Director (Finance)



Ms Alka Tiwari
Govt. Nominee Director



Ms Gurveen Sidhu
Govt. Nominee Director



Shri K P S Nair
Independent Director



Dr S Murali
Independent Director



Dr G Manohar Reddy
Independent Director



Dr. Jyoti Kaushal Sheth
Independent Director



Prof. B Vijayakumar
Independent Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Manoj Mishra, Chairman & Managing Director

Shri U Saravanan, Director (Technical)

Shri D Nandakumar, Director (Marketing)

Shri Sanjai Maheshwari, Director (Finance)

Ms Alka Tiwari, Govt. Nominee Director

Ms Gurveen Sidhu, Govt. Nominee Director

Shri K P S Nair, Independent Director

Dr. S Murali, Independent Director

Dr. Gangidi Manohar Reddy, Independent Director

Dr. Jyoti Kaushal Sheth, Independent Director

Prof. B Vijayakumar, Independent Director

Shri S K Lohani, Chairman & Managing Director (Up to 15.02.2018)

Shri Suresh Warrior, Director (Finance) (Up to 30.11.2017)

CHIEF VIGILANCE OFFICER

Shri T R Shaji

CHIEF GENERAL MANAGERS

Smt I S Ambika (Training & Development)

Shri N Ramakrishnan (Production Co-ordination)

Shri A S KesavanNamboothiri (Udyogamandal Complex)

COMPANY SECRETARY

Shri K V Balakrishnan Nair

AUDITORS

Statutory Auditors
M/s. Babu A Kallivayalil & Co
Chartered Accountants, Kochi

Cost Auditors
M/s. BBS & Associates
Cost Accountants, Kochi

Branch Auditors
Siv Ram & Raj
Chartered Accountants, Chennai
Narotham Madhav & Ramesh
Chartered Accountants, Hyderabad

Secretarial Auditors
M/s. SVJS & Associates
Company Secretaries, Kochi

BANKERS

State Bank of India
Bank of India
Dena Bank

Bank of Baroda
Canara Bank

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala



CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me immense pleasure to present to you the 74th Annual Report for the year 2017-18. As all of you are aware, this is my maiden address to the esteemed shareholders of FACT, a moment I cherish to the core of my heart.

Despite many challenges, your Company has performed comparatively well during the financial year 2017-18. Among other achievements, the production of Factamfos and Ammonium Sulphate for the financial year 2017-18 have increased by 4.8 % and 17.8% respectively as compared to previous year. The production of Ammonium Sulphate remained highest in the past seven years. The fertiliser sales also registered a growth of 13.63% as compared to previous year, which is also the highest in the last four years.

Before deliberating on the performance, I would like to briefly talk about the state of economy and in particular fertilizer scenario during 2017-18.

Economic Scenario & Fertilizer Industry

India is one of the fastest growing major economy, picking up 7.7% jump in GDP during the quarter ended March 2018 and it is estimated that Indian Economy will grow 7-7.5% in the financial year 2018 -19.

Industrial growth also recovered with the index of Industrial production registering an impressive growth rate of 7.5% in January 2018 as compared to 2.4% in January 2017. Rapid growth in agriculture (4.5%), manufacturing (9.1%) and construction sectors (11.5%) contributed to the overall growth. As India is poised to emerge as a super economic power in the near future, the agriculture sector backed by a vibrant fertilizer industry is the key to our sustained growth and development.

Indian Fertiliser Industry is anticipated to witness robust growth in the coming years owing to increasing demand for agricultural products in the country. Expansion of Fertilizer production

capacities in India along with increasing Government initiatives towards the reduction of imports of fertilisers are further anticipated to boost the growth of Indian Fertilisers Market in the coming years.

The primary fertiliser sales witnessed a modest growth of around 2% in financial year 2017-18. The fertiliser sales growth is back on a positive trajectory post a 7% decline witnessed in 2016-17. The financial performance of fertilizer industry continued to remain moderate in the financial year 2017-18.

The Cabinet Committee on Economic Affairs has approved an increase in the nutrient based subsidy rates for phosphate and sulphur for the financial year 2018-19. Government of India had increased the subsidy allocation for P & K Fertilisers to Rs 250 billion for the year 2018-19 from Rs 222 billion in Financial Year 2017-18. These are positive signs for FACT.

While raw material prices had remained subdued for the P&K fertiliser manufacturers for major parts of the Financial Year 2017-18, the Phos Acid and Sulphur prices have firmed up in recent months. Dependence on import of feed stock and raw materials and its high cost, unfavourable exchange rate variations are the major challenges being faced by Fertiliser Industry in India.

Performance of FACT

I am happy to inform you that FACT is on a turnaround stage. During the Financial Year 2017-18, the Company achieved a turnover of Rs 1970 Crore as compared to Rs 1901 crore for the year 2016-17. The earnings before interest, depreciation and Taxes (EBDITA) improved from Rs 63 Crore for the Financial Year 2016-17 to Rs 208 Crore for the year 2017-18. However, after considering huge interest and finance charges, the financial results show a loss of Rs 128 crore for the year 2017-18 as against Rs 235 crore for the previous year. The Financial statement for the year 2017-18 are the first financial statements of FACT under Indian Accounting Standard (Ind AS), a transition from previous Generally Accepted Accounting Principles (GAAP).



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

The production and marketing performance of the company is also gradually improving and during the Financial Year 2017-18 the company was able to maintain the momentum in Production and Marketing. The production of Factamfos and Ammonium Sulphate has increased as compared to previous year. Despite the South-West monsoon deficit, the fertiliser sale of your company improved significantly during 2017-18, the highest in last four years.

Man power

The Company considers its Human Resource as its most important asset and makes sustained efforts for the development of its manpower. The company is currently replenishing the depleting manpower strength through a major recruitment drive to address the serious problem of manpower scarcity arising out of superannuation of many experienced technical and other professionals. The company is recruiting about 100 new hands who will be the backbone of this company in the days to come. By moulding and motivating them with effective training and empowerment, the recruits will prove their mettle and assume greater responsibilities.

Financial Restructuring

As you may be aware, the Financial Restructuring Package submitted by your Company for the sustainable operation in the long run is under the consideration of Government of India. The leveraging of land resources has earnestly begun with the execution of sale deed for the sale of 151 Acres of land to BPCL Kochi Refinery. Serious deliberations are being held at various levels regarding how to proceed further and also as the ways of utilisation of the proceeds in our kitty. I can assure you that every single penny will be utilized with long term benefit of FACT as the only motive. On approval of the Financial Restructuring Package, FACT would become profitable venture from the financial year 2018-19 onwards.

Awards and Recognitions

I am pleased to inform you that during the year 2017-18, FACT received a number of awards in different areas of activities and the details are mentioned in the Management Discussion and Analysis Report. During the current calendar year, FACT Cochin

Division received the Award of appreciation from Kerala State Pollution Control Board, for its efforts in pollution control and initiative in Environmental Protection in the category of very large industries in Kerala

The company was awarded first prize in Official Language Implementation in "C" Region by Hindi Salahkar Samiti of Ministry of Chemicals & Fertilizers.

Corporate Governance:

FACT has committed to conform to all relevant directives and guidelines of Government and statutory authorities relating to corporate governance. Your company continues to adopt the best practices in the industry to ensure transparency, integrity and accountability.

Acknowledgement

I hereby place on record my sincere thanks to my colleagues on the Board of Directors for their advice and support, the Officers' Forums, the Trade Unions and all the employees of the company for their dedicated efforts and unstinted support for overcoming various challenges facing the company and for their contribution for the revival and sustainable growth of FACT.

I also thank various departments of Government of India, in particular the Department of Fertilizers for the support given to FACT. I also extend my gratitude to the various departments of the Government of Kerala for their support and cooperation.

I also express my sincere thanks to all other stakeholders like farmers, suppliers, buyers, contractors, banks, auditors, dealers and the general public for the trust they have been reposing on us.

As I conclude, I sincerely thank each and every one of you, our shareowners, for the confidence and trust you have reposed on us. We will try our best to meet your expectations.

Jai Hind

(Manoj Mishra)

Place: Noida
Date: 16-08-2018

Chairman & Managing Director
DIN-06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

CIN: L24129KL1943GOI000371

Ph. 0484-2546486 : Fax No.0484-2546637

Website: www.fact.co.in E-mail Id: kvbnair@factltd.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 74th Annual General Meeting of the members of The Fertilisers and Chemicals Travancore Ltd will be held on Monday, the 24th September, 2018, at 2.30 P.M. at Udyogamandal Club at Eloor, Udyogamandal, Kochi, to transact the following business:

Ordinary Business

1. To receive, consider and adopt (a) the audited stand alone financial statements of the Company for the financial year ended 31st March, 2018, and Reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the company for the financial year ended 31st March, 2018 and Report of Auditors thereon and in this regard pass the following resolutions, as ordinary resolutions.
 - (a) RESOLVED THAT the audited Standalone Financial Statements of the Company for the year ended 31st March, 2018 and the reports of the Board of Directors and Auditors thereon be and are hereby considered, approved and adopted.
 - (b) FURTHER RESOLVED THAT the audited Consolidated Financial Statements of the Company for the year ended 31st March, 2018 and the report of the Auditors thereon be and are hereby considered, approved and adopted.
2. To fix the remuneration of Statutory Auditors and Branch Auditors for the Financial Year 2018-19 and in this regard, pass the following resolution as an ordinary resolution.

RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to fix remuneration of the Statutory Auditors and Branch Auditors appointed by the Comptroller and Auditor General of India for the financial year 2018-19.
3. To elect Smt. Alka Tiwari, Director, who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-election and in this regard, pass the following resolution as an ordinary resolution.

RESOLVED THAT Smt. Alka Tiwari, Joint Secretary, Department of Fertilisers, Ministry of Chemicals and Fertilisers, New Delhi, be and is hereby elected as a Director of the Company.

Special Business

4. To elect Ms. Gurveen Sidhu, as a Director on the Board of Directors of the Company.

The Company has received notice in terms of Section 160 (1) of the Companies Act, 2013 proposing to elect Ms. Gurveen Sidhu (DIN No.08121526) as a Director of the Company at this Annual General Meeting.

Members may consider and if thought fit, pass with or without modification, the following resolution as an ordinary resolution.

RESOLVED THAT pursuant to the provisions of Section 160 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder read with Articles of Association of the Company, Ms. Gurveen Sidhu, (DIN No.08121526), Joint Secretary, Department of Fertilisers, Ministry of Chemicals and Fertilisers, New Delhi, be and is hereby elected as a Director of the Company.
5. **Remuneration to Cost Auditors**

To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the company for the financial year 2018-19 be paid the remuneration of ₹65,000/- plus out of pocket expenses (subject to a maximum of ₹10,000/-).

By Order of the Board of Directors.

Sd/-
(K.V. Balakrishnan Nair)
Company Secretary & GM (Fin)

Place : Eloor, Udyogamandal
Date : 16-08-2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Note:

1. The Register of Members will be closed from 18th September 2018 to 25th September 2018 (both days inclusive).
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing the proxy, in order to be effective, should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting. **A blank proxy form is annexed to the Annual Report and can also be downloaded from the website of the Company.**
3. Pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 and Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, and Companies (Management and Administration) Amendment Rules, 2015, the Company is offering e-voting facility to its members. The Company engaged the services of M/s Central Depository Services (India) Limited (CDSL) to provide e-voting facility to members. Instructions and other information relating to e-voting are given in this notice under note No.7.
4. The relative explanatory statement required under Section 102 of the Companies Act, 2013 is given separately.
5. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Sundays and Public Holidays) during business hours upto the date of the Meeting. The above said documents will also be available for inspection by members at the Meeting.
6. Members, who have not registered their e-mail IDs so far, are requested to register their e-mail IDs for receiving all communications from the Company electronically.
7. Information and other instructions relating to e-voting are as under:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21-09-2018 (Friday) at 9.00 a.m. and ends on 23-09-2018 (Sunday) at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17-09-2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.



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(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account / folio number in the PAN field.In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant (The Fertilisers and Chemicals Travancore Ltd.) on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



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- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxii) The following person shall be responsible to address grievances concerned with facility for remote e-voting:
Contact Name – Mr. Rakesh Dalvi, Designation - Manager, Address – 25th Floor, Marathon Futurex, N.M. Joshi Marg, Lower Parel East, Mumbai - 400013. Contact No.18002005533. Email id - helpdesk.evoting@cdslindia.com.
8. The voting rights of members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date.
 9. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 17-09-2018 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com
 10. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 11. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper. A person who is not a member as on the cut-off date should take this notice for information purpose only.
 12. Shri M.C.Sajumon, Practising Company Secretary, Littonia Cottage, M.A. Balakrishnan Road, Kochi-682018, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and conduct the remote e-voting process in a fair and transparent manner.
 13. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 14. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 15. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.fact.co.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange of India Ltd., Mumbai.

Explanatory Statement Under Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting.

Item No. 4

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order dated 10th April, 2018 notified the appointment of Ms. Gurveen Sidhu, Joint Secretary, Department of Fertilisers, as part-time (Official) Director on the Board of Directors of FACT. In order to comply with the provisions of Companies Act 2013, Ms. Gurveen Sidhu was appointed as an additional Director on the Board of Directors of FACT till the conclusion of the next Annual General Meeting of the Company. To comply with the provisions of Companies Act, 2013, it is proposed that Ms. Gurveen Sidhu may be elected as a Director on the Board of Directors of the Company.

No Director/Key Managerial Personnel/Relatives of the Directors and Key Managerial Personnel other than Ms. Gurveen Sidhu is concerned or interested in the Resolution.

Details of Ms. Gurveen Sidhu whose appointment is proposed at item No. 4 are provided in the Annexure to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

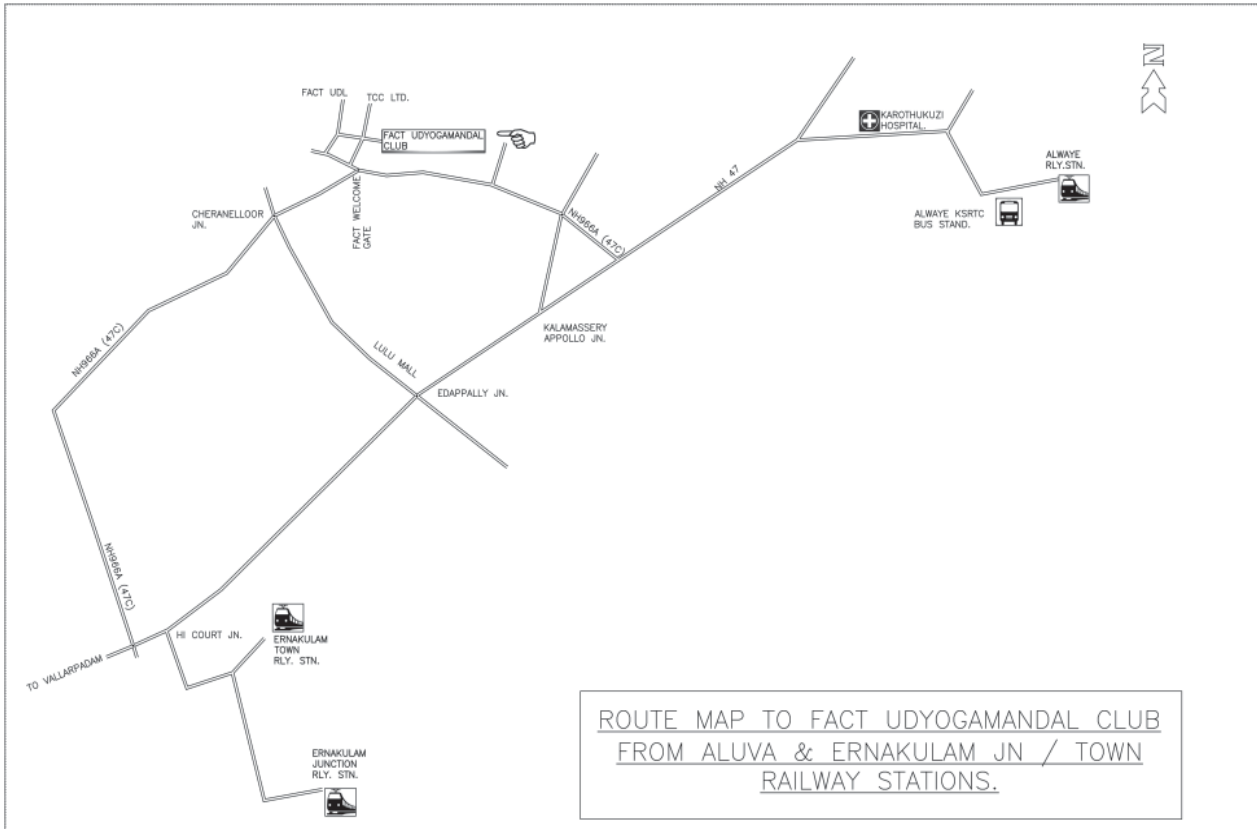
Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Item No. 5

The Board has approved the appointment of M/s BBS & Associates, Cost Accountants, Kochi, as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year 2018-19 on a remuneration of Rs. 65,000/- plus out of pocket expenses (subject to a maximum of Rs.10,000/-). As per Rule 14 of Companies (Audit and Auditors) Rules, 2014 read with Section 148(3) of the Companies Act 2013, the remuneration approved by the Board of Directors has to be ratified subsequently by the shareholders. Accordingly the consent of the members is sought through an ordinary resolution for ratification of remuneration payable to the Cost Auditors for the financial year 2018-19.

No Director / Key Managerial Personnel / Relatives of Directors and Key Managerial Personnel is interested in the resolution.

Route map to Udyogamandal Club, Eloor, Udyogamandal, Kochi.





THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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Annexure to the Notice dated 16-08-2018

Details of Directors seeking Appointment/Reappointment at the ensuing Annual General Meeting:

Particulars	Ms Alka Tiwari	Ms Gurveen Sidhu
Age	53	50
Qualifications	IAS	IA & AS
Experience/ Brief Resume	See Website www.fact.co.in	See Website www.fact.co.in
Terms & Conditions of Appointment	As per GOI notification No130/82003 -HR-1 dated 6th March 2017. Ms Alka Tiwari was appointed as a part time Government Nominee Director	As per GOI notification No130/8/2003- HR-1 dated 10th April 2018. Ms Gurveen Sidhu was appointed as a part time Government Nominee Director
Remuneration	NIL	NIL
Date of First Appointment on the Board	21.04.2017	27.04.2018
Shareholding in the Company as on 31st March, 2018	NIL	NIL
Relationship / Other Directors/ Key Managerial Personnel	Not related to other Directors/Key Managerial Personal	Not related to other Directors/Key Managerial Personal
No. of Meetings of the Board attended during the year	3	NIL
Directorship of other Boards as on 31st March, 2018	Rashtriya Chemicals & Fertilisers Ltd	Rashtriya Chemicals and Fertilisers Ltd.
Membership/ Chairmanship of Committees of other Boards as on 31st March, 2018	NIL	NIL



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 74th Annual Report and Audited Financial Statements of the Company and the report of the Auditors for the financial year ended March 31, 2018.

Your Directors are happy to inform you that your company is presenting the financial statements for the financial year 2017-18, as per the provisions of Ind As for the first time.

During the financial year 2017-18, the financial, production and marketing performance of your company has improved considerably as compared to previous year.

The company's Financial Performance for the year ended March 31, 2018 is summarized below:

Particulars	₹ in crores	
	2017-18	2016-2017
Net Sales	1928.67	1883.27
Other Income	41.35	18.04
Total Revenue	1970.02	1901.31
Total Expenses	2100.53	2163.99
Earnings before interest, depreciation and Taxes (EBIDTA)	208.05	63.28
Interest	321.42	304.66
Depreciation	17.15	21.30
Profit before tax	(-)130.51	(-)262.68
Total comprehensive Income	2.69	27.95
Profit after tax(PAT) after Comprehensive income	(-)127.82	(-)234.73

Due to accumulated loss, your directors have not recommended any dividend for the financial year 2017-18. The Company has not transferred any amount to Reserve during the financial year 2017-18.

Total revenue of the Company for the year 2017-18 was ₹ 1970.02 crore against the previous year of ₹ 1901.31 crore. The financial results of the Company for the year 2017-18 shows a net loss of ₹ 127.82 crore as compared to a loss of ₹ 234.73 crore during the year 2016-17.

Huge interest on Government of India Loan, restriction in production due to poor lifting of fertilizers on account of failure of South West monsoon are the major reasons for the negative financial results of the company for the year 2017-18.

PRODUCTION & SALES

Production	(in MT)	
	2017-2018	2016-2017
Factamfos 20 : 20	670915	640322
Ammonium Sulphate	180178	152953
Caprolactam	0	770

Sales	(in MT)	
	2017-2018	2016-2017
Fertilisers	867370	763232
Caprolactam	0	770

The company was able to maintain the momentum in production and marketing during the financial year 2017-18.

Despite the failure of South West monsoon, the Company could significantly improve the production and marketing performance during the year 2017-18 compared to previous year. Factamfos production for the year 2017-18 was 670915 MT in comparison with 640322 MT for the year 2016-17, showing a remarkable improvement of 30593 MT.



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In the case of Ammonium Sulphate, the production was 1,80,178 MT against the previous year of 1,52,953 MT, with an increase of 27,225 MT registering a growth of 17.8% during the year. The production of Ammonium Sulphate is highest in past seven years.

Total fertilizer sales for the year 2017-18 is 8.67 lakh MT as against 7.63 lakh MT for the year 2016-17 registering a growth of 13.63% during the year. This is the highest annual sales in the last four years.

During the year 2017-18 FACT Engineering Works (FEW) has commissioned a barge for transportation of Ammonia and the same is operating successfully.

During the ensuing financial year 2018-19 the company is planning to optimise the production and sale of fertilisers. An ambitious sales plan is envisaged with a sale of more than 1 Million MT of fertilisers. The company envisage a 30% increase from average sale of past five years, recapturing the potential markets of Telengana and North Karnataka. The company is also planning to re-start the Caprolactam Operations in a phased manner, depending on economics.

The Company is envisaging to make use of RLNG in manufacturing of Ammonia, the essential raw material of fertilisers to enhance the production in ensuing financial year 2018-19.

However, the break down in Sulphuric Acid Plant at Udyogamandal Division in April 2018 had affected the production of Ammonium Sulphate. The company is trying to reduce the impact on production by outsourcing sulphuric acid. The company is also planning to import fertilisers to reduce the impact on production loss due to break down of acid plant.

The financial restructuring package submitted by the Company for sustainable operation in the long run is under the consideration of Department of Fertilisers, Government of India.

With the approval of Government of India, on 10-05-2018 Sale deed for sale of 150.899 acres of land to BPCL was executed and an amount of ₹ 244.60 Crore was received by the company, after deducting the outstanding amount of Rs 161.59 crore to BPCL towards the supply of Naphtha and Furnace Oil.

Management Discussion and Analysis Report

Management Discussion and Analysis Report covering the operational aspects for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended) is presented in a separate section forming part of Directors' Report.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company for the financial year ended March 31, 2018, prepared in accordance with Section 129(3) of the Companies Act 2013 and relevant accounting standards form part of the Annual Report.

Directors and Key Managerial Personnel

Appointments

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No.86/5/2008-HR-1 dated 21st February, 2018 entrusted the additional charge of the post of CMD, FACT to Shri Manoj Mishra, Chairman and Managing Director, National Fertilisers Ltd. (NFL).

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No.86/1/2012-HR-1 dated 13th September, 2017, appointed Shri D Nandakumar, Ex- Chief General Manager FACT to the post of Director (Marketing), FACT.

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No.86/1/2017-HR-1 dated 10th August, 2017, entrusted the additional charge of the post of Director (Technical), FACT to Shri U Saravanan, Director (Technical) Madras Fertilisers Ltd (MFL)

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No.88/1/2014-HR-1 dated 05th March, 2018, entrusted the additional charge of the post of Director (Finance), FACT to Shri Sanjai Maheshwari, Director (Finance) Brahmaputra Valley Fertilizer Corporation Limited (BVFCL).

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers vide Order No. 130/8/2003-HR-1 dated 10th April 2018 notified the appointment of Ms Gurveen Sidhu, Joint Secretary, Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India as a part time Government Nominee Director on the Board of FACT in place of Shri S K Lohani.

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No.86/01/2016-HR-1 dated 28th April, 2017 entrusted the additional charge of the post of Director (Finance), FACT to Shri Suresh Warior, Director (Finance), Rashtriya Chemicals and Fertilisers Ltd.

Shri Manoj Mishra, C&MD, Shri D Nandakumar, Director Marketing and Shri K.V. Balakrishnan, Company Secretary are the Key Managerial personnel of the company.

Retirements and Resignations

On completion of tenure in Department of Fertilisers, Shri S K Lohani ceased to be the C&MD of the Company with effect from 15.02.2018.

Consequent to the superannuation from Rashtriya Chemicals and Fertilisers Limited Shri Suresh Warior ceased to be the Director (Finance) FACT with effect from 1st December 2017.

Reappointment and Appointment of Directors at the Annual General Meeting

Pursuant to the provisions section 152 of the Companies Act 2013 Ms Alka Tiwari, Government nominee Director will retire by rotation at the ensuing AGM and being eligible has offered herself for reappointment.

Notice has been received under section 160 of the Companies Act 2013 for appointment of Ms Gurveen Sidhu, Joint secretary, Department of Fertilisers as Director at the ensuing annual general meeting.

Brief resume of Directors are given in Report on Corporate Governance .



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Reappointment of Independent Directors

As per section 149 (10) of the Companies Act 2013, none of the Independent Directors has been reappointed on the Board of the Company.

Disqualification of Directors

None of the Directors has committed any disqualification as provided under section 164 of the Companies Act 2013.

Annual Evaluation of Board.

FACT being a Government Company, all appointments on the Board is made by the Government of India, Ministry of Chemicals and Fertilizers, Department of Fertilizers. The performance of Directors are evaluated by the Ministry of Chemicals & Fertilizers, Department of Fertilizers, Government of India. As per Government of India, Ministry of Corporate Affairs notification dated 5th June 2015, clause (e) and (p) of sub-section 3 of Section 134 of the Companies Act 2013 relating to appointment, remuneration and Annual evaluation of Board on its performance are not applicable to FACT.

However, suitable mechanism is being evolved for Annual Performance evaluation of Board as per SEBI (LODR) Regulation 2015.

Declaration of Independent Directors

All independent directors have made a declaration of independence under sub-section (6) of Section 149 of Companies Act, 2013.

Meetings of the Board

During the financial year 2017-18, seven meetings of the Board were convened and held. The details of the meetings of the Board of Directors are given in the report on Corporate Governance, which is part of this report. The intervening gap between the meetings was within the limit prescribed under the Companies Act 2013.

Secretarial Standards

Your Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2 relating to "Meetings of the Board of Directors" and "General Meetings" respectively, have been followed by the Company.

Corporate Governance

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Board lays emphasis on transparency and accountability for the benefit of all stake-holders of the Company. The Report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 annexed to this report forms an integral part of this report.

AUDITORS

(1) Statutory Auditors and Statutory Auditor's Report

M/s. Babu A Kallivayalil & Co., Chartered Accountants, Kochi, was appointed as Statutory Auditors of the Company for the year 2017-18 by the Comptroller and Auditor General of India. M/s Narotham Madhav & Ramesh, Chartered Accountants, Hyderabad, was reappointed as Branch Auditors for the year 2017-18 for the Area / Regional Offices at Andhra Pradesh, Telangana and Karnataka States. M/s Siv Ram & Raj, Chartered Accountants, Chennai, was appointed as Branch Auditors for the year 2017-18, for the Area / Regional Offices at Tamil Nadu and Kerala, by the Comptroller and Auditor General of India.

The Statutory Auditors have submitted their unmodified report on the financial statements of the company for the year ended 31st March, 2018. In the said report there is no qualification on the annual financial statements of the Company.

(2) Cost Auditors

As prescribed under section 148 of the Companies Act, 2013, read with the Companies (Cost report and Audit) Rules 2014, the cost accounting records are being maintained by the Company. M/s BBS & Associates, Cost Accountants, Kochi has been reappointed as Cost Auditors of the Company for the year 2017-18. Cost Audit report for the financial year 2016-17 was filed with Ministry of Corporate Affairs (MCA) on 18.09.2017.

(3) Secretarial Audit

M/s SVJS & Associates, Company Secretaries, Kochi, have been appointed as Secretarial Auditors of the Company for the year 2017-18. The report of the Secretarial Auditor is annexed to this report as **Annexure-1**.

Comments of C & AG

Comptroller and Auditor General of India (C&AG) has conducted a supplementary audit under section 143(6) of the Companies Act 2013 on the financial statements including consolidated financial statement of the Company for the financial year 2017-18. C&AG has not given any comment on the financial statements of the Company.

Audit Committee

In line with the provision of Section 177 of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 an Audit Committee of the Board has been constituted. Details of Members/ Meetings of the Audit Committee are elaborated in the report on Corporate Governance annexed here with. There were no instances in which the Board had not accepted any recommendation of the Audit Committee.

Associate Company

FACT-RCF Building Products Limited (FRBL) and Kerala Enviro Infrastructure Ltd. are the associate companies of FACT. During the financial year, no Company has become/ceased to become subsidiaries/Joint Ventures and Associate Company of FACT. In accordance with the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the associate companies and joint ventures in Form AOC1 is provided as part of the Annual Report.

Report on financial position and Performance of Joint Venture

During the financial year 2017-18, the financial results of FRBL show a net loss of ₹14.84 crore, as per provisional accounts considered for consolidation. Due to the accumulated loss, the entire network of FRBL has been eroded. The Company has created provisions for the entire investment made in FRBL.



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The financial results of Kerala Enviro Infrastructure Ltd. for the financial year 2017-18 shows a profit of ₹2.46 Crore.

Public Deposit

During the financial year 2017-18, the Company has not accepted any deposit from public.

Investor Education and Protection Fund (IEPF)

During the year 2017-18 FACT has transferred an amount of Rs 6484/- to Investor Education and protection Fund. As on date no amount is pending for transfer to IEPF.

Contract or arrangement with related parties

The transactions entered with related parties for the year under review were on arms length basis and in the ordinary course of business. The disclosure in form No AOC-2 for the transactions with related parties during the period under review is enclosed as **Annexure -2**.

Corporate Social Responsibility

FACT continues to give priority on various Social Responsibility measures during the financial year 2017-18. The Company has constituted a Board level Committee as per the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014. Annual Report on CSR as per the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014 is annexed to this report as **Annexure-2A**.

Material changes and commitments

There were no material changes and commitments affecting the financial position of the company between the end of financial year (31st March 2018) and the date of the report. Similarly, there was no change in the nature of business of the company during the financial year 2017-18.

Risk Management

FACT has formulated a risk management policy for identification of potential area of risk and mitigation of the same. FACT is having adequate risk management infrastructure in place capable of addressing all potential risks.

Internal Financial Control

FACT is having an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Audit wing of FACT headed by Deputy General Manager monitors and evaluate the efficacy and adequacy of Internal Control System in the Company. The observation of internal audit and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. Based on the recommendation of Internal Audit, the functional heads take necessary corrective actions in their functional area thereby strengthen internal control.

Vigil Mechanism & Whistle Blower Policy

FACT is having a vigil mechanism for directors and employees to report their concerns. The Directors and employees can approach Chairman Audit Committee of the Board directly and report their concern in appropriate case. The vigil mechanism and whistle blower policy is published in the web site of the Company www.fact.co.in.

Code of Conduct

FACT is having a code of conduct known as FACT Code of business Conduct and Ethics applicable to the members of the Board and all senior executives of the Company. The code has been posted on the Company's website www.fact.co.in.

The code lays down the standard procedure of business conduct which is expected to be followed by the Directors and senior executives of the Company. Senior management personnel have confirmed compliance of the code of conduct.

The Board members and Senior Executives of the Company have affirmed compliance of the code of Conduct for the financial year 2017-18.

Prevention of Insider Trading

No instances of insider trading have been reported on FACT shares till date. A code of conduct for prevention of insider trading and code for corporate disclosure is published in the website of the company, www.fact.co.in.

Particulars of Loan given, Investment made, Guarantees given and securities provided

Particulars of Investment made and guarantees given along with the purpose for which the guarantee is given are provided in the financial statement for the year 2017-18.

During the financial year 2017-18, FACT has not provided any loan/guarantee or made any investment within the purview of Section 186 of the Companies Act 2013.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The following is the summary of sexual harassment complaints received and disposed off during the period under review:

No. of complaints at the beginning of the year	: Nil
No. of complaints received during the year	: Nil
No. of complaints disposed off during the year	: Nil
No. of complaints at the end of the year	: Nil

Particulars of Employees

During the year under review, none of the employees of the Company had drawn remuneration in excess of the limit prescribed under section 134 (3)(c) of the Companies Act 2013 read with Companies (Appointment of Managerial personnel) Rules 2014.



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Integrity Pact

FACT is in the process of finalising the integrity pact in line with Government of India guide lines in this regard

The Right to Information Act 2005

FACT is complying the provisions of the Right to Information Act 2005 and the details relating to Public Information Officer, Assistant Public Information officer, Appellate Authority, Nodal officer etc. are published in the website of the Company www.fact.co.in.

Extract of Annual Return

The Extract of Annual Return of the Company as provided under Sub section (3) of Section 92 of Companies Act, 2013, in Form MGT9 is annexed as **Annexure-3**.

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

Information regarding the conservation of energy, technology absorption, and foreign exchange earnings and-outgo as required to be disclosed in terms of the Companies (Accounts) Rules 2014 is set out in a separate statement attached to this report.

Director's Responsibility Statement

Pursuant to Sec.134(3)(c) of the Companies Act, 2013, your Directors hereby state that :

- (a) in the preparation of annual accounts for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of profit and loss statement for the year ended March 31, 2018.
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) the directors have prepared the annual accounts on a going concern basis.
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

General

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the company under any scheme.
4. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
5. Neither the Managing Director nor the whole time Directors of the Company receive any remuneration or commission from its Associate Company.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. No fraud has been reported by the auditors to the Audit Committee or to the Board.

Acknowledgement

Your Directors gratefully acknowledge the valuable guidance and support extended by the Department of Fertilisers, Department of Public Enterprises and other Departments of Government of India, and the State Governments of Kerala, Tamilnadu, Karnataka, Andhra Pradesh and Telangana and Union Territory of Puducherry.

The Directors deeply appreciate the committed efforts put in by the employees and look forward to their dedicated services and endeavor in the years ahead to enable the Company to scale greater heights.

The Directors also acknowledge the continued support extended by the Shareholders, Dealers, Suppliers, Bankers, Valued Customers and Auditors of the Company, the Press and Electronic Media.

For and on behalf of the Board of Directors.

Place : Noida
Date : 16-08-2018

(Manoj Mishra)
CHAIRMAN AND MANAGING DIRECTOR
DIN-06408953



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ANNEXURE TO DIRECTORS' REPORT

Particulars Required under Rule 8 (3) of Companies (Accounts) Rules 2014

A. Conservation of Energy

- (i) Steps taken or impact on conservation of energy
The raw-material/utilities and energy consumption of all the products and intermediates are monitored regularly by evaluating the critical parameters. The raw-material / consumption ratios and energy efficiency are reviewed on monthly basis to identify weak areas and rectify the shortcomings.
- Replacement of old air conditioners with new energy efficient five star split AC sets has resulted in savings in energy.
 - Replacement of incandescent type induction lamp with energy efficient LED lamps has resulted in considerable annual energy savings.
- (ii) Steps taken by the Company for utilizing alternate source of energy
Nil
- (iii) The capital investment on energy conservation equipment
Nil

B. Technology Absorption

- i. Efforts made towards technology absorption
FACT ammonia plant is tagged as a designated consumer by Bureau of Energy Efficiency (BEE) for PAT cycle. PAT 2 cycle started its functioning in financial year 2016-17. With proper monitoring and standard operation FACT has been able to achieve better energy performance.
- ii. Benefits derived
Specific energy consumption achieved in the financial year 2017-18 is 9.027GCal/MT of ammonia against the BEE target of 9.56GCal/MT of ammonia. There has been a specific energy consumption reduction of 1.04% over the previous year.
- iii. Imported technology
No technology has been imported during the Financial Year 2017-18.
- iv. The major activities of Research & Development
- Humate based value added customised fertilisers:- Organic carbon plays a vital role in maintaining crop productivity and soil health. Research was carried out in developing humate based NPK formulation varying different inputs for nitrogen and phosphorous. The advantages of urea humate were studied and it was also concluded that 10:0:10 humate based grade had best solubility and physical properties.
 - Effective utilisation of ETP sludge:- Preliminary studies were conducted at R&D to formulate

different NPK mixtures based on ETP sludge. Thorough analysis of the sludge was carried out and a 10:10:10 NPK grade was prepared from the sludge and its nutrient and physical properties are monitored periodically.

- Phosphate Rich Organic Manure:- Organic source of lignite was utilized to develop phosphate rich organic manure. Thorough research is being carried out to optimise the properties and quality of this newly developed fertilizer.
- Carrying out research in new fertilizer formulations, innovation in the fertilizer production for cost and value addition of by-products, existing product lines and waste utilization in the Organisation.
- Production of Bio fertilisers, studies to develop Organic fertilizer from farm yard waste, cost reduction in Bio fertilizer production etc.

Details of expenditure on R&D are given below.

EXPENDITURE ON R&D				
				₹ in Lakh
Year	Capital	Revenue	Total	As % of total Turnover
2015-2016	0.00	145.14	145.14	0.081
2016-2017	0.00	108.87	108.87	0.056
2017-2018	0.00	114.17	114.17	0.058

C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo are given below.

FOREIGN EXCHANGE EARNINGS AND OUTGO		
	Current Year	Previous Year
	₹ in Lakh	₹ in Lakh
1) Foreign exchange earned	0.00	0.00
2) Foreign Exchange Outgo		
(i) C.I.F. Value of Imports:		
(a) Raw Materials	62534.84	69606.03
(b) Traded Products	0.00	5215.23
(c) Spares and Other Materials	137.35	181.92
(d) Capital Goods	0.00	0.00
	62672.19	75003.18
(ii) Expenditure in Foreign Currency (Cash Basis)		
(a) Consultancy Service	0.00	0.00
(b) Others	119.74	89.81
	119.74	89.81
Total (i) + (ii)	62791.93	75092.99

Place : Noida
Date : 16-08-2018

(Manoj Mishra)
Chairman And Managing Director
DIN-06408953



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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

The Fertilisers And Chemicals Travancore Limited (FACT) was incorporated in 1943. In 1947, FACT started production of Ammonium Sulphate with an installed capacity of 10,000 MT per annum at Udyogamandal, near Cochin. In the year 1960, FACT became a Kerala State PSU and on 15th August, 1962, Government of India became the major shareholder.

From a modest beginning, FACT has grown and diversified into a multi-division/multi-function Organisation with basic interest in manufacture and marketing of Fertilisers and Petrochemicals, Engineering Consultancy and Design and Fabrication and Erection of Industrial Equipments.

FACT's mission is to be a significant player in Fertilisers, Petrochemicals and other business such as Engineering and Technology services.

FACT's objectives are:

- To produce and market Fertilisers & Caprolactam and other products efficiently and economically, besides achieving a reasonable and consistent growth.
- Turnaround of the CPSE by all efforts.
- To effectively manage the assets and resources of the company to ensure a reasonable return on investment.
- To focus on cost reduction and technology upgradation in order to become competitive in its line of business.
- To constantly innovate and develop new products and services to satisfy customer requirements.
- To invest in new business lines, where profit can be made on a sustainable basis over the long term.
- To provide services to the farming community by organizing technical training, soil testing and other productivity improvement services in agriculture.

Performance highlights during the Year 2017-2018

Udyogamandal Complex:

During the year 2017-18 Udyogamandal Complex produced 178873 MT of Factamfos, (NP 20:20:0:13) and 180178 MT of Ammonium Sulphate. During the financial year 2016-17 production of Factamfos and Ammonium Sulphate were 163061 MT and 152953 MT respectively.

Nutrient wise the production during 2017-18 was 72891 MT of N and 35775 MT of P2O5 as against 64121 MT of N and 32612 MT of P2O5 during the previous year.

Inspection and essential maintenance activities along with preservation of equipment in Caprolactam plant were carried out during the year 2017-18 envisaging the phase -II trial of petrochemical plants.

Cochin Division: During the financial year 2017-18, Cochin Division produced 492042 MT of Factamfos 20:20 as against 477260 MT during the year 2016-17.

The production of Nutrient nitrogen and Nutrient P2O5 during the year was 98408 MT each as against 95452 MT during the last year.

During the year 2017-18, the division produced 263850 MT of Sulphuric Acid and 29300 MT of Phosphoric Acid as compared to 254650 MT of Sulphuric Acid and 28355 MT of Phosphoric Acid in the year 2016-17.

Marketing Division: During the financial year 2017-18 the Fertiliser sales was 8.67 Lakh MT as against 7.63 lakh MT during the previous year. Sale of Factamfos during the year was 670710 MT as compared to 613123 MT during the year 2016-17. The sale of Ammonium Sulphate during the year was 168070 MT as compared to 134976 MT during the previous year.

FEDO: During the financial year 2017-18, FEDO focused on execution of major jobs entrusted by its external clients and achieved substantial progress in completion of major milestones laid out in the spectrum of Design, Engineering, Procurement & Inspection fronts as well as the Project & construction phases in the Engineering Consultancy/ EPC business domain. Even though the Global business in the Oil & Gas sector at the middle-east was at its lowest ebb, FEDO seriously participated in the E tenders/Enquiries from several overseas clientele in Oil & Gas, Fertilizers, Chemicals, Logistics sectors on BPO mode.

The turnover (including own division jobs) of FEDO for the year 2017-18 was Rs.17.59 crore as against Rs.41.51 crore in 2016-17. During the year 2017-18, FEDO received new orders for a value of Rs. 11.60 crore as compared to Rs.3.06 crore during the year 2016-17.

FEW : The turnover of FEW for the year 2017-18 was Rs.9.82 crore as against Rs.12.71 crore during the year 2016-17. During the year 2017-18, FEW has bagged orders worth Rs.6.80 crore compared to Rs.17.78 crore during the year 2016-17.

FEW expect to increase the turnover during 2018-19 and also generate profits. There is a steady demand from the process industry for pressure vessels and Heat Exchangers for replacement as well as for capacity expansion. The shipping sector and aerospace sector are also expected to bring in several orders.

Opportunities & Threats

Opportunities

- Premium product in the complex fertilizer segment containing Sulphur
- Extensive Marketing network in Southern India
- Substantial infrastructure facilities
- Operational efficiency and high capacity utilisation of plants.
- Scope for expansion and diversification
- Availability of land resources for generating additional revenue
- Availability of RLNG at Kochi

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Threats

- High interest and finance charges.
- Volatility in the prices of raw materials and feedstock.
- Exchange rate variations
- Over dependence on import of raw materials and the logistics
- Shortage of quality manpower

Segment-wise or Product-wise Performance

Details of Unit-wise/Product-wise performance is furnished separately in the Annual Report.

Risk and Concern

- Lack of level playing field in the price of RLNG/LNG
- Non-operation of Caprolactam plant due to economic reason

HUMAN RESOURCES DEVELOPMENT

1. Industrial Relations

The Industrial Relations situation was generally peaceful during the year 2017-18. There were no issues connected with Industrial Relations in the Company. There was no stoppage of work affecting normal operations in the Company. The relations between the Management and the Trade unions, and Officers Association were cordial and the year witnessed whole hearted support from trade unions and Officers Association in all areas of activities of the Company.

2. Human Resources

Human resources functions in the Company were effective during the year. The Company has recruited 29 Management Trainees and two Doctors during the period and initiated action for recruitment of 32 Management Trainees, 10 layer 1 officers and 71 Non-Managerial Employees to meet the shortage in critical areas of operation during the financial year 2017-18. Normal promotions were also effected during the year. HR audit for benchmarking of the HR practices/policies with leading organizations was conducted with the help of external consultants.

3. Development of SC&ST.

Employment of Reserved categories as on 31.03.2018 is given below:

	Total	SC	ST	OBC	PWD	EX-SER	Others
No of Employees	1962	238	59	684	52	7	981
Percentage of total employees		12.13	3.01	34.86	2.65	0.35	50

Steps taken for the welfare of SCs/STs:

SC/ST Employees association are functioning in the Company. The Management is extending full support for the functioning of the Associations. SC/ST officers are adequately represented in all the interview boards and Management ensures their representation in other associations like FACT Sports Association, Welfare Fund Advisory Committee, Canteen Managing Committee etc. Reservation of SC/ST employees is ensured in recruitment and Promotions as per Government directives.

SC/ST Grievance Cell

SC/ST Grievance cell is functioning at corporate level comprising the Chairman, who is also Chief Liaison Officer for matters pertaining to reservation of SC/ST and their grievances in the Company, Liaison officers of various divisions and two officers each belonging to SC & ST. The grievances received are examined in detail by the Cell and appropriately redressed. The employee concerned is informed of the decision/action taken on the grievances by the Grievance cell. Due consideration is given for allotment of residential quarters and also for nomination of SC/ST employees for training courses.

Training

In service training to company employees is arranged through the training department. Maximum representation is ensured for SC/ST employees to attend in house training programme. 68 SC employees and 20 ST employees had undergone training during the year 2017-18.

For engagement of Apprentices under the Apprentices Act, representation as per rules is provided. The representation for SC/ST in Apprentices as on 31.03.2018 is as follows:

Total No of Apprentices	SC	ST
81	17	1

4. Allotment of Residential Quarters

Due consideration is given for allotment of Residential Quarters to SC/ST employees. Details of quarter allotted to SC/ST employees as on 31.03.2018 is furnished below:

Total Number of Employees Occupying Quarters	SC	ST
499	120	23

5. Reservation of Dealership

FACT is having 6287 dealers for distribution of fertilizers. During the financial year 2017-18, 12 nos. SC/ST category dealers were appointed across the marketing territories in South India. FACT is encouraging SC/ST category dealers to apply for the dealership in accordance with policy of Department of Fertilisers, Government of India.

Total number of dealers and the representation of SC/ST in dealership as on 31.3.2018 is given below.

Sl.No	State	Total Dealers	SC	ST
1	Kerala	2914	195	11
2	Tamil Nadu (Incl Pondicherry)	1119	106	31
3	Karnataka	1372	119	60
4	Telangana	338	13	5
5	Andhra Pradesh	544	31	6
	Total	6287	464	113



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Official Language

FACT is giving top priority for the implementation of the Official Language Act & Rules issued by the Ministry of Home Affairs, Government of India from time to time to achieve the targets prescribed in the Annual Programme. Official Language Implementation Committee Meetings are being conducted regularly. Hindi Fortnight is celebrated in a grand manner every year in which various competitions are conducted for the employees of the company. For giving awareness of various Official Language Acts, Rules and Other provisions formulated by the Government of India, Hindi Department is organizing Hindi workshop for Company employees in every quarter. In order to create interest towards Official Language among the employees several Competitions have been conducted by Hindi Department. Cash Incentive Scheme for employees doing official work in Hindi is continued.

During the financial year 2017-18, FACT received First prize (in 'C' region) for excellent performance in Official Language Implementation.

Public procurement policy of Micro and Small enterprises(MSEs) Order 2012

During the financial year 2017-18, the Company has procured material worth Rs 13 crore from MSEs. Most of the feed stocks and materials procured by FACT are not available with the MSEs.

Pollution Control Activities

All Fertiliser Plants in Udyogamandal Complex and Cochin Division are certified for ISO 14001:2015, which always gives top priority to ensure clean air and better living environment to the inhabitants in and around the factory.

The Effluent Treatment Plant and Emission Control Facilities were kept in operation along with the production plant throughout the year. Treated liquid effluents and gas emission discharged from plants conformed to the Standards prescribed by the Kerala State Pollution Control Board throughout the year.

On the environmental front, Udyogamandal Division could maintain all effluent parameters within limits as specified by the statutory authority. As per the agreement between FACT and Kerala Enviro Infrastructure Limited (KEIL), the accumulated stock of hazardous wastes viz. spent V2O5 catalysts and Sulphur muck were sent to KEIL for final disposal.

AS directed by Kerala State Pollution Control Board, the uploading of SO2 emission data from Sulphuric Acid Plant stack at Central Pollution Control Board (CPCB) website was started in the year 2014-

15. In addition to the above, the data regarding pH and flow of the effluent let out are also uploaded to the website of CPCB.

In FACT Cochin Division construction of a Guard Pond for improvement of the existing effluent treatment system was completed successfully. Online monitoring system for ammonia from NP (A & B) stacks commissioned and data being uploaded to CPCB site.

Awards and recognitions

1. FACT Udyogamandal Complex is the winner of Best Safety Committee Award from Factories and Boilers Department for the year 2017.
2. FACT Cochin Division won the 'Outstanding safety performance award for very large industries' from the National Safety Council, Kerala Chapter, for the year 2017.
3. FACT Udyogamandal division has won the Runner up award for "Outstanding safety performance" from the National Safety Council Kerala chapter for the year 2017.

Roadmap for sustainability

FACT has drawn up a road map for the revival and sustainable growth in the long run. FACT has submitted a comprehensive financial restructuring package to the Govt. of India. As part of Financial Restructuring, for sustainable operation of the company in the long run, FACT proposes to set up a 1000 TPD NP expansion project at FACT Cochin Division at Ambalamedu. FACT also proposes to set up additional imported Ammonia Storage facility at Willingdon Island and augmentation of raw material handling facility to meet the raw material requirements of the company.

Outlook for the future

Once the Financial Restructuring proposal submitted by the Company is approved, the networth of the company would improve substantially and company could make net profit from the financial year 2018-19 onwards. On implementation of the proposed 1000 TPD NP expansion project, the fertiliser production of the company would increase from 9.5 lakh MT to 12.7 lakh MT and the turnover would increase from the present level of ₹2000 Crore to ₹3000 Crore.

(Manoj Mishra)

Place : Noida
Date : 16-08-2018

Chairman And Managing Director
DIN-06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

REPORT ON CORPORATE GOVERNANCE

I Philosophy on Code of Governance

A self-disciplinary code to achieve the highest standards of Corporate Governance to safe guard the interest of Shareholders and other stake-holders.

All matters of policy are placed before the Board. The Board accords prime importance to transparency and the long-term interest of the Company.

II Board of Directors

(a) Composition and Category

Sl.No	Name of Director	Period		Nature of Directorship/ Category	No. of Directorship in other Board
		From	To		
1	Shri Manoj Mishra *	21.02.2018	Continuing	Chairman & Managing Director- Whole time Functional (Executive) Director	3
2	Shri U Saravanan*	14.08.2017	Continuing	Director (Technical) Whole time (Executive) Functional Director	1
3	Shri D Nandakumar	13.09.2017	Continuing	Director (Marketing) Whole time (Executive) Functional Director	NIL
4	Shri Sanjai Maheshwari*	06.03.2018	Continuing	Director(Finance) Whole time (Executive Functional Director)	1
5	Ms Alka Tiwari	21.04.2017	Continuing	Part-time Official Director (Non executive Director)	1
6	Shri K P S Nair	29.06.2016	Continuing	Independent Director	1
7	Dr. S Murali	29.06.2016	Continuing	Independent Director	NIL
8	Dr. Gangidi Manohar Reddy	16-02-2017	Continuing	Independent Director	NIL
9	Dr. Jyoti Kaushal Sheth	21.02.2017	Continuing	Independent Director	1
10	Prof. B. Vijayakumar	21.02.2017	Continuing	Independent Director	NIL
11	Shri S K Lohani	24.06.2014	15.02.2018	Part time Official Director (Non Executive Director). Holding additional charge of Chairman & Managing Director from 16.03.2017 to 15.02.2018.	3
12	Shri Suresh Warior*	28.04.2017	30.11.2017	Director (Finance) Whole time Functional (Executive) Director	2

*Holding additional charge

(b) Details of Board meetings & Attendance of Directors

Sl.No	Board Meeting Number and Date	Venue	Filled Strength	Directors Present
1	487 dated 21.04.2017	Kochi	7	6
2	488 dated 30.05.2017	New Delhi	8	7
3	489 dated 03.08.2017	New Delhi	8	7
4	490 dated 08.09.2017	Kochi	9	8
5	491 dated 17.11.2017	Kochi	10	8
6	492 dated 25.01.2018	Kochi	9	8
7	493 dated 09.03.2018	Kochi	10	10



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

(c) Attendance in Board meetings

Sl.No	Name of Director	Period	No.of Meetings held	No.of Meetings Attended
1	Shri Manoj Mishra	21.02.2018 to 31.03.2018	1	1
2	Shri U Saravanan	14.08.2017 to 31.03.2018	4	4
3	Shri D Nandakumar	13.09.2017 to 31.03.2017	3	3
4	Shri Sanjai Maheswari	06.03.2018 to 31.03.2018	1	1
5	Smt Alka Tiwari	01.04.2017 to 31.03.2018	7	4
6	Shri KPS Nair	01.04.2017 to 31.03.2018	7	6
7	Dr S Murali	01.04.2017 to 31.03.2018	7	7
8	Dr Gangidi Manohar Reddy	01.04.2017 to 31.03.2018	7	6
9	Dr Jyoti Kaushal Sheth	01.04.2017 to 31.03.2018	7	6
10	Prof. B Vijayakumar	01.04.2017 to 31.03.2018	7	7
11	Shri SK Lohani	01.04.2017 to 15.02.2018	6	6
12	Shri Suresh Warior	28.04.2017 to 30.11.2017	4	3

Shri SK Lohani, Chairman and Managing Director, Ms Alka Tiwari, Director, Shri Suresh Warior, Director (Finance) Shri D Nandakumar, Director (Marketing), Dr S Murali, Director and Dr Gangidi Manohar Reddy, Director, attended the 73rd Annual General Meeting held on 22.09.2017.

III. Particulars of New Directors and Directors retiring by rotation and being re-appointed

Sl.No	Name of Director	Age	Date of Directorship	Remarks
1	Mrs. Alka Tiwari	53	21.04.2017	Retiring by Rotation and eligible for re-appointment
2	Ms. Gurveen Sidhu	50	27.04.2018	Appointed as Additional Director

IV. Particulars of Directors under III above as follows:

Ms. Alka Tiwari

Ms. Alka Tiwari, a Government of India Nominee Director (Part time Official Director) on the Board of FACT with effect from 21-04-2017 belongs to 1988 batch of Indian Administrative Service. Presently she is Joint Secretary, Department of Fertilisers, Ministry of Chemicals and Fertilisers. She has held number of key positions in State Government of Jharkhand and Government of India. She also served as Advisor to the NITI Ayog. At present she is a Board member of Rashtriya Chemicals and Fertilisers Ltd.

Ms. Alka Tiwari is a member of the Audit Committee of the Board

Ms. Gurveen Sidhu

Ms. Gurveen Sidhu, 1995 batch IA&AS officer serves as Joint secretary of Department of Fertilisers. She is a Government of India Nominee Director on the Board of FACT with effect from 27.04.2018. She has been Government Nominee Director of Rashtriya Chemicals and Fertilizer Ltd since April 2018. She has done CIA and CA. She has rich experience of working in the fields of accounts & entitlement, civil audit, receipt audit, commercial audit etc.

V. Audit Committee

Sl.No	Name of Director	Nature of Directorship
1	Shri K P S Nair Chairman	Independent Director
2	Dr S Murali	Independent Director
3	Ms Alka Tiwari	Government Nominee Director

Chief Vigilance Officer is a permanent invitee to the meetings of the Audit Committee of the Board

Terms of reference of the Audit committee of the Board are as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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Number and Date of Audit Committee Meeting	Number of Members	Number of Members Attended
60 dated 29.05.2017	3	3
61 dated 03.08.2017	3	2
62 dated 08.09.2017	3	2
63 dated 17.11.2017	3	2
64 dated 25.01.2018	3	2

VI. Nomination and Remuneration Committee

FACT is a Government Company (CIN: L24129KL1943GOI000371) in terms of Section 2 (45) of the Companies Act, 2013. The Board of Directors of FACT are nominated/appointed by the Government of India. The Government of India fixes the remuneration of Chairman and Managing director and other Whole-time Functional Directors. The Company is not paying any remuneration to part-time official directors (Nominees of Government of India).

Remuneration of the below Board level executives are fixed on the basis of Government guidelines in this regard with the approval of the Board of Directors and Government of India.

The remuneration / wages of employees / workers are finalized on the basis of agreement with Trade Unions and with the approval of Board / Government of India.

Details of remuneration paid to Functional Directors are separately shown in the Annual Report.

Composition of the Nomination and Remuneration Committee is given below:

Sl.No.	Name of Director	Nature of Directorship
1	Dr. S. Murali (Chairman)	Independent Director
2	Shri KPS Nair	Independent Director
3	Shri Manoj Mishra	C & MD

VII. Shareholders / Investors Grievance Committee / Stake Holders Relationship Committee

The Board of Directors of the Company has constituted a Shareholders/ Investors Grievance Committee / Stake Holders Relationship Committee consisting of the following Directors to look into the Complaints/ Grievances of Shareholders.

1.	Dr. Gangidi Manohar Reddy (Chairman)	Independent Director
2.	Shri K.P.S.Nair	Independent Director
3.	Dr. S Murali	Independent Director

The Complaints of Investors / shareholders are promptly attended to either by the Share Transfer Agent or the Company directly and no genuine complaints of Shareholders remain un-attended.

During the financial year 2017-18 FACT has not received any genuine complaints from any share holder.

VIII. Share Transfer Committee

A Share Transfer Committee consisting of Chairman and Managing Director and Director (Finance) is constituted to approve the Share Transfer request and to provide excellent service to members / shareholders in the matter of Transfer / Transmission of Shares.

The Committee meets regularly provided there are any Share Transfer requests to approve. As on 31.03.2018 there is no valid share transfer request pending for approval.

Shri K.V.Balakrishnan, Company Secretary is the Compliance Officer and the activities of the Share Transfer / Depository Agent are under the supervision of the Compliance Officer.

VIII. Committee on Corporate Social Responsibility

The Board of Directors of the Company has constituted a Committee on Corporate Social Responsibility as per the provisions of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014. The members of the Committee are:

1	Dr Jyoti Kaushal Sheth (Chairman)	Independent Director
2	Prof. B Vijayakumar	Independent Director
3	D Nandakumar	Director (Marketing)



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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IX. General Meetings

Year	Date	Time	Venue	Details of Special Resolution
2014-2015	28.09.2015	11.00 AM	Udyogamandal	Resolution u/s 180(a) & 180(c) of the Companies Act, 2013.
2015-2016	27.09.2016	11.00 AM	Udyogamandal	NIL
2016-2017	22.09.2017	11.00 AM	Udyogamandal	NIL

During the financial year 2017-18 the Company has passed a special resolution through postal ballot/E voting for sale/transfer of 652 acres of FACT land at Cochin Division, Ambalamedu, Vadavukode, Puthencruz panchayath, Kunnathunadu Taluk, Ernakulam District, Kerala. The Company has followed all procedures as prescribed in the Companies Act, 2013 and Company (Management & Administration) Rules, 2014. M/s SVJS & Associates, Company Secretaries, Kochi was appointed as the Scrutinizer for conducting postal ballot process and engaged the service of CDSL for e- voting facilities to members. The voting results of the resolution passed through postal ballot/e- voting is given below.

SPECIAL BUSINESS- SPECIAL RESOLUTION	Mode of Voting	No. of Votes in Favour	% of Votes in favour on Votes polled	No. of Votes Against	% of Votes Against on Votes polled	Total No. of Votes polled	Total percentage
Consent of the Company under section 180(1)(a) of the Companies Act, 2013 to the Board of Directors to sell/transfer 652 acres of FACT land at Cochin Division, Ambalamedu	e- Voting	3065	99.90	3	0.10	3068	100
	Postal Ballot	2201781	99.94	1249	0.06	2203030	100
	Total	2204846	99.94	1252	0.06	2206098	100

As on date, the Company is not proposing to conduct any resolution through postal ballot.

X. Disclosure

During the year 2017-2018, the Company has not entered into any transactions of material nature with Directors and / or relatives that may have a conflict with the interests of the Company at large.

The Company has complied with requirements of listing agreement and guidelines of the Stock Exchanges / SEBI / other Statutory Authorities. The Company was not imposed with any penalties / strictures by Stock Exchange or SEBI or any Statutory Authority on matters related to Capital Markets during the last three years due to the non-compliance of any provisions by the Company.

Considering the low volume and value of trade transactions of FACT shares in Stock Exchanges, a broad based comparison with the Nifty / Sensex, etc., is not found feasible.

XI. Means of Communications

The quarterly Un-audited Financial results of the Company are announced within forty five days of the end of the respective quarter. The financial results are also posted in company's website www.fact.co.in.

Un-audited financial results are sent to the Stock Exchange where the Company's shares are listed. The quarterly results are published in Financial Express news paper and in one Malayalam language newspaper.

XII. Risk Assessment and Minimisation Procedure

FACT has framed a Risk Assessment and Minimisation Procedure as required by SEBI (LODR) Regulations 2015. The company is taking steps for minimization of risks as per the Risk Assessment and Minimisation Procedure.

XIII. General Shareholders Information

Information relating to the Annual General Meeting & Financial Calendar for 2018-2019 are given below:

74th Annual General Meeting	
Day	Monday
Date	24.09.2018
Time	2.30 PM
Venue	Udyogamandal Club, Udyogamandal



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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Financial Calendar 2018-2019

Ist Quarter Financial Results	Published on 31 st July 2018
IInd Quarter Financial Results	Will be published on II week of November 2018
IIIrd Quarter Financial Results	Will be published on II week of February 2019
Dates of Book Closure	From 18th September 2018 to 25th September 2018 (both days inclusive)
Dividend Payment Date	No dividend is being declared

Listing

The shares of the Company are listed in National Stock Exchange of India Ltd, Mumbai. Listing fee has been paid to the Stock Exchange up to the year 2018-2019

Stock code

Name of Stock Exchange	Stock Code
National Stock Exchange of India Ltd, Mumbai	FACT

XIV Market Price

The high, low market price of Shares during each month in last financial year 2017-2018 as available from the National Stock Exchange of India Limited are given below:-

Month	High (Rs)	Low (Rs)
April 2017	54.40	36.50
May 2017	63.80	44.60
June 2017	51.40	40.55
July 2017	46.50	39.25
August 2017	44.40	33.50
September 2017	48.85	38.50
October 2017	44.75	38.10
November 2017	45.85	38.40
December 2017	55.95	40.55
January 2018	64.20	51.55
February 2018	65.70	43.65
March 2018	64.50	45.75

XV Share Transfer / Depository Agent

BgSE Financial Limited, Stock Exchange Towers, 51, Ist Cross, J.C. Road, Bangalore 560 027.

XVI Share Transfer System

The Shares of FACT are compulsorily traded in Demat form. All share transfer form received are processed by the Share Transfer Agent of the Company and approved by the Share Transfer Committee of the Board.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

XVII Distribution of Shareholding as on 31.03.2018

Share holding of Nominal Value of Rs. 10/-	Share holders		Amount (Rs)
	Number	% to Total	
Up to 500	17610	89.31	21378750
501 - 1000	1194	6.06	10250330
1001 - 2000	457	2.32	7172560
2001 - 3000	154	0.78	4034500
3001 - 4000	73	0.37	2637400
4001 - 5000	77	0.39	3706990
5001 - 10000	94	0.48	7152550
10001 - 50000	50	0.25	9261400
50001 and above	8	0.04	6405125260
Total	19717	100.00	6470719740.00

XVIII Dematerialisation of shares and liquidity

In accordance with the direction of SEBI, trading of FACT shares have been brought under compulsory Demat segment for all categories of investors with effect from 26th June 2001. The Company has executed tripartite agreement with both the Depositories i.e. NSDL and CDSL and the Share Transfer Agents of the Company. As on 31.03.2018, 644060935 Equity shares have been dematerialized.

XIX Outstanding GDRs / ADRs / Warrants or any convertible instruments conversion date and likely impact on equity

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and hence there would not be any impact on the equity.

XX Plant Locations

Sl.No	Activity	Locations
1	Fertiliser	Udyogamandal & Ambalamedu, Kochi
2	Petrochemical-Caprolactam	Udyogamandal, Kochi
3	Engineering works	Palluruthy, Kochi

XXI Address for correspondence by Shareholders:

The Company Secretary, The Fertilisers And Chemicals Travancore Limited, Udyogamandal-683 501, Kerala; e-mail – kvbnair@factltd.com; Ph: 0484-2546486

XXII Compliance of Corporate Governance requirements and guidelines issued by DPE:

The Company is giving top priority for the compliance of Corporate Governance requirements and guidelines on Corporate Governance issued by DPE. The Company has complied with all the guidelines on Corporate Governance issued by DPE applicable to FACT and Corporate Governance requirements as specified in regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

CFO / CEO's CERTIFICATION

We Certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

(Sanjai Maheshwari)
Director (Finance)
DIN 00653170

(Manoj Mishra)
Chairman & Managing Director
DIN 06408953

DECLARATION OF COMPLIANCE OF CODE OF BUSINESS CONDUCT AND ETHICS

Members of the Board of Directors and Senior Executives of FACT have complied with the provisions of the Code of Conduct and Ethics applicable to Directors and Senior Executives of the Company.

The information relating to FACT has been documented in the website of the Company www.fact.co.in

Place: Noida
Date : 16-08-2018

(Manoj Mishra)
Chairman And Managing Director
DIN-06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure I

SVJS & Associates
Company Secretaries

39/3519B, FIRST FLOOR, PADMAM APARTMENTS,
MANIKKATH ROAD, RAVIPURAM

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To

The Members
The Fertilisers and Chemicals Travancore Limited
Eloor P. O., Udyogamandal
Alwaye, Ernakulam
Kerala - 683501

We, SVJS & Associates, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED [CIN: L24129KL1943GOI000371]** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) As informed to us, the following other laws are specifically applicable to the Company
 1. Fertiliser (Control) Order, 1985;
 2. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
 3. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
 4. Batteries (Management and Handling) Rules, 2001;
 5. The Industries (Development and Regulation) Act, 1951 and the Regulations and Bye-laws framed there under;
 6. The Water (Prevention and Control of Pollution) Act 1974 and the Regulations and Bye-laws framed there under;
 7. The Air (Prevention and Control of Pollution) Act, 1981 and the Regulations and Bye-laws framed there under;
 8. The Environment (Protection) Act, 1986 and the Regulations and Bye-laws framed there under;
 9. The Factories Act, 1948 and the Regulations and Bye-laws framed there under;
 10. The Boilers Act, 1923 and the Regulations and Bye-laws framed there under;
 11. Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;

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



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

- (i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited;

'Annexure A'

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above.

In respect of other laws specifically applicable to the Company we have relied on information / records produced by the Company during the course of our audit and the reporting is limited to that extent.

We report that

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

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

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

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

We further report that during the audit period there were no instances of:

- (i) Public / Right / Preferential issue of shares / debentures / sweat equity
- (ii) Redemption / buy-back of securities
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations

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

To
The Members
The Fertilisers and Chemicals Travancore Limited
Eloor P. O., Udyogamandal
Alwaye, Ernakulam
Kerala - 683501

Our report of even date is to be read along with this letter.

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2018 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal / professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates
Company Secretaries

For SVJS & Associates
Company Secretaries

Sd/
Sreekumar P.S.
Partner
FCS. 8130
CP. No. 8067

Kochi
20.07.2018

Sd/
Sreekumar P.S.
Partner
FCS. 8130
CP. No. 8067

Kochi
20.07.2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure- 2

FORM NO. AOC – 2
(Pursuant to clause (h) of sub-section (3) of section 134 of the
Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm length basis.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/trans- action	NIL
c)	Duration of the contracts/arrangements/ transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis

Sl.No.	Particulars	Details	
a)	Name (s) of the related party	FACT RCF Building Products Limited	
	Nature of relationship	Joint Venture	
b)	Nature of contracts/ arrangements/ transaction	Supply of Gypsum and deputation of personnel, Supply of petrol/ Diesel, Supply of meals & guest house facilities.	
c)	Duration of the contracts/ arrangements/ transaction	NA	
d)	Salient terms of the contracts or arrangements or transaction	Transactions on Arms length basis	
e)	Date of approval by the board	03.08.2017 and 17.11.2017	
f)	Amount paid as advances, if any	NIL	
g)	Amount incurred during the year	₹ 97.02 lakhs	

Place : Noida
 Date : 16-08-2018

(Manoj Mishra)
 CHAIRMAN AND MANAGING DIRECTOR
 DIN-06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure- 2 A

Annual Report on CSR Activities of FACT [Pursuant to Rule 9 of Companies (Accounts) Rules 2014]

1. A brief outline on Companies CSR policy:
FACT gives priority on various social responsibility measures for the benefit of weaker section of the Society and to improve the standard of living of the inhabitant near the factory area. FACT is a loss making company and hence the provisions of sub-section 5 of section 135 of the Companies Act 2013 is not applicable to FACT. However, the Company is having its CSR policy.
2. Composition of CSR Committee:
FACT has constituted a CSR Committee consisting of the following Directors :
Dr. Jyoti Kaushal Sheth, Independent Director
Prof. B Vijayakumar, Independent Director
Shri D Nandakumar, Director (Marketing)
3. Average net profit of the Company for the last three financial years : Nil
4. Prescribed CSR Expenditure : Not applicable
5. Details of CSR expenditure for the financial year 2017-18 : Not applicable

Total amount spent for the financial year :

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Not applicable						

Since the company has not earned any profit during the last three financial years, it is not mandatory on the part of the company to spend any money under the CSR scheme.

Place : Noida
Date : 16-08-2018

(Manoj Mishra)
CHAIRMAN AND MANAGING DIRECTOR
DIN-06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Form No. MGT-9

Annexure- 3

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION AND OTHER DETAILS

i)	CIN	L24129KL1943GOI000371
ii)	Registration Date	22.09.1943
iii)	Name of the Company	THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
iv)	Category / Sub-Category of the company	Government Company
v)	Address of the Registered office and contact details	Registered office: Eloor, Udyogamandal Ernakulam District, Kerala 683501 Nodal Officer: The Company Secretary Phone No. 0484-2546486 e-mail id kvbnair@factltd.com
vi)	Whether listed company	YES
vii)	Name, Address and Contact details of Registrar and Share Transfer Agent, if any	M/s. BgSE Financials Ltd., Registrars and Share Transfer Agents, Stock Exchange Towers, No.51, 1st Cross, J.C.Road, BANGALORE – 560 027.

II PRICIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1	Complex Fertilisers	31052000	81
2	Ammonium sulphate	31022100	15

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	FACT - RCF BUILDING PRODUCTS LTD	U26992KL2008PLC022347	JOINT VENTURE	50%	2(6)
2	KERALA ENVIRO INFRASTRUCTURE	U24129KL2005PLC017973	ASSOCIATE	25.66%	2(6)

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

IV SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Government	582364076	700	582364776	90	582364076	700	582364776	90	0
c) State Government (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	582364076	700	582364776	90	582364076	700	582364776	90	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	582364076	700	582364776	90	582364076	700	582364776	90	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	5104	4290	9394	0.00	14220	4290	18510	0.00	97%
c) Central Government	0	0	0	0.00	0	0	0	0.00	0
d) State Government(s)	0	2585000	2585000	0.40	0	2585000	2585000	0.40	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	1250	1250	0.00	0	1250	1250	0.00	0
g) FIs	0	0	0	0	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others									
Special National Investment Fund	55400424	0	55400424	8.56	55400424	0	55400424	8.56	0
Sub-total (B) (1):-	55405528	2590540	57996068	8.96	55414644	2590540	58005184	8.96	0
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	951283	4513	955796	0.15	455034	4513	459547	0.07	48.08
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal sharecapital upto Rs. 1 lakh	3612519	422077	4034596	0.62	4226269	415186	4641455	0.72	115.04
ii) Individual shareholders holding nominal sharecapital in excess of Rs. 1 lakh	612782	0	612782	0.09	957783	0	957783	0.15	156.30
c) Others (Specify)	0	0	0	0	0	0	0	0	0
Clearing Members	573699	0	573699	0.09	311318	0	311318	0.05	54.27
Hindu Undivided Families	224241	0	224241	0.03	204241	0	204241	0.03	91.08
Trust	200	0	200		200	0	200		0
Non-Resident Indians/FN	309716	100	309816	0.05	127370	100	127470	0.02	41.14
Sub-total (B) (2):-	6284440	426690	6711130	1.04	6282215	419799	6702014	1.04	0
Total Public Shareholding (B) = (B) (1) + (B) (2)	61689968	3017230	64707198	10.00	61696859	3010339	64707198	10.00	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	644054044	3017930	647071974	100	644060935	3011039	647071974	100	0

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

ii) Shareholding of Promoters

Sl.No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No.of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	No.of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
1	HE THE PRESIDENT OF INDIA	582364776	90	0	582364776	90	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the Company	No.of Shares	% of total shares of the Company
	At the beginning of the year	582364776	90	582364776	90
	Date-wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the end of the year	582364776	90	582364776	90

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and holders of GDRs and ADRs):

Sl No	Special National Investment Fund	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	55400424	8.56	55400424	8.56
	Increase/Decrease	Nil	Nil	Nil	Nil
	At the end of the year	55400424	8.56	55400424	8.56

Sl No	The Government of Kerala	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2175000	0.34	2175000	0.34
	Increase/Decrease	Nil	Nil	Nil	Nil
	At the end of the year	2175000	0.34	2175000	0.34

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SI No 03	Bonanza Portfolio Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	549295	0.08	0	0
	Increase/Decrease	Nil	Nil	Nil	Nil
	At the end of the year	549295	0	0	0

SI No 04	The Government of Tamilnadu	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	256933	0.04	256933	0.04
	Increase/Decrease	Nil	Nil	Nil	Nil
	At the end of the year	256933	0.04	256933	0.04

SI No 05	The Government of Andhra pradesh	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	147600	0.02	147600	0.02
	Increase/Decrease	Nil	Nil	Nil	Nil
	At the end of the year	147600	0.02	147600	0.02

SI No 06	Saji Varghese	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	138348	0.02	0	0
	Increase/Decrease	138348	0.02	0	0
	At the end of the year	0	0	0	0

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SI No 07	Tradeswift Broking Pvt Ltd	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	127684	0.02	0	0
	Increase/Decrease	127684	0.02	Nil	Nil
	At the end of the year	0	0	0	0

SI No 08	BNB Paribas Financilas Services Ltd	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	99041	0.02	0	0
	Increase/Decrease	99041	0.02	Nil	Nil
	At the end of the year	0	0	0	0

SI No 09	Dheeraj lal S Mehta	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	50000	0.01	50000	0.01
	Increase/Decrease	Nil	0	0	0
	At the end of the year	50000	0.01	50000	0.01

SI No 10	Karvy Stock Brocking Ltd	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	50000	0.01	55315	0.01
	Increase/Decrease	5315	0	0	0
	At the end of the year	55315	0.01	55315	0.01



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	D Nandakumar, Director (Marketing)				
	At the beginning of the year	10	0	10	0
	Date-wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the end of the year (or on the date of seperation, if seperated during the year)	10	0	10	0

V INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the Financial year		0		
i) Principal amount	21917168015	0	0	21917168015
ii) Interest due but not paid	0		0	0
iii) Interest accrued but not due	2105866166		0	2105866166
Total (i+ii+iii)	24023034181	0	0	24023034181
Change in Indebtedness during the financial year				
Addition (interest due but not paid)	861455299	0	0	861455299
Reduction (Pricipal Amount)	284291932	0	0	284291932
Net Change	1145747231	0	0	1145747231
Indebtedness at the end of the Financial year				
i) Principal amount	22778623314	0	0	22778623314
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	2390158098		0	2390158098
Total (i+ii+iii)	25168781412	0	0	25168781412



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

VI REMUNERATION OF DIRECTORS AND KEY AMANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of MD / WTD / Manager	Total amount
		Shri D NANDAKUMAR, DIRECTOR (MARKETING)	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961		1162371.75
	(b) Value of perquisites u/s 17 (2) of Income-Tax Act, 1961		0
	©Profit in lieu of salary u/s 17 (3) of Income-Tax Act, 1961		133650
2	Stock Option		0
3	Sweat Equity		0
4	Commission		
	- as % of Profit		0
	- others, specify.....		0
5	Others, please specify		0
	Total (A)		1296021.75
	Ceiling as per the Act		NA*

* Appointed by Government of India . Salary and allowance is fixed by Government of India .

B. Remuneration to other Directors

Sl.No	Particulars of Remuneration	Name of Directors					Total amount
	Independent Directors	KPS Nair	Dr S Murali	Dr Gangidi Manohar Reddy	Prof B Vijaya kumar	Dr Jyoti Kaushal Sheth	
	● Sitting Fee for attending Board Meetings	40000	45000	40000	45000	40000	210000
	● Commission	0	0	0	0	0	0
	● Others, Please specify:- 1. Sitting fee for attending meetings of the Sub Committee of the Board	30000	40000	5000	0	0	75000
	Total (1)	70000	85000	45000	45000	40000	285000
	4. Other Non-Executive Directors						0
	● Fee for attending Board Committee Meetings						0
	● Commission						0
	● Others, Please specify						0
	Total (2)						0
	Total (B)= (1+2)	70000	85000	45000	45000	40000	285000
	Total Managerial Remuneration						1581021.75
	Overall ceiling as per the Act						NA
							0



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl.No	Particulars of Remuneration	Key Managerial Personnel				
		CEO	CFO	Company Secretary		Total
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17 (1) of the Income-Tax Act, 1961	0	0	1521602.7		1521602.73
	(b) Value of perquisites u/s 17 (2) of Income-Tax Act, 1961		0	0		0
	©Profit in lieu of salary u/s 17 (3) of Income-Tax Act, 1961			172427.73		172427.73
2	Stock Option			0		0
3	Sweat Equity			0		0
4	Commission			0		0
	- as % of Profit			0		0
	- others, specify.....			0		0
5	Others, please specify			0		0
	Total		0	1694030.5		1694030.46

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

Place : Noida
Date: 16-08-2018

(Manoj Mishra)
CHAIRMAN AND MANAGING DIRECTOR
DIN: 06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala



SATHISH.V

B.COM, LLB, PGDT, ACMA, FCS
PRACTICING COMPANY SECRETARY

B1, I FLOOR, PERIELLATH APARTMENTS
JAWAHAR – MAHATMA ROAD,
VYTTILA P.O, COCHIN - 682019

Phone: 0484 – 4044551; 9961333309 Email: vsathish.cs@gmail.com

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

*[Pursuant to Regulation 34(3) and Schedule V (E) of
SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015]*

Registration No. of the Company : L24129KL1943GOI000371
Nominal Capital : Rs 10,000,000,000/-

To the Members of
THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
Eloor P.O, Udyogamandal

I have examined all relevant records of **The Fertilisers and Chemicals Travancore Limited** (the Company), for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated in the relevant clauses of the Listing Agreement of the said Company with National Stock Exchange of India Limited for the financial year ended March 31, 2018. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. My examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with all the conditions of Listing Agreement/ conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

COCHIN – 682019
24/07/2018

Sd/-
SATHISH V
B.Com, LLb, PGDT, ACMA, FCS
Practising Company Secretary
FCS – 8005; CP 8343



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

BABU A. KALLIVAYALIL & CO. CHARTERED ACCOUNTANTS

11nd Floor, Manchu Complex, P.T. Usha Road, Kochi - 682 011
Telephone: 0484-2363119, 2380868 Fax : 0484 - 2380868
E-mail : bakco@vsnl.net; bakco.ca@gmail.com

INDEPENDENT AUDITOR'S REPORT

To The Members of The Fertilisers And Chemicals Travancore Limited

Report on the Standalone Financial Statements

- 1) We have audited the accompanying **standalone Ind AS financial statements of THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

- 2) The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit or loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.
- 3) This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 4) In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so.

Auditor's Responsibility

- 5) Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken

into account the provisions of the Act, the Accounting and Auditing Standards and matters required to be included in the audit report under the provisions of the Act and the Rules made there under.

- 6) We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- 7) An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.
- 8) We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidences obtained, whether a material uncertainty exists, related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- 9) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

- 10) In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

of the report of other auditors on the financial information of the branches, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its loss (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Material uncertainty related to Going Concern

- 11) We draw attention to note no # 58 of standalone Ind AS financial statements. The Company has accumulated loss amounting to Rs. 234347 lakhs with a negative net worth of Rs. 164018 lakhs and its net worth has been completely eroded. The Company has incurred a net loss during the current and previous years. This condition indicates the existence of material uncertainty which may cast significant doubt as to the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on going concern basis.

Our opinion is not qualified in respect of this matter.

Other Matter

- 12) We did not audit the financial statements of four areas comprising marketing offices of the Company whose financial statements reflect total fixed assets of Rs.150 lakhs as at March 31, 2018 and total sales of Rs. 137953 lakhs for the year ended on that date as considered in the financial statement. The Company has submitted certain "financial schedules" only which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the financial statements, in so far as they relate to the amounts and disclosures included in respect of these areas and our report, in so far as it relates to the aforesaid areas, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 13) As required by the Companies (Auditor's Report) Order, 2016 ("the CARO"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said CARO, to the extent applicable.
- 14) Based on the verification of books of account of the Company and according to information and explanations given to us, we give in "Annexure B" a report on the Directions/ Additional sub- directions issued by the Comptroller and Auditor General of India in terms of section 143(5) of the Act.
- 15) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and returns generally adequate for the purpose of our audit have been received from the units/marketing offices not audited by us.
- c) The reports on the accounts of the four areas of the Company audited under Section 143(8) of the Act by other auditors have been given to us and have been appropriately dealt with by us in preparing this Report.
- d) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and, the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the four areas not visited by us.
- e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
- f) Being a government company, the provisions of sub section (2) of Section 164 of the Companies Act, 2013 is not applicable.
- g) With respect to the adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C" to the Report.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. (Refer Note #47)
- b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- c) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company, where applicable.

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Kochi
May 30, 2018

Sd/-
E V Thomas
Partner
Membership No. 3679

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 13 under 'Report on Other Legal and Regulatory Requirements' section of our report)

i. In respect of the Company's fixed assets:

- (a) The Company has maintained generally proper records showing the particulars including quantitative details except impairment losses. Even though fixed asset register contains individual asset identification numbers, no such numbers are marked on the respective fixed assets.
- (b) The fixed assets have been stated to be physically verified by the Management during the year and are not observed by us. However, the physical verification procedure needs to be strengthened. As explained to us, no material discrepancies were noticed on such physical verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of records of the Company, the title deeds of immovable properties are held in the name of the Company, except in the following cases.

Particulars	Number of assets	Extent of land (in acres)	Gross Block as at		Net block as at	
			March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(Rupees in lakhs)						
Freehold land	1	48.49	513*	511*	513*	511*
Leasehold land	1	14.26	-.**	-.**	-.**	-.**

*As provided by Management (Refer Note number 1.3 of Property, plant and equipment under Note number 1).

**The Company has executed a deed of indemnity with the Lessor in respect of the property on February 26, 2016, wherein it was agreed that the Company is interested to continue the lease for a further period of 30 years from April 01, 2014 to March 31, 2044 on execution of fresh lease deed incorporating mutually agreed terms and conditions. However, no fresh deed is executed till date, though the Company continues to occupy the land and pay the lease rentals.

ii. In respect of the Company's inventories:

- (a) The inventories have generally been physically verified by the Management as at year-end. In our opinion, the frequency of verification needs to be improved.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained

proper records of inventories. As explained to us, no material discrepancies were noticed on such physical verification and have been properly dealt with in the books of account, except in case of by-product gypsum.

- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered under register maintained under section 189 of the Companies Act, 2013 ("the Act"), except the interest free advances in the nature of loans doubtful of recovery, of Rs.953 lakhs (previous year Rs.885 lakhs) to a joint venture company (Refer note number 6)
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable including the amount due from the joint venture company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of clause (v) of paragraph 3 of the CARO are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- vii. According to the information and explanations given to us and records of the Company examined by us, in respect of statutory dues:
 - a. In our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, goods and services tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities during the year. No undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
 - b. The particulars of dues towards income tax, sales tax, service tax, customs duty, excise duty, value added tax, cess which have not been deposited as at March 31, 2018, on account of disputes are given below:

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Name of statute	Nature of dues	Demand- net of payment (Rupees in lakhs)	Period to which dispute relates	Forum where dispute pending
Central Excise Act, 1944	Excise duty, interest and penalty against utilization of CENVAT credit against duty payable.	6875	2010-11 to 2013-14 and 2006-07 to 2010-11	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
Central Excise Act, 1944	Excise duty, interest and penalty on shortage of raw material written off.	90	2003-04	Commissioner of Central Excise, Kochi
Finance Act, 1994	Service tax and interest thereon on training fee, upfront premium on shares issued and maintenance charges.	293	2003-04 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
Finance Act, 1994	Service tax and interest thereon on training fee.	104	2006-07 to 2012-13	Commissioner of Central Excise, Kochi
Madhya Pradesh Entry Tax	Entry tax	4	1980-84	Board of Revenue (Commercial Tax Tribunal) Gwalior, Madhya Pradesh
Sales Tax Act, Punjab	Sales tax	48	1999 -00 to 2000-01	High Court of Haryana and Punjab
Sales Tax Act, Orissa	Sales tax	63	1985-1992	High Court of Orissa
Sales Tax, Kerala	Sales tax	257	2009-10 to 2011-12	Commercial Taxes Ernakulam
Income Tax Act, 1961	Interest on income tax	3	2001-02	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Income tax and interest on payments to foreign technicians	78	1994-95 to 1997-98	High Court of Kerala
Income Tax Act, 1961	Income tax and interest thereon on certain disallowances in assessment.	10	1997-98	High Court of Kerala

viii. Based on our examination of the records of the Company and according to the information and explanations given to us, the Company has no dues to financial institution, bank or debenture holders as at Balance Sheet date. However, the Company has defaulted in repayment of interest on loan from Government of India as at Balance Sheet date, the details of which are given below:

The details of defaulted interest on loan as on reporting date:

Name of lender and nature	Period of default	Defaulted amount (Rupees in lakhs)
Interest accrued and due on loans from Government of India	Less than 1 year	23902

However, the Management is of the view that there is no default in repayment of interest.

ix. According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. In our opinion and according to the information and explanations given to us, term loan from Government of India has been applied by the Company for which they were sanctioned.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. Being a government Company, the provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Company and hence reporting under clause (xi) of paragraph 3 of the CARO is not applicable.
- xii. The Company is not a Nidhi Company as prescribed under Section 406 of the Act and hence reporting under clause (xii) of paragraph 3 of the CARO is not applicable.
- xiii. Based on our examination of the books and records of the Company and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any allotment of shares or debentures during the year. Hence reporting under clause (xiv) of paragraph 3 of the CARO is not applicable.
- xv. According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him and hence reporting under clause (xv) of paragraph 3 of the CARO is not applicable.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and hence reporting under clause (xvi) of paragraph 3 of the CARO is not applicable.

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
E V Thomas
Partner
Membership No. 3679

Kochi
May 30, 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 14 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

AUDIT REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018 AS PER DIRECTIONS OF C&AG UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

SI No.	C & AG Directions	Comments of Statutory Auditor															
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available	<p>In our opinion and according to information and explanations given to us and on the basis of an examination of records of the Company, the title deeds of immovable properties are held in the name of the Company, except in the following cases.</p> <table border="1"> <thead> <tr> <th>Nature</th> <th>Number of assets</th> <th>Extent of land (in acres)</th> <th>Gross Block of asset (Amount in lacs)</th> <th>Net block of asset (Amount in lacs)</th> </tr> </thead> <tbody> <tr> <td>Freehold land</td> <td align="center">1</td> <td align="center">48.49</td> <td align="center">513*</td> <td align="center">513*</td> </tr> <tr> <td>Leasehold land</td> <td align="center">1</td> <td align="center">14.26</td> <td align="center">_**</td> <td align="center">_**</td> </tr> </tbody> </table> <p>*As provided by Management (Refer Note number 1.3 of Property, plant and equipment under Note number 1). **The Company has executed a deed of indemnity with the Lessor in respect of the property on February 26, 2016, wherein it was agreed that the Company is interested to continue the lease for a further period of 30 years from April 01, 2014 to March 31, 2044 on execution of fresh lease deed incorporating mutually agreed terms and conditions. However, no fresh deed is executed till date, though the Company continues to occupy the land and pay the lease rentals.</p>	Nature	Number of assets	Extent of land (in acres)	Gross Block of asset (Amount in lacs)	Net block of asset (Amount in lacs)	Freehold land	1	48.49	513*	513*	Leasehold land	1	14.26	_**	_**
Nature	Number of assets	Extent of land (in acres)	Gross Block of asset (Amount in lacs)	Net block of asset (Amount in lacs)													
Freehold land	1	48.49	513*	513*													
Leasehold land	1	14.26	_**	_**													
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc. if yes, the reasons therefore and the amount involved.	According to information and explanations given to us, the Company has not waived / written off any of debts / loans/interest etc. during the year.															
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities.	According to information and explanations given to us, the Company does not have any inventories lying with third parties and no assets are received by the Company as a gift/ grants from Government or other authorities.															
4	State of impact of revision of subsidies for fertilizers products, viz. NPK, Ammonium Sulphate and imported MoP in valuation of its closing stock.	<p>As per company policy for inventory valuation "Finished / trading products are valued at lower of cost or net realizable value in the aggregate, product-wise. Costs of finished / semi-finished / intermediate products are determined based on annual average cost excluding interest and head office and administrative overheads. Cost of finished goods in warehouse includes freight and handling charges".</p> <p>During the year following items are valued at cost, since it is lower than net realizable value.</p> <ol style="list-style-type: none"> NPK, Ammonium sulphate, Imported MoP. <p>The closing stock of items transferred under non Direct Benefit Transfer scheme is valued at cost less subsidies received for the same. Hence, during the year the impact of revision of subsidies for fertilizers products, viz. NPK, Ammonium Sulphate and imported MoP is reflected in valuation of its closing stock.</p>															

Kochi
May 30, 2018

For Babu A Kallivayalil & Co.
Chartered Accountants,
Firm Registration No. 05374S

Sd/-
E V Thomas
Partner
Membership No. 3679



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure C to the Independent Auditors' Report

(Referred to in paragraph 15 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report)

REPORT ON THE INTERNAL FINANCIAL CONTROLS under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (the Company) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the

reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting need to be strengthened as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India.

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-

E V Thomas
Partner

Membership No. 3679

Kochi
May 30, 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Indian Audit and Accounts Department,
Office of the Principal Director of Commercial Audit
and ex-officio Member Audit Board, Chennai

CONFIDENTIAL

07.08.2018

PDCA/G-2/4-4/FACTA /cs/2018-19/30

To

The Chairman and Managing Director
The Fertilisers and Chemicals Travancore Limited,
Eloor, Udyogamandal,
Kochi-683 501

Sir,

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2018

I am to forward herewith the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2018.

Five copies of Annual Report of your Company may kindly be arranged to be forwarded to this office

Receipt of this letter may be acknowledged.

Yours faithfully,
Sd/-

(R Ambalavanan)

PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT AND
EX-OFFICIO MEMBER AUDIT BOARD, CHENNAI

Encl: Audit certificate

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013
ON THE FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31
MARCH 2018**

The preparation of financial statements of The Fertilisers and Chemicals Travancore Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act, are responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 30.05.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of The Fertilisers and Chemicals Travancore Limited for the year ended 31 March 2018. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

For and on the behalf of the
Comptroller & Auditor General of India

Place: Chennai
Date: August 07, 2018

Sd/-
(R. AMBALAVANAN)
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT AND
EX-OFFICIO MEMBER AUDIT BOARD, CHENNAI



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Balance Sheet as at 31st March 2018

₹ in Lakh

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	1	29462.42	29670.86	31316.39
Capital Work in Progress	1A	1882.57	2467.93	2186.40
Investment Property	2	9.60	9.70	9.80
Financial Assets				
Investments	3	5927.21	4571.53	4375.54
Trade Receivables	4	-	-	-
Loans	5	619.72	621.24	621.31
Other Financial Assets	6	13.32	12.00	11.99
Other Non Current Assets	7	384.80	174.83	218.69
		38299.64	37528.09	38740.12
CURRENT ASSETS				
Inventories	8	47874.64	42910.81	37611.14
Financial Assets				
Trade Receivables	9	45009.24	50606.94	40559.19
Cash and Cash equivalents	10	4612.04	3229.09	2008.08
Other Bank Balances	11	1752.48	1989.29	3737.34
Loans	12	54.49	2.60	12.72
Other Financial Assets	13	40766.34	17669.31	39951.92
Current Tax Assets	14	52.00	92.93	5.48
Other current Assets	15	3154.27	2733.10	3355.35
		143275.50	119234.07	127241.22
Assets held for Disposal	16	39.41	-	-
		181614.55	156762.16	165981.34
TOTAL ASSETS				
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	17	64707.20	64707.20	64707.20
Other Equity	18	(228725.30)	(215940.59)	(197601.55)
		(164018.10)	(151233.39)	(132894.35)
LIABILITIES				
NON CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	19	177048.75	177048.75	162713.36
Provisions	20	16246.12	11918.63	13317.74
Other Non Current Liabilities	21	819.51	883.20	946.88
		194114.38	189850.58	176977.98



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Balance Sheet as at 31st March 2018

₹ in Lakh

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	22	50737.50	63181.59	18345.35
Trade Payables	23	42328.14	32072.49	57151.39
Other Financial Liabilities	24	52771.41	16911.99	39888.22
Other Current Liabilities	25	3865.95	4485.43	5046.72
Provisions	26	1815.27	1493.47	1466.03
		151518.27	118144.97	121897.71
TOTAL EQUITY AND LIABILITIES		181614.55	156762.16	165981.34

Statement of significant Accounting Policies

A

Explanatory Information on Financial Statements

36 - 63

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

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

₹ in Lakh

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I Revenue from Operations	27	192867.07	188327.97
II Other Income	28	4134.96	1803.50
III Total Income (I+II)		197002.03	190131.47
IV Expenses			
Cost of Materials Consumed	29	108023.90	108741.03
Purchase of Stock in Trade	30	169.03	9867.93
Change in Inventories of Finished Goods, Work in Progress and Stock in Trade	31	(3052.86)	(8120.41)
Employee Benefit Expenses	32	25029.87	24396.53
Finance Cost	33	32141.63	30466.33
Depreciation and Amortization Expenses / Impairment	1,2	1714.78	2129.91
Other Expenses	34	46026.86	48917.92
Total Expenses (IV)		210053.21	216399.24
V Profit / (Loss) before Tax (III-IV)		(13051.18)	(26267.77)
VI Tax Expenses		-	-
VII Profit / (Loss) for the Year (V+VI)		(13051.18)	(26267.77)
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or loss		1355.68	196.00
(ii) Remeasurement of defined benefit plan		(1087.32)	2598.39
(iii) Income Tax relating to items that will not be reclassified to Profit or Loss			
Other Comprehensive income for the year (VIII)		268.36	2794.39
IX Total Comprehensive Income for the year (VII+VIII)		(12782.82)	(23473.38)
X Earnings per Equity Share			
Basic/Diluted per Equity Share (₹)	35	(2.02)	(4.06)
Statement of significant Accounting Policies	A		
Explanatory Information on Financial Statements	36-63		

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Cash flow statement for the year ended 31st March 2018

₹ in Lakh

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
A Cash flow From Operating Activities		
Net Profit / (Loss) before Tax	(13051.18)	(26267.77)
Adjustments for:		
Depreciation / Impairment loss on Assets	1714.78	2129.91
(Profit) / Loss on Sale of Asset	(6.38)	0.05
Interest Income	(317.57)	(316.21)
Dividend Income	(9.72)	(9.72)
Interest and Finance Charges	32141.63	30466.33
Provision for bad / Doubtful Debts	203.15	249.50
Provision for Obsolescence	27.63	101.51
Amount written back from deferred Government Grants	(1.89)	(1.89)
Operating Profit before Working Capital Changes	20700.45	6351.71
Adjustment for :		
Inventories	(4991.46)	(5401.19)
Trade Receivables	5483.93	(10167.28)
Loans	(50.37)	10.19
Others Including Bank balances	(48837.81)	24283.34
Trade Payables	10255.65	(46137.56)
Borrowings	(12444.09)	59171.63
Other liabilities	35176.25	(23601.20)
Provisions	4649.29	(1371.67)
	(10758.61)	(3213.74)
Cash Generation from Operations	9941.84	3137.97
Direct Tax Paid	-	-
Net Cash from Operating Activities	9941.84	3137.97
B Cash Flow from Investing Activities		
Addition to Fixed Assets	(914.50)	(765.87)
Change in other Comprehensive Income	268.36	2794.38
Change in Retained Earnings (Prior Period adj)	-	5136.27
Interest Received	317.57	316.21
Dividend Received	9.72	9.72
Net Cash from investing Activities	(318.85)	7490.71



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Cash flow statement for the year ended 31st March 2018

₹ in Lakh

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
C Cash Flow from Financing Activities		
Interest Paid	(8240.05)	(9407.67)
Net Cash from Financing Activities	(8240.05)	(9407.67)
Net increase in Cash and Cash Equivalents (A+B+C)	1382.95	1221.01
Cash and Cash Equivalents as at 1st April (Opening Balance)	3229.09	2008.08
Cash and Cash Equivalents as at 31st March (Closing Balance)	4612.04	3229.09
Closing Cash and Cash Equivalents		
Represented By :		
Cash on hand	2.61	3.00
Balances with banks	400.01	919.21
Cheques, drafts on hand	0.05	500.17
Deposit with Bank (less than 3 month maturity)	4209.37	1806.71
Total	4612.04	3229.09

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital

₹ in Lakh

Particulars	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 Mar 2017	Changes in equity share capital during the year	Closing balance as at 31 Mar 2018
Equity shares of ₹10 each	64707.20	-	64707.20	-	64707.20
Total	64707.20	-	64707.20	-	64707.20

B. Other Equity

Particulars	Reserves and Surplus			Equity Instrument Through Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Government Grant		
Balance as on 01.04.2017	2.64	(220208.22)	60.01	4204.98	(215940.59)
Changes in Accounting Policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the reporting period	2.64	(220208.22)	60.01	4204.98	(215940.59)
Profit for the year	-	(13051.18)	-	-	(13051.18)
Other Comprehensive Income for the year (Net of Taxes ; if any)	-	(1087.32)	-	1355.68	268.36
Total Comprehensive Income for the year	-	(14138.50)	-	1355.68	(12782.82)
Transfers(if any)	-	-	(1.89)	-	(1.89)
Balance as on 31.03.2018	2.64	(234346.72)	58.12	5560.66	(228725.30)

Particulars	Reserves and Surplus			Equity Instrument Through Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Government Grant		
Balance as on 01.04.2016	2.64	(195660.26)	61.90	-	(195595.72)
Changes in Accounting Policy or prior period errors	-	(878.58)	-	4008.98	3130.40
Restated Balance at the beginning of the reporting period	2.64	(196538.84)	61.90	4008.98	(192465.32)
Profit for the year	-	(26267.77)	-	-	(26267.77)
Other Comprehensive Income for the year (Net of Taxes ; if any)	-	2598.39	-	196.00	2794.39
Total Comprehensive Income for the year	-	(23669.38)	-	196.00	(23473.38)
Transfers(if any)	-	-	(1.89)	-	(1.89)
Balance as on 31.03.2017	2.64	(220208.22)	60.01	4204.98	(215940.59)

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679
Place: Kochi
Date: 30 May 2018

Sd/-
K V Balakrishnan Nair
Company Secretary



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

A Statement of Significant Accounting Policy forming part of Accounts for the Year ended 31st March 2018

1. Corporate Information

The Company is a public limited company having registered office located at Eloor, Udyogamandal, Ernakulam 683501, Kerala. Its shares are listed in National Stock Exchange India Limited.

2. Basis for preparation of financial statements

The standalone financial statements of the Company have been prepared in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards)(Amendment) Rules, 2016 and other relevant provisions of the Act.

The standalone financial statements have been prepared under the historical cost and on accrual basis, except for the following: -

- Certain financial assets and liabilities measured at fair value
- Certain provisions recognized using actuarial valuation techniques
- Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakh (₹00,000), except when otherwise indicated.

3. Significant Accounting Policies

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between estimates and actuals are recognized in the period in which they materialize.

i) Property Plant and Equipment

- a) All Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.
- b) Land purchased/acquired and under the possession of the company are treated as free hold land.
- c) Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset
- d) Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.
- e) Spares costing (Unit value of ₹10 lakh and above), and other components which are required to be replaced at intervals, meeting the recognition criteria, have been classified as Plant and equipment and are depreciated separately based on their specific useful lives.
- f) 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 are met.
- g) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue.

Financing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized upto the date of capitalization.

Financing cost, if any, incurred on general borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined after setting off the amount of internal accruals, if any.

Depreciation

Depreciation is charged on Fixed Assets based on the useful lives of assets, prescribed under the Schedule II of the Companies Act 2013. The Company has adopted Straight Line method of depreciation for all the categories of assets, acquired on or after 01st April 2014.

Effective from 1st April, 2014, the Company has reassessed the useful life of its existing fixed assets and has charged depreciation over the remaining useful lives, after retaining residual value, in accordance with the transitional provisions contained in the Schedule II of the Companies Act 2013.

Residual value of 5% has been retained for all the Fixed Assets, which is in line with the provisions of the Schedule II.

Depreciation is charged @ 100% on the assets with acquisition value of less than Rs.5,000/-, the value being immaterial, considering the size and nature of the business of the Company.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Impairment

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. When the recoverable amount of previously impaired assets exceeds its carrying amount, the value of asset is reinstated by reversing the impairment loss considered in prior years limited to lower of its recoverable value or carrying amount at the depreciated historical cost.

Capital Stores

Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

Exemption Availed Under Ind AS 101

On transition to Ind AS, Company has elected to continue with the carrying value of all its property plant and equipment existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the property plant and equipment.

ii) Capital Work In Progress

Projects under which Property, Plant and Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest .

iii) Investment Property

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

Investment properties are derecognised either when they have been disposed off or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Exemption availed under Ind AS 101 :- On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment Property existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the same.

iv) Intangible Assets

Technical know-how / license fee relating to production process and process design are recognized as intangible assets and amortised on a straight line method over a period of 5 years or life of the underlying plant / facility whichever is earlier.

Expenditure incurred on Research and Development, other than capital account is charged to revenue.

Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalized as intangible assets and amortized over a period of 5 years

Exemption Availed Under Ind AS 101

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets existing as on 1st April 2016 measured as per the previous GAAP (Indian GAAP) and use that value as its deemed cost as of the transition date.

The Company has no intangible assets with infinite useful lives.

v) Inventory Valuation

Raw materials and stores and spares are valued at or below cost. Cost being ascertained on weighted average method. In cases where there has been a decline in the price of imported and indigenous raw material and it is estimated that cost of finished product will exceed the net realizable value, the materials are written down to net realizable value.

Materials in process are not valued, consistently.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Finished/Trading products are valued at lower of cost or net realizable value in the aggregate, product-wise. Intermediate products are valued at lower of cost or net realizable value derived from finished products and saleable by-product at realizable value. Cost of Finished / semi-finished / intermediate products are determined based on annual average cost excluding interest and head office and administrative overheads. Cost of finished goods in warehouse includes freight and handling charges.

Materials in transit / under inspection are valued at cost

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the lowest slab of the approved price for the next financial year reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. For assessing the closing stock of gypsum, the closing stock as per survey report as on 31.3.2016 will be taken as the base year and closing stock shall be derived by considering the production, consumption, dispatch and sales during the year.

vi) Commitments

Capital

Estimated amount of contracts remaining to be executed on capital accounts, above ₹5 lakh in each case, are considered for disclosure.

Other Commitments

Disclosure is considered in respect of those non-cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) based on the professional judgement of the management which are material and relevant.

vii) Borrowing Cost

Borrowing Costs that are specifically identified to the acquisition or construction of qualifying assets are capitalised as part of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

viii) Investments

All equity investments in scope of Ind- AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may decide to classify the same as at FVTOCI. The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable. Company is not holding any equity instrument for trading. Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

ix) Revenue Recognition

Sales are recognized on accrual basis when all significant risks and rewards of ownership are transferred to the buyer.

Gross sales (net of returns) include excise duty, wherever applicable

Recognition of subsidy is generally made on the basis of in principle recognition / approval/ settlement of claims by the Government of India as per the policy in force.

Other income is recognized on an accrual basis

Dividend income is recognized when right to receive dividend is established

Interest income is recognized when no significant uncertainty as to its realization exists.

Scrap, salvaged / waste materials and sweepings are accounted for on realization.

Claims on underwriters, carriers and on Customs and Central Excise, Goods and Service Tax Departments are taken into account on acceptance.

Insurance and other miscellaneous claims are recognized on receipt/ acceptance of claim. Contractual pass through incentives, benefits, etc. are recognized on receipt basis.

x) Leases

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



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease

Operating lease payments are recognized as an expense in the Statement of profit and loss as per lease terms as such payments are structured to increase in line with expected general inflation.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised as revenues as per lease terms since such rentals are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

xi) Foreign Currency Transactions:

Receivables and payables in foreign currency as on the reporting date including forward exchange contracts are restated at the rate prevailing at that date.

The premium in respect of forward exchange contracts is recognized in the year of contracts.

Variations arising on account of fluctuations in foreign exchange rates are treated as revenue (gain/loss (-)).

xii) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee are recognised as an expense during the period when the employees render the services

Post Employment Benefits

Defined Contribution Benefits

Contributory Superannuation Scheme with an annual contribution of ₹100 by the Company, aimed to provide superannuation benefits to the employees, has been treated as Defined contribution Plan.

Defined Benefit Plans

The company's contribution to the Provident Fund is remitted to separate trust established for this purposes based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the company and charged to Statement of Profit and Loss.

The company operates defined benefit plan for gratuity and leave encashment. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and the gratuity fund is administered through a fund maintained by insurance company.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

xiii) Grants

Government grants in the nature of promoters' contribution are credited to Capital reserve and treated as part of Shareholders funds.

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

Revenue grants relating to revenue expenses are deducted from the respective expenses.

In respect of revenue grants released by Government, the treatments in the accounts are considered as per the respective schemes notified by the Government. Other revenue grants relating to revenue expenses are considered as income and credited to statement of Profit and Loss.

xiv) Taxes

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax on account of timing difference between taxable income and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are not recognized unless, in the management judgment there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

xv) Goods and Services Tax

Goods and Service Tax credit on eligible materials and services is recognised on receipt of such items at intended locations.

xvi) Segment Reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under unallocable corporate expenses.

Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

xvii) Contract Operations

In contract operations revenue is recognized on percentage of completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date.

Foreseeable losses on contract activities are recognized fully irrespective of the progress of work.

In the case of Total responsibility jobs/Deposit work/Cost plus contracts, contract revenue is determined by adding the aggregate cost plus fixed percentage fees there on as agreed with the Customer.

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to a earlier periods, exceeding ₹1 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

Research and development expenses (other than cost of fixed assets acquired) are charged as an expense in the Statement of Profit And Loss in the year in which they are incurred.

xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is 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 and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Show Cause notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the company, these are classified as disputed obligations.

The treatment in respect of disputed obligations, in each case, is as under:



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

- i) a provision is recognized in respect of present obligations where the outflow of resources is probable
- ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

xxi) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

xxii) Financial Instruments

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories, those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and those measured at amortised cost.

The classification depends on the entity'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 arising from fair valuation will either be recorded in profit or loss or other comprehensive income. 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 other comprehensive income.

Measurement

Initial recognition

The Company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recognised in profit and loss.

Subsequent Measurement

Subsequent measurement of financial assets 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 financial assets:

Amortized 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.

Fair value through other comprehensive income (FVOCI)

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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through Profit and Loss(FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss.

Investments in Joint Venture

Investment in Joint venture is recognised at fair value through FVOCI

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

Subsequent measurement

The subsequent measurement of financial liabilities of the Company depending on their classification is described below:

Loans and borrowings including bank overdrafts

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

xxiii) First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2016, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

The Company has adopted all the applicable Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies Accounts Rules, 2014 (IGAAP), which was the previous GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2016 as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, the Company's date of transition to Ind AS. Reconciliations and descriptions of the effect of the transition have been summarised in Note no.46 to financial statements.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition. The same is applicable even for Investment property and intangible assets.

Company has also reviewed the necessary adjustments required to be done in accordance with paragraph D21 of the standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1st April 2016 as fair value through OCI.

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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NOTES FORMING PART OF FINANCIAL STATEMENTS

Note No. 1. Non Current Assets - Property, Plant and Equipment (PPE):

Particulars	DEEMED COST / COST				DEPRECIATION				IMPAIRMENT LOSS			NET BLOCK			
	As at 01.04.2017	Additions during the year	Disposals/ Deductions during the year	Adjustments during the year	As at 31.03.2018	Upto 01.04.2017	For the year	On Disposals/ Deductions during the year	On adjustments during the year	Upto 31.03.2018	(Withdrawal)/ Provision during the year	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Tangible assets															
Land	1744.73	2.17	(39.41)	-	1707.49	-	-	-	-	-	-	-	1707.50	1744.74	1744.07
Buildings	1331.41	-	-	-	1331.41	44.55	-	-	-	89.12	(1.20)	4.33	1237.97	1281.32	1324.67
Plant and Equipment	24238.69	1335.75	(20.75)	(32.06)	25221.63	2025.05	1600.21	(19.71)	(294.56)	3310.99	(36.25)	288.96	21621.69	21888.44	23412.74
Furniture and Fixtures	33.88	0.23	-	-	34.11	1.54	1.56	-	-	3.10	-	-	31.01	32.34	33.81
Vehicles	66.43	12.03	-	-	78.46	12.33	12.61	-	-	24.94	-	-	53.52	54.10	66.43
Office equipment	128.37	191.91	-	-	320.28	38.22	49.10	-	-	87.32	-	-	232.96	90.15	114.86
Others:-															
Roads & Culverts	338.17	-	-	-	338.17	20.97	20.95	-	-	41.92	-	-	296.25	317.20	338.18
Railway Sidings	15.62	-	-	-	15.62	-	-	-	-	-	-	-	15.62	15.62	15.62
Misc. Assets	178.12	5.46	-	-	183.58	23.57	23.16	-	-	46.73	-	-	136.85	154.55	173.61
Retired Asset	4092.40	-	(0.85)	37.50	4129.05	-	-	-	-	-	-	-	4129.05	4092.40	4092.40
Minor Assets	0.24	-	-	-	0.24	0.24	-	-	-	0.24	-	-	-	-	-
Total	32168.06	1547.55	(61.01)	(294.56)	33360.04	2166.49	1752.14	(19.71)	(294.56)	3604.36	(37.45)	293.29	29462.42	29670.86	31316.39
Previous year	32130.91	484.65	(1.15)	-	32168.06	446.34	1720.93	(0.78)	-	2166.49	(37.44)	330.74	29670.86	31316.39	

- 1.1) Company has agreed to mortgage 408 acres of land vide patia no.7030 in survey no.205 in Puthencruz, Ernakulam District, Kerala state to the Government of India against the plan loan sanctioned by the Government of India, during the year 2015-16.
- 1.2) Out of the total 2150.50 acres (Previous year 158.82 acres) of land held by the Company, 158.82 acres, value ₹ Nil (Previous year 158.82 acres, value ₹ Nil) are held under lease hold right. Out of this, lease agreement in respect of 14.26 acres (Previous year 14.26 acres) of leasehold land belonging to Cochin Port Trust is under finalisation.
- 1.3) Land for ₹512.94 lakh (Previous year ₹510.77 lakh) in respect of which the title deeds are yet to be registered/ received. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the year.
- 1.4) Cost of Railway siding includes ₹ 85.43 lakh (Previous year ₹85.43 lakh), written down value ₹4.27 lakh (Previous year ₹4.27 lakh), held jointly with M/s.Bharat Petroleum Corporation Limited (Kochi Refinery)
- 1.5) During the year 2013-14, Company had given 4.0558 hectares of land to Kochi Metro Rail Limited on leave and license basis for a period of 2 years from 22.10.2013 to 21.10.2015. The lease has been extended from 22-10-2015 for a period of two years for a consideration of ₹46.2 lakh per hectare for the year 2015-16 and ₹50.82 lakh per hectares for the year 2016-17. The area under lease from 22-10-2015 is 4.1344 hectares.
- 1.6) Plant and Equipment includes value of 6 nos of Ammonia bullets fixed on the barges of contractor of the company for transportation of Ammonia, of original cost ₹ 53.30 lakh and accumulated depreciation ₹ 50.64 lakh with net value of ₹ 2.66 lakh.
- 1.7) ₹37.45 lakh has been withdrawn shown as reduction from depreciation expenses in the Statement of Profit and Loss towards impairment loss during the FY 2017-18 and cumulative impairment loss is ₹ 293.29 lakh.
- 1.8) Non Current asset held for disposal includes Ammonia and Urea Plant at Cochin Division. These assets are retained in books at written down value which the Company expects as its fair value.
- 1.9) First charge on 520.47625 acres of land (Previous year 520.47625 acres, on 01.04.2016 520.47625 acres) and buildings in the States of Kerala, Tamilnadu and Karnataka and First charge on certain Plant and Machinery permanently attached to the above land as a security against loans repayable on demand.
- 1.10) Includes assets procured with EEC fund amounting to ₹59.61 lakh (previous year ₹60.55 lakh, on 01.04.2016 ₹61.49 lakh)

Note No. 1A. Non Current Assets - Capital Work in Progress

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Work in Progress	1679.20	2300.52	1855.83
Goods in Transit / Material in Transit	203.37	167.41	330.57
	1882.57	2467.93	2186.40



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Note No. 2. Non Current assets - Investment Property

₹ In Lakh

Particulars	As at 31.03.2018	As at 31.03.2017	As at 1.04.2016
Opening Balance			
Land	6.50	6.50	6.50
Building	3.30	3.30	3.30
Total	9.80	9.80	9.80
Addition			
Land	-	-	-
Building	-	-	-
Total	-	-	-
Closing Balance			
Land	6.50	6.50	6.50
Building	3.30	3.30	3.30
Total	9.80	9.80	9.80
Depreciation			
Building			
Opening Balance	0.10	-	-
Current Year	0.10	0.10	-
Closing Balance	0.20	0.10	-
Net Block			
Land	6.50	6.50	6.50
Building	3.10	3.20	3.30
Total	9.60	9.70	9.80

For investment property existing as on 1 April 2016, i.e., its date of transition to Ind-AS, the company has used Indian GAAP carrying value as deemed costs.

Particulars	As at 31.03.2018	As at 31.03.2017
Rental Income from investment property	99.12	99.12
Direct operating expenses to income generating property	-	-
Less: Reimbursement of expenses	-	-
Profit arising from Investment Property before depreciation	99.12	99.12
Depreciation	0.10	0.10
Profit arising from Investment Property	99.02	99.02

Reconciliation of fair value

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Fair Value of Investment property			
Opening Balance			
Freehold Land	1355.07	1355.07	1355.07
Buildings	26.42	26.42	26.42
Total	1381.49	1381.49	1381.49
Additions/(Deletions)			
Freehold Land	135.51	-	-
Buildings	-	-	-
Total	135.51	-	-
Closing Balance			
Freehold Land	1490.58	1355.07	1355.07
Buildings	26.42	26.42	26.42
Total	1517.00	1381.49	1381.49

Fair Value of Freehold Land is based on the notification issued by the Government of Kerala in their website. Management assumes the original cost of the Building as fair value



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₹ In Lakh

Note No. 3. Non Current Asset - Financial Assets - Investments	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Particulars			
In joint venture			
FACT-RCF Building Products Ltd			
32870000 (Previous year 32870000) Equity Shares of ₹10/- each	-	-	3287.00
Less: Provision for diminution in the value of investment	-	-	(3287.00)
	-	-	-
Kerala Enviro Infrastructure Ltd			
3124000 (Previous year 3124000) equity shares of ₹10/- each fully paid-up	308.72	245.62	224.89
	308.72	245.62	224.89
Investment in Joint Venture	308.72	245.62	224.89
*Reconciliation of fair value measurement of the investment in unquoted			
FACT-RCF Building Products Ltd			
32870000 equity shares (P.Y.32870000, 32870000 as on 01.04.2016) of ₹10 each	-	-	3287.00
Less:- Provision for Diminution in the value of investment	-	-	(3287.00)
Carrying Value	-	-	-
Kerala Enviro Infrastructure Ltd			
*Reconciliation of fair value measurement of the investment in unquoted			
Opening balance	245.62	224.89	312.40
Total Gains and losses recognised in OCI	63.10	20.73	(87.51)
Closing Balance	308.72	245.62	224.89
Travancore Cochin Chemicals Ltd.,			
681820(Previous year 681820)Equity Shares of ₹10/- each including 340910 Bonus shares.	94.31	4.89	-
Capexil Agencies Ltd.			
15 (Previous year 15) Equity Shares of ₹1000/- each fully paid-up	-	-	-
Indian Potash Ltd.			
324000 (Previous year 324000) Equity Shares of ₹10/- each fully paid-up, including 135000 Bonus Shares	5523.16	4320.00	4149.63
	5617.47	4324.89	4149.63
Shares in Co-Operative Societies:			
FACT Co-operative Society Ltd			
10001 (Previous year 10001) shares of ₹10/- each fully paid-up	1.00	1.00	1.00
Meherabad Co-operative Housing Society Ltd			
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01	0.01
Good Earth Housing Society Ltd.			
10 (Previous year 10) shares of ₹50/- each fully paid-up ₹500 (Previous year Rs 500)	0.01	0.01	0.01
	1.02	1.02	1.02
Total Investments	5927.21	4571.53	4375.54
Aggregate amount of unquoted investments	5927.21	4571.53	4375.54
Aggregate amount of impairment in the value of investments	-	-	-
*Reconciliation of fair value measurement of the investment in unquoted			
Travancore Cochin Chemicals Ltd			
Opening balance	4.89	-	34.09
Total Gains and losses recognised in OCI	89.42	4.89	(34.09)
Closing Balance	94.31	4.89	-



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NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakh

Capexil Agencies Ltd.			
*Reconciliation of fair value measurement of the investment in unquoted			
Opening balance	-	-	0.15
Total Gains and losses recognised in OCI	-	-	(0.15)
Closing Balance	-	-	-
Indian Potash Ltd			
*Reconciliation of fair value measurement of the investment in unquoted			
Opening balance	4320.00	4149.63	18.90
Total Gains and losses recognised in OCI	1203.16	170.37	4130.73
Closing Balance	5523.16	4320.00	4149.63

Note : Shares of Co-operative societies are retained at book value.

Company has adopted the carrying amount as per IGAAP as its deemed cost of its investment in joint ventures.

The deemed cost of the investments has been arrived as under:

Note No. 4. Non current Assets - Financial assets- Trade Receivables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
From related party			
Considered doubtful	203.41	174.92	134.52
Less : Provision for Doubtful Debts	203.41	174.92	134.52
	-	-	-
Others			
Secured			
Considered doubtful	1328.00	1242.72	1163.59
Less : Provision for Doubtful Debts	1328.00	1242.72	1163.59
	-	-	-
	-	-	-

The disclosure of movement as required under Indian Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets

Allowance for doubtful Trade receivables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision at the beginning of the year	1417.64	1298.11	1276.42
Provisions made during the year	113.77	119.53	21.69
Released during the year	-	-	-
Provision at the end of the year	1531.41	1417.64	1298.11

Note No. 5. Non current Assets - Financial assets-Loans

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Security deposit			
Un Secured Considered Good	611.38	611.28	609.71
	611.38	611.28	609.71
Loan to Employees			
Un Secured Considered Good	8.34	9.96	11.60
	8.34	9.96	11.60
	619.72	621.24	621.31

Note :Loans to employees ₹8.34 lakh (Previous year ₹9.96 lakh) towards festival advance paid during 1996-97, and is being recovered at the time of separation from company's service.



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NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakh

Note No. 6. Non current Assets - Financial assets- Other Financial Assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advances to Related Parties			
Considered doubtful	953.20	884.67	754.69
Less : Provision	953.20	884.67	754.69
	-	-	-
Advance to Others			
Un Secured Considered Doubtful	11661.97	9486.67	7692.94
Less : Provision for Doubtful Receivables	11661.97	9486.67	7692.94
	-	-	-
Treasury Deposit and Interest Warrant Deposit	12.86	11.54	11.54
Other Deposits	0.46	0.46	0.45
	13.32	12.00	11.99

The disclosure of provisions movement as required under Indian Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets

Allowance for bad & doubtful Loans and advances

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision at the beginning of the year	10371.33	8447.63	6871.15
Provisions made during the year	2243.84	1923.70	1576.48
Written off during the year	-	-	-
Provision at the end of the year	12615.17	10371.33	8447.63

Provision for doubtful loans and advances include ₹11514.60 lakh (Previous year ₹9360.14 lakh, on 01.04.2016 ₹7566.41 lakh) towards interest accrued on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable .

Note No. 7. Non current Assets - Financial assets- Other Non Current Assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Advances			
Un Secured Considered Good	305.80	55.40	5.00
Un Secured Considered Doubtful	-	-	-
Less : Provision	-	-	-
Advances Other than Capital Advances:	-	-	-
Security Deposit	-	-	-
Tax Deducted at source including Advance Tax (net of Provision)	79.00	119.43	213.69
	384.80	174.83	218.69

Note : Capital advance include amount paid for items supplied but rejected by the Company pending settlement ₹Nil (Previous year ₹4.00 lakh, ₹4.74 Lakh on 01.04.2016)

Deferred tax assets (net)

The Company has deferred tax asset of ₹212611 lakh (Previous year ₹205581 lakh) as on 31.03.2018 because of unabsorbed depreciation and accumulated losses. The deferred tax liability as on 31.03.2018 is ₹18824 lakh (Previous year ₹14487 lakh). Since there is net deferred tax asset as on 31.03.2018, as a matter of prudence the deferred tax asset is not considered in the Accounts. The net impact (favourable) in tax on account of this comes to ₹59880 lakh.(Previous year ₹59048 lakh)



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₹ In Lakh

Note No. 8. Current Assets - Inventories			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Raw Materials	4637.68	6340.32	10269.03
Raw materials-in -transit	5835.84	1540.70	-
	10473.52	7881.02	10269.03
Work-in-progress	1527.09	1815.36	2541.53
Finished Goods	26476.67	20766.08	14759.93
Stock-in-trade (in respect of goods acquired for trading)	525.73	2895.19	54.76
Stores and Spares			
Machinery Spares	9637.77	9793.53	10114.19
General Stores	2316.47	2850.98	2741.03
Stores & Spares-in -transit	267.58	231.21	351.72
	12221.82	12875.72	13206.94
Retired Spares	453.50	453.50	453.50
Total Inventories	51678.33	46686.87	41285.69
Less: Provision towards obsolescence and storage losses	3803.69	3776.06	3674.55
	47874.64	42910.81	37611.14

Notes

1. Inventories along with other Current Assets is pledged as Primary Security for Working Capital arrangement with Consortium of Banks amounting to ₹114962 Lakh (Fund Based ₹70250 lakh and Non Fund Based ₹44712 lakh)
2. Inventory of raw material, stores and spares, Work in Progress are valued at cost and finished goods are valued at lower of cost or realisable value
3. Finished Goods includes 27.63 lakh MT of saleable gypsum (PY 31.22 lakh MT, on 01.04.2016 34.45 lakh MT) amounting to ₹9119.39 lakh (Previous year ₹7400.07 lakh, on 01.04.2016 ₹11506.82 lakh - inclusive of Excise Duty) valued as per Accounting policy.
4. Stores & Spares in transit includes Stores & Spares at site pending inspection Rs. 218.81 lakh (Previous year ₹177.83 lakh, ₹269.71 lakh on 01.04.2016)
The disclosure of provisions movement as required under Indian Accounting Standard "Provisions, Contingent Liabilities and Contingent Assets"

Provision towards obsolescence and storage losses (including provision towards Retired spares)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision at the beginning of the year	3776.06	3674.55	3591.54
Provisions made during the year	27.63	101.51	83.01
Utilisations during the year	-	-	-
Released during the year	-	-	-
Provision at the end of the year	3803.69	3776.06	3674.55

Note No. 9. Current Assets - Financial assets-Trade Receivables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Subsidy Receivable			
Unsecured Considered good	44572.30	49780.22	39848.95
	44572.30	49780.22	39848.95
Sundry Debtors			
Secured , considered good	6.28	15.68	0.19
Unsecured , considered good	430.66	811.04	710.05
	436.94	826.72	710.24
	45009.24	50606.94	40559.19

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₹ In Lakh

Note No. 10. Current Assets - Financial assets-Cash and Cash Equivalents

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balances with Banks	400.01	919.21	353.06
Cheques , Drafts on hand	0.05	500.17	0.27
Cash on hand	2.61	3.00	2.30
Deposit with original maturity less than three months	4209.37	1806.71	1652.45
	4612.04	3229.09	2008.08

Cash and bank balances include ₹ 0.16 lakh (Previous Year ₹0.16 lakh, on 01.04.2016 ₹0.17 lakh) being the balance of amount received from clients for execution of jobs on Total Responsibility basis and ₹1683.06 lakh (Previous year ₹1217.82 lakh, on 01.04.2016 ₹52.23 lakh) towards work on Deposit basis, lying in a specified account to meet the matching liabilities under Current Liabilities.

Note No. 11. Current Assets - Financial assets-Other Bank Balances

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deposit with original maturity more than three months but less than twelve months (*)	1752.48	1989.29	3737.34
	1752.48	1989.29	3737.34

(*) Includes margin money Deposit

Note No. 12. Current Assets - Financial assets-Loans

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Security Deposits:			
Unsecured , considered good	54.49	2.60	12.72
Others	-	-	-
	54.49	2.60	12.72

Note No. 13. Current Assets - Financial assets-Other financial assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Foreign Currency Receivable on Forwad Contract	15652.25	3153.65	25741.97
Dues from Statutory Authorities	21726.30	12081.62	12390.31
Interest Accrued	-	-	-
Amount receivable against Service Orders	1199.54	1007.98	1138.24
Other Accrued Income	997.16	742.58	379.02
Employee Benefit - Gratuity	297.79	281.63	112.17
Township Dues	893.30	400.00	190.21
Other Receivables	-	1.85	-
	40766.34	17669.31	39951.92

Dues from statutory authorities include ₹4044.53 lakh (Previous year ₹3046.41lakh, on 01.04.2016 ₹1239.82lakh) relates to Kerala Value Added Tax paid on procurement of Regasified Liquid Natural Gas has been accounted as refundable on account of announcement by the Hon'ble Finance Minister of Kerala in the State Legislative Assembly during the Budget Session.

Deposits includes ₹72.97 lakh (Previous Year ₹72.97 lakh, on 01.04.2016 ₹78.09 lakh) towards the amount paid against disputed demands pending appeal.

Note No. 14. Current Assets - Current Tax Assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Tax Deducted at Source	52.00	92.93	5.48
	52.00	92.93	5.48

Note No. 15. Current Assets - Other Current assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Contractors	2490.64	2216.45	2925.90
Employees	189.34	203.47	112.81
Pre Paid Expenses	333.64	230.90	246.25
Others	140.65	82.28	70.39
	3154.27	2733.10	3355.35

Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹8.63 lakh (Previous year ₹9.45 lakh, on 01.04.2016 ₹22.52 lakh)

Due from Contractors includes an amount of ₹1353.19 lakh (Previous year ₹1353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14, as per which the company is entitled to adjust an amount of ₹2798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon'ble District Court which has since stayed the award. Accordingly the Company demanded the bank to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon'ble High court of Mumbai for realization of amount, which is pending. However an amount of ₹1353.19 lakh only has been retained pending disposal of the case.



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Note No. 16. Current Assets - Financial assets- Non Current Assets held for Disposal			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Retired Assets held for Disposal	-	-	-
Land Held for Sale (M/s. BPCL)	39.41	-	-
	39.41	-	-
<p>Company entered an agreement with M/s. Bharat Petroleum Corporation Limited for sale of 169.689 Acre of land @ Rs. 248 Lakh per acre at Ambalamedu. The above land is shown under Land held for sale.</p>			
Note No. 17. Equity- Equity Share Capital			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Authorised:			
1000000000 (Previous year 1000000000) Equity Shares of ₹10/-each	100000.00	100000.00	100000.00
Issued, Subscribed and fully Paid up:			
647071974 (Previous year 647071974) Equity Shares of ₹10/- each fully paid up	64707.20	64707.20	64707.20
Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
No. of shares at the beginning of the year	647071974	647071974	647071974
No. of shares issued during the year	-	-	-
No. of shares at the end of the year	647071974	647071974	647071974
Notes			
1. Rights , Preference and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital. - Nil / Not Applicable			
2. Shares held by shareholders holding more than 5% of shares:			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
The Government of India	582364776	582364776	582364776
- No of shares	90.00%	90.00%	90.00%
- Percentage of Total Shares			
Special National Investment Fund constituted by the Government of India	55400424	55400424	55400424
- No of Shares	8.56%	8.56%	8.56%
- Percentage of Total Shares			
3. In order to comply with the minimum public shareholding norms, the Government of India have transferred 55400424 equity shares of ₹10 each to Special National Investment Fund on 6th August 2013.			
4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.			
I. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-
II. Aggregate number and class of shares allotted as fully paid up by way of Bonus shares	-	-	-
III. Aggregate number and class of shares bought back	-	-	-
5. Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL			
Note No. 18. Equity - Other Equity			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Reserves:			
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64	2.64
	2.64	2.64	2.64



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Other Reserves:			
Deferred Government Grant :			
Indo EEC Fertiliser Education Project			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening balance	56.40	57.34	58.27
Less: Amount written off during current year	0.94	0.94	0.93
Closing balance	55.46	56.40	57.34
Bio-Fertiliser Project			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening balance	3.61	4.56	5.51
Less: Amount written off during current year	0.95	0.95	0.95
Closing balance	2.66	3.61	4.56
Equity Instruments through other Comprehensive Income			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening Balance	4204.98	4008.98	-
Changes During the Year	1355.68	196.00	4008.98
Closing Balance	5560.66	4204.98	4008.98
Retained Earnings:			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening balance	(220208.22)	(201675.07)	(195660.26)
Add Changes in Accounting Policy / Prior Period items as per Ind AS	-	5136.23	(6014.81)
Add :Profit/ (Loss) during the year	(13051.18)	(26267.77)	-
Add: Remeasurement of defined benefit plan	(1087.32)	2598.39	-
Closing balance	(234346.72)	(220208.22)	(201675.07)
Other equity	(228725.30)	(215940.59)	(197601.55)
Note No. 19. Non Current Liabilities - Financial Liabilities - Borrowings			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Term loans			
Secured			
From the Government of India (Refer Note)	177048.75	177048.75	162713.36
	177048.75	177048.75	162713.36
<p>Note : A plan loan of ₹1000 crore bearing interest @13.50% p.a subject to revision on annual basis was released by the Government of India on 29th March 2016 to maintain the operations of the company. As per the terms of sanction of the loan, the amount of ₹1000 crore along with the earlier loan and interest outstanding has been converted to a single loan carrying interest @13.50% p.a with a one year moratorium for payment of interest. The loan along with interest is repayable in three or more equal instalments in a period of 5 years ending by 2022. Since there is no commitment to repay the loan / interest in the Financial Year 2018-19, the loan amount outstanding as at 31.03.2017 along with interest is shown under Non Current Liabilities - Financial Liabilities - Borrowings.</p>			
Note No. 20. Non Current Liabilities - Provisions			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for employee benefits			
(i) Provision for gratuity	7668.55	3072.69	2505.38
(ii) Provision for leave encashment	8388.29	8670.68	10650.08
Decommissioning of Assets in Leased Properties	189.28	175.26	162.28
	16246.12	11918.63	13317.74



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Note No. 21. Non Current Liabilities - Other Non current Liabilities			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advance Rent Received	819.51	883.20	946.88
	819.51	883.20	946.88
As on 1st April	(946.89)	(1010.57)	(1010.57)
Released to Profit and Loss account	63.69	63.68	-
As at 31st March	(883.20)	(946.89)	(1010.57)
current	63.69	63.69	63.69
Non Current	819.51	883.20	946.88

Note No. 22. Current Liabilities - Financial Liabilities -Borrowings			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured:-			
Loans repayable on demand			
From Banks			
Cash credit	48416.11	63181.59	5694.47
Libor Linked Buyers Credit	2321.39	-	11850.88
Borrowing against Fixed Deposit	-	-	800.00
	50737.50	63181.59	18345.35

Secured by (a) Hypothecation of current / movable assets viz. stock of raw materials, trade receivables, stores and spares, semi-finished goods, finished goods, receivables etc. (b) First charge on 520.47625 acres of land (Previous year 520.47625 acres, on 01.04.2016 520.47625 acres) and buildings in the States of Kerala, Tamilnadu and Karnataka (c) First charge on certain Plant and Machinery permanently attached to the above land. Rate of interest on Cash credit varies from 12.00% to 13.65 % P.A (Previous year from 12.00 % to 14.00 % P.A) and is repayable on Demand (Previous year- On demand).

Cash Credit includes Rs. 16149.00 lakh (previous year Rs.8337.25 lakh) towards working capital demand loan from State Bank of India at interest rate of 7.80% Per Annum (Previous year 8.00% Per Annum), secured by subsidy due for the months of September 2017 to December 2017(Previous year September 2016 and October 2016). As per Office Memorandum No.23011/11/2017-MPR dated 05.03.2018 „issued by the Government of India, interest at the rate of 0.96% Per Annum (Previous year 1.75% Per Annum) is to be borne by the company. The outstanding loan amount has been fully liquidated on 7th April 2018 (Previous year - on 7th April 2017) .

Note No. 23. Current Liabilities - Financial Liabilities - Trade Payables			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade payables			
(i) Due to Micro, Small and Medium Enterprises	49.45	40.28	17.16
(ii) Others	42278.69	32032.21	57134.23
	42328.14	32072.49	57151.39

Note : Trade payables include ₹34.24 lakh (Previous year ₹22.70 lakh, ₹15.55 lakh on 01.04.2016) payable to Small Scale Industrial Undertakings to the extent such parties have been identified from the available documents/ information. Dues owed by the Company to Small Scale Industrial Undertakings outstanding for more than 30 days is ₹19.65 lakh (Previous year ₹8.03 lakh, ₹Nil on 01.04.2016)

Note No. 24. Current Liabilities - Financial Liabilities -Other Financial Liabilities			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Interest accrued on borrowings	23901.58	-	110.96
Liability on corporate Guarantee	2550.00	3766.50	3766.50
Unclaimed matured fixed deposit and interest thereon	0.49	0.49	0.49
Other payables (forward Contract)	15546.05	3213.36	26581.28
Dues to employees	89.83	274.66	41.83
Trade Deposit from customers	2377.66	2364.21	2459.26
Statutory dues	1066.23	1121.23	1084.21
Other liabilities	7239.57	6171.54	5843.69
	52771.41	16911.99	39888.22

During the year Company's liability in respect of Corporate Guarantee issued in favour of the bankers of Joint Venture (FRBL), has been reassessed based on the One Time Settlement Scheme offered by the bankers. Considering the negative networth of FRBL, the amount receivable against the above has been fully provided for and the liability has been classified as above under "Other Financial Liabilities".



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Note No. 25. Current Liabilities - Other Current Liabilities

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Income received in Advance from Customer	-	-	33.58
Advance from Customers	3802.26	2812.45	2361.76
Advance Rent Received	63.69	63.69	63.69
Statutory Dues			
a) Excise Duty on Closing Stock	-	1609.29	2587.69
	3865.95	4485.43	5046.72

Note No. 26. Current Liabilities - Provisions

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for employee benefits			
(i) Provision for leave encashment	1515.27	1493.47	1466.03
	1515.27	1493.47	1466.03
Provision towards other Contractual Obligation	300.00	-	-
	1815.27	1493.47	1466.03

Note No. 27. Revenue from operations

₹In Lakh

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Sale of products		
Own Products	137862.54	128623.93
Traded Products	2788.62	4773.84
	140651.16	133397.78
Less : Sales discount/Dealer margin	(6705.39)	(6251.87)
	133945.77	127145.91
Subsidy/Concession on Fertilisers	57655.49	57269.64
	57655.49	57269.64
Sale of Services		
Gross income from contracts and other services	1265.81	3912.43
Total Revenue from operations *	192867.07	188327.97
*including excise duty		
Sale of own products comprises of:		
Ammonium Sulphate	21669.38	17546.86
Factamfos 20-20-0-13	113554.09	107091.36
Mixed Manures	84.03	461.53
Caprolactam	-	900.09
Gypsum	1860.88	1504.45
Others	694.16	1119.64
Total	137862.54	128623.93
Sale of traded products:		
Muriate of Potash	894.54	1664.58
Imported Complex Fertiliser (20:20:0:13)	1594.32	2704.83
Organic Manures	299.76	399.66
Others	-	4.77
	2788.62	4773.84
Subsidy/Concession on Fertilisers		
Factamfos 20-20-0-13	47945.45	46062.53
Ammonium Sulphate	9204.28	7137.20
Muriate of Potash	-	2409.47
Imported Complex Fertiliser (20:20:0:13)	417.93	1587.78
City Compost	87.83	72.66
	57655.49	57269.64

Consequent to the implementation of Direct Benefit Transfer Scheme (DBT), subsidy income on fertilizers is being recognised upon the sales basis instead of hitherto followed practice of recognising revenue upon the movement of fertilizers to the warehouses under the erstwhile on account subsidy scheme of Government of India. The DBT programme has been implemented in a phased manner and the roll out was completed in January 2018. Under the scheme, 100% subsidy is being released to the fertilizer companies on sale of fertilizer, which is given effect through the concessional pricing of fertilizers to the ultimate beneficiary.

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Note No. 28. Other income

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Interest income:		
On deposits with banks	257.70	267.01
On loans , advances , claims , overdues	59.87	49.20
Dividend income	9.72	9.72
Other non-operating income		
Excess provisions written back	2836.45	41.20
Profit on Fixed assets sold/written off/revalued (net)	6.38	(0.05)
Transfer from deferred Government grants:		
(i) On EEC project	0.94	0.94
(ii) On Bio-Fertiliser project	0.95	0.95
Rent	636.69	602.76
Miscellaneous income	326.26	831.77
	4134.96	1803.50

Note : Interest of ₹2154.46 lakh (Previous year ₹1793.73 lakh) for the year 2017-18 receivable from the contractor on the interest bearing mobilisation advance still retained by the party, has been considered in the accounts. However a corresponding provision for doubtful interest has been made during the current year.

Excess provisions written back includes write back of interest expenditure amounting to ₹1919.95 lakh, consequent to waiver of interest by suppliers and ₹916.50 Lakh towards withdrawal of Provision for liability on corporate guarantee after considering ₹300 lakh for remaining Contractual obligation

Note No. 29. Cost of materials consumed

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Raw Material (refer note below)	105495.49	106062.36
Packing Material	2528.41	2678.67
	108023.90	108741.03

Note : The physical verification of raw materials has been carried out on or around 31st March 2018. The differences over book figures in the case of raw material has been adjusted in consumption (Excess(-) / Shortage). Current year ₹ (-)317.42 lakh (Previous year ₹ (-)497.42 lakh).

Note No. 30. Purchases of Stock-in-trade

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Muriate of Potash	-	4008.32
Imported Complex Fertiliser (20:20:0:13)	-	5555.32
Others	169.03	304.29
	169.03	9867.93

Note No. 31. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Opening stock		
Finished Goods	20766.08	14759.93
<i>Includes excise duty ₹1609.30lakh (PY ₹2587.69 lakh)</i>		
Stock-in-trade	2895.19	54.76
Work-in progress	1815.36	2541.53
	25476.63	17356.22
Closing stock		
Finished Goods	26476.67	20766.08
<i>Includes excise duty Nil (PY ₹1609.30 lakh)</i>		
Stock-in-trade	525.73	2895.19
Work-in- progress	1527.09	1815.36
	28529.49	25476.63
Changes in inventories: (Increase)/ Decrease	(3052.86)	(8120.41)



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Note No. 32. Employee benefits expense		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Salaries and Wages	16050.24	17405.26
Contribution to Provident Fund	1747.02	1892.91
Leave encashment (net of Provision)	913.33	2459.94
Gratuity	4482.86	694.65
Staff welfare expenses	1836.42	1943.77
	25029.87	24396.53
Note : Remuneration to Directors		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Sri Jaiveer Srivastava, Chairman and Managing Director (upto 02.11.2016)	-	15.97
Sri V.K.Anil, Director (Technical) (upto 27.06.2016)	-	24.98
Sri D Nandakumar Director (Marketing) (From 13.09.2017)	12.96	0.00
	12.96	40.95
Note No. 33. Finance costs		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Interest		
Interest on loans from the Government of India	23901.58	21058.66
Interest on Cash credit from banks	7567.66	6975.90
Interest -others	437.46	2074.94
Other borrowing costs	294.04	333.18
Net loss on foreign currency transactions translations		
Exchange rate variation & premium on forward exchange contract on buyer's credit	(59.11)	23.65
	32141.63	30466.33
Note No. 34. Other expenses		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Consumption of stores and spare parts	2644.01	3309.70
Power and Fuel	16458.99	16681.05
Rent	771.56	582.16
Repairs and maintenance to buildings	80.18	104.11
Repairs and maintenance to machinery	3362.94	3389.75
Insurance	44.41	57.91
Rates and Taxes	102.25	88.60
(Gain)/Loss on exchange rate variation (net)	(320.44)	154.03
Material and other direct charges on contracts	1003.15	3331.20
Auditors' Fees and Expenses (refer note below)	17.39	29.48
Freight , Handling and other charges	17184.30	14642.04
Increase/(Decrease) in provision for excise duty on stock of Finished goods (refer note below)	(1609.29)	(978.39)
Bad debts written off	0.03	-
Provision for doubtful receivables & advances	672.69	264.22
Damages/Shortages of Stores , Spares & Products (Net)	0.31	(11.98)
Provision for obsolescence of stores (Net)	27.63	101.51
Research and Development Expenditure(refer note below)	114.17	108.87
CISF Expenses (including salaries)	2480.34	2830.23
Directors' Sitting Fees	2.85	1.30
Excise duty	184.68	1665.35
Miscellaneous Expenses (refer note below)	3842.91	3344.48
	47065.06	49695.62
Less :Allocated Expenses [net of income from inter-divisional jobs of ₹1476.00 lakh] (Previous year ₹1521.89 lakh)	(1038.20)	(777.70)
	46026.86	48917.92



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Notes:

1. Auditors' Fees and Expenses include

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
For Statutory Audit	6.65	6.90
For Branch Audit	1.40	1.64
For Other Services	5.01	15.99
For Expenses	4.33	4.95
Total	17.39	29.48

2. Increase/(Decrease) in provision for excise duty on stock of Finished goods

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Provision on closing stock	0.00	1609.30
Less provision on opening stock	1609.30	2587.69
Net provision	(1609.30)	(978.39)

3. Research and Development Expenditure of ₹114.17 lakh (Previous Year ₹108.87 lakh) includes expenditure towards salary ₹113.92 lakh (Previous year ₹108.20 lakh) and depreciation ₹0.10 lakh (Previous year ₹0.20 lakh).

4. Miscellaneous Expenses includes Directors travel amounting to ₹17.92 lakh (Previous year ₹13.7 lakh).

5. Miscellaneous Expenses includes ₹353.72 lakh (previous year ₹6.51 lakh) towards the cost of PoS machine distributed by the Company under Direct benefit Transfer Scheme framed by the government of India.

6. Physical verification of stores and spares was carried out at all divisions as per the procedure laid down in the Stores Management Manual and the differences(Excess(-)/Shortage) over book figures has been adjusted in the accounts. Current year ₹0.31 lakh (Previous year ₹(-) 11.98 lakh)

7. Physical verification of fuel was carried out at all divisions as per the procedure laid down in the Stores Management Manual and the differences(Excess(-)/Shortage) over book figures has been adjusted in the accounts. Current year ₹3.86 lakh (Previous year ₹ 79.17 lakh)

Note No. 35. Earning per Share

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Profit / (Loss) after Tax	(13051.18)	(26267.77)
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted earnings per Share (₹)	(2.02)	(4.06)

Explanatory Information on Financial Statements

Note No. 36. Corporate Social Responsibility

The Corporate Social Responsibility (CSR) provisions as per sec 135(1) of the Companies Act, 2013 is applicable to the Company. But due to the losses suffered during the preceding Financial Years, the Company is not liable to spend any amount mandatorily on CSR.

Note No. 37. Caprolactam Operations:

Due to uneconomic price of one of the product namely Caprolactam in the market, the plant remained unproductive during the year. Certain segments of the Petro Chemical plant has been operated for production of Ammonium Sulphate through the direct neutralization method. The Caprolactam plant is maintained and preserved for commencement of production when required. Company has redeployed a section of the employees of the plant to other areas wherever required. The unabsorbed fixed cost pertaining to caprolactam plant charged to revenue during the year is ₹2123.07 lakh.(Previous year ₹2430.17 lakh)



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38. Disclosure required for Micro Small and Medium Enterprises

₹In Lakh

Sl No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
1	Principal amount remaining unpaid	49.45	40.28	17.16
2	Interest due thereon	3.58	1.16	0.77
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-	-
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.34	1.01	-
5	Interest accrued and remaining unpaid	3.92	1.16	0.77
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

39. Fair Value Hierarchy

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

The following methods and assumptions were used to estimate the fair values for the given below financial assets.

Unquoted Equity Shares of Indian Potash Limited

The fair values of the unquoted equity shares have been estimated using a weighted average of DCF, PE and NAV model.

Unquoted Equity Shares of Other Companies:

The fair values of the unquoted equity shares have been estimated using NAV model.

Derivatives not designated as hedges

Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs (i.e. based on inputs/statement of position received from banks).

Investment Properties

The value of the investment properties are based on the information available in Government of Kerala fair value notification, market conditions etc.

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Particulars	31.03.2018		31.03.2017		01.04.2016	
	Significant observable inputs		Significant observable inputs		Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3	Level 2	Level 3
Financial Assets						
Investment in Unquoted Equity Shares of:						
Indian Potash Limited		5523.16		4320.00		4149.63
Travancore Cochin Chemicals Ltd		94.31		4.89		-
Capexil Agencies Ltd.		-		-		-
Kerala Enviro Infrastructure Limited		308.72		245.62		224.89
Foreign Currency Receivable under Forward exchange contracts	15652.25		3153.65		25741.97	
Financial Liabilities						
Amount Payable under forward exchange contracts	15546.05		3213.36		26581.28	
Assets for which Fair values are disclosed						
Investment Properties	1517.00		1381.49		1381.49	

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV. Company do not have any such investment.

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in **Level 2**.

If one or more of the significant inputs is not based on observable market data, the instrument is included in **Level 3**. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in **Level 3**.

Operating Leases

Leases as lessor

The Company leases out its investment property on operating lease basis

i) Future minimum lease receivable

At 31 March, the future minimum lease payments under non-cancellable leases are receivable as follows

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Within less than one year	87.62	87.62	87.62
Between one and five years	350.48	350.48	350.48
More than five years	445.10	508.79	572.47

ii) Amounts recognized in profit and loss

Particulars	As at 31.03.2018	As at 31.03.2017
Lease Rent	87.62	87.62
	87.62	87.62

Leases as lessee

FACT has taken lands for lease (Operating lease) for the purpose of storage and handling of Raw Materials

i) Future minimum lease Payable

Future minimum rentals payable under non-cancellable operating leases

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Within less than one year	207.03	197.17	187.78
Between one and five years	936.93	892.31	849.82
More than five years	9437.93	9689.57	9929.23
	10581.89	10779.06	10966.84

ii) Amounts recognized in profit and loss

The amount paid as Lease rental expense during the last two years are as below:

Particulars	As at 31.03.2018	As at 31.03.2017
Lease Rentals	197.56	187.78
	197.56	187.78



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40 . Financial Instrument Classification			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial Assets			
Financial Assets at Amortised Cost			
Trade Receivables	45009.24	50606.94	40559.19
Cash and Cash equivalents	4612.04	3229.09	2008.08
Other Bank Balances	1752.48	1989.29	3737.34
Loans	674.21	623.84	634.03
Other Financial Assets	25127.41	14527.66	14221.94
	77175.38	70976.82	61160.58
Financial Assets at Fair Value through Other Comprehensive Income:			
Equity Investments	5927.21	4571.53	4375.54
Financial Assets at Fair Value through Profit and Loss Statement:			
Foreign Currency Receivable on Forward exchange contract	15652.25	3153.65	25741.97
	21579.46	7725.18	30117.51
Financial Liabilities			
Financial Liability at Amortised Cost			
Borrowings	227786.25	240230.34	181058.71
Trade Payables	42328.14	32072.49	57151.39
Other Financial Liabilities	37225.36	13698.63	13306.94
	307339.75	286001.46	251517.04
Financial Liabilities at Fair Value through Profit and Loss Statement:			
Liability on Forward Exchange contract	15546.05	3213.36	26581.28
	15546.05	3213.36	26581.28

41. Financial Risk Management

The company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Aging analysis, Credit Analysis, Post Dated Cheques and Security Deposit.	Diversification of bank deposits, credit limits and Bank Guarantees
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk –foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash Flow Forecasting, Monitoring of Forex Risk Management Policy	Forward Foreign exchange contracts

(A) Credit risk

Credit Risk refers to the risk of default on its obligations resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹45406.64 lakh and ₹50606.94 lakh as of March 31, 2018 and March 31, 2017, respectively of which ₹44969.71 lakh (previous year ₹49780.22 lakh) due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and from services rendered. Credit risk is being managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business



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In addition, the Company is exposed to credit risk in relation to financial guarantees given to the banks. The maximum exposure in this respect is the amount the Company would have to pay if the guarantee is called on is ₹2550.00 lakh as at March 31, 2018 (₹3766.50 lakh as on 31.03.2017, as at 1st April 2016, ₹3766.50 lakh).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The company had access to the following undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Expiring within one year (Bank Overdraft/ CC Limit)	34732.89	12155.66	61305.23

The Bank Overdraft/Cash Credit (CC)/Short term loan (STL) facilities may be drawn at any time and may be called back by the bank at their discretion. The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. The credit facilities have an average maturity of 1 year.

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: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Company's activities exposes it's primarily to the financial risk of changes in foreign currency risk. To mitigate the foreign currency risk, the company is entering into forward contracts with Banks.

42. Disclosure under Ind AS 24 on related party transactions are given below

Since Government of India owns 90% of the Company's equity share capital (under the administrative control of Ministry of Chemicals and Fertilizers), the disclosures relating to transactions with the Government and other Government controlled entities have been reported in accordance with para 26 of Ind AS 24.

Certain transactions are carried out with other government related entities for purchase of Gases, for procurement of Raw Materials / Finished Goods, Assets / Spare Parts from Original equipment manufacturers, which are significant in terms of value, the details of which are as under:

Name of Entity	Nature of Transaction	2017-18	2016-17
GAIL (India) Ltd	Procurement of Gas / Transmission Charges	13527.37	14104.34
MMTC Limited	Procurement of Traded Products	-	3299.42
Bharat Petroleum Corporation Limited	Procurement of Gas / Petroleum Products	19527.34	13935.86
Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	11995.51	13096.32
Steel Authority of India	Procurement of Steel Structurals	260.03	188.23
Rashtriya Chemicals and Fertilisers	Sale of Fertilisers	433.99	-
Bharat Petroleum Corporation Limited	Services Provided	83.85	129.43
Indian Oil Corporation Ltd	Services Provided	87.31	378.31

The above referred transactions have been carried out on arm's length basis with the said entities.

The other disclosures with related parties are as under:

1) Relationship

JOINT CONTROLLED ENTITIES

SI No	Name of Entity	Percentage of ownership interest as at		
		31.03.2018	31.03.2017	01.04.2016
1	FACT-RCF BUILDING PRODUCTS LTD. (FRBL)	50.00%	50.00%	50.00%
2	Kerala Enviro Infrastructure Ltd. (KEIL)	25.66%	25.66%	25.66%

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Transactions during the year with the above referred related parties:

Sl No	Particulars	Year ended 31.03.2018	Year ended 31.03.2017
		Amount	Amount
i)	Contribution towards sharecapital	-	-
ii)	Sales of Products	28.49	40.40
iii)	Others	68.53	129.98

Consequent to full provision recognized towards the investments made in FRBL as per Indian GAAP, the carrying value as on the date of transition has been recognized as deemed cost of investment which is NIL as on the transition date .i.e. 1st April 2016.

The provision towards the amount given as material, Services and advances made in the earlier financial years continues. Similar Provision amounting to ₹97.02 Lakh (Previous year ₹170.38 lakh) has been made for the current year also.

Balance Outstanding:

Sl. No	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
i)	Corporate Gurantees given	3766.50	3766.50	-
ii)	Due to FACT on sales	203.41	174.92	134.52
iii)	Advances Given (for meeting business requirements)	953.20	884.67	754.69

Out of the guarantees given by the Company on behalf of FRBL to its bankers, guarantees amounting to ₹3766.50 Lakh as a part of the Debt restructuring scheme, has been accounted for as a financial liability required to be measured at fair value and also tested for loss allowance. Expecting the liability of repayment of debt obligations of FRBL, bankers may devolve on the Company, the Company has provided for loss on impairment of its corporate guarantee amounting to ₹3766.50 lakh towards term loan which has been adjusted to its opening reserves as at 1st April 2016, the date of transition to Ind AS. During the year the said liability has been crystalised and agreed for alone time settlement for and amount of ₹ 3030 lakh has been provided. The said liability towards financial guarantee is reported under other financial liabilities.

During the year 2009-10, the Company has along with Department of Factories and Boilers, Government of Kerala, formed a society under the Travancore Literary, Scientific and Charitable Societies Act 1955 with the objective of conducting courses relating to welding technologies with a grant of ₹ 1 Crore from the Government of Kerala, under the name Kerala institute of Welding and Research. The contribution from FACT is only provision of its existing facilities of Training School. The accounts of the society are not consolidated as society is formed with an objective of not obtaining any economic benefits from its activities and is considered immaterial to the Company's activity.

2) Key Management Personnel

- 1 Shri Sushil Kumar Lohani, Chairman and Managing Director (upto 16.02.2018)
- 2 Shri Manoj Mishra, Chairman and Managing Director (from 21.02.2018)
- 3 Shri Suresh Warior, Director (Finance) (upto 30.11.2017)
- 4 Shri D Nandakumar, Director (Marketing) (from 13.09. 2017)
- 5 Shri U Saravanan, Director (Technical) (from 14.8.2017)
- 6 Shri Sanjai Maheshwari Director (Finance) (from 06.03.2018)
- 7 Shri K V Balakrishnan Nair, Company Secretary

Transactions with related parties:

Remuneration to key management personnel :

Sl No	Particulars	Year ended 31.03.2018	Year ended 31.03.2017
1	Shri Jaiveer Srivastava, Chairman and Managing Director (Upto 02.11.2016)	-	15.97
2	Shri V K Anil, Director (Technical) (upto 27.06.2016)	-	24.98
3	Shri D Nandakumar, Director (Marketing) (From 13.09.2017)	12.96	-
4	Shri K V Balakrishnan Nair, Company Secretary	16.94	16.36
		29.90	57.31

The whole time Directors have been allowed the use of company car and for private journey upto a ceiling of 12000 kms. per year, on payment as prescribed by the Government.

Gratuity payable to the Directors has not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.



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43. Financial Reporting of interest in Joint Ventures

The required information is as under:-

JOINT CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Percentage of ownership interest		
		31.03.2018	31.03.2017	01.04.2016
FACT RCF Building Products Ltd.	India	50.00%	50.00%	50.00%
Kerala Enviro Infrastructure Limited	India	25.66%	25.66%	25.66%

FACT-RCF BUILDING PRODUCTS LTD.: A Joint venture Company with Rashtriya Chemicals and Fertilizers Limited (RCF) for manufacture of rapid building materials from Gypsum at Kochi.

Summarized financial information of Company's investment in FACT-RCF BUILDING PRODUCTS LTD. (FRBL)

Particulars	As at 31.03.2018 (Unaudited)	As at 31.03.2017 (Audited)	As at 01.04.2016 (Audited)
Non-Current Assets	7383.00	8388.25	9327.83
Cash and Cash Equivalent	54.50	54.48	129.72
Current Assets other than Cash and Cash Equivalents	826.02	955.11	1201.61
Non-Current Liabilities	7508.61	10981.23	8507.43
Current Liabilities	4470.75	2352.18	3685.98
Equity	(3715.84)	(3935.57)	(1534.25)
Proportion of the company's ownership	50.00%	50.00%	50.00%
Carrying amount of the investment*	-	-	-

Particulars	Year Ended 31.3.2018 (Unaudited)	Year Ended 31.3.2017 (Audited)
Income	1647.87	2104.57
Cost of materials consumed	152.70	177.17
Depreciation and amortization expense	969.10	966.83
Finance costs	462.06	1199.62
Employee benefits expenses	291.62	359.38
Other Expenses	1256.81	1803.68
Loss from continuing operations	(1484.42)	(2402.11)
Total comprehensive income for the year	(1484.42)	(2402.11)
Company's Share of profit / loss for the year	(742.21)	(1201.06)

* Owing to the company's share of losses exceeding its interest in the joint venture the share of loss stands discontinued. Accordingly company has not recognized share of loss of ₹742.21 lakh for the year (P.Y. ₹1201.06 lakh) and ₹1857.92 lakh cumulatively upto the year ended 31.03.2018 (₹1967.79 lakh cumulatively upto the year ended 31.03.2017).

Kerala Enviro Infrastructure Ltd. (KEIL) is a public limited company formed as Special Purpose Vehicle and promoted by the Kerala State Industrial Development Corporation (KSIDC) in association with various industries in the State for establishing Common Treatment, Storage and Disposal Facility (CTSDF) for solid hazardous industrial waste in the State of Kerala.

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₹ In Lakh

Summarised financial information of Company's investment in Kerala Enviro Infrastructure Ltd. (KEIL)

Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)	As at 01.04.2016 (Audited)
Non-Current Assets	1071.33	1072.00	840.45
Cash and Cash Equivalent	775.56	259.98	418.50
Current Assets other than Cash and Cash Equivalents	694.82	725.80	666.45
Non-Current Liabilities	1084.81	953.58	900.24
Current Liabilities	253.89	147.07	148.82
Equity	1203.01	957.13	876.34
Proportion of the company's ownership	25.66%	25.66%	25.66%
Carrying amount of the investment	308.72	245.62	224.89

Particulars	Year Ended 31.3.2018 (Audited)	Year Ended 31.3.2017 (Audited)
Income	1358.51	891.89
Cost of materials consumed	4.40	6.02
Depreciation and amortization expense	41.94	57.82
Finance costs	-	-
Employee benefits expenses	119.22	103.19
Other Expenses	873.87	627.07
Profit before Tax	319.08	97.79
Current Tax	73.31	16.13
Profit after Tax	245.77	81.66
Other Comprehensive Income	0.12	(0.87)
Total comprehensive income for the year	245.89	80.79
Company's Share of profit / loss for the year	63.10	20.73



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44. SEGMENTAL REPORTING

Segment Information for the year ended 31st March 2018
Information about Primary Business Segments

	₹ in Lakh.	₹ in Lakh.	₹ in Lakh.	₹ in Lakh.
	Fertiliser	Petrochemical	Others (Unallocated)	Total
REVENUE				
External Revenue	192283.93 (184716.36)	4.19 (919.64)	4396.34 (4179.27)	196684.46 (189815.27)
TOTAL REVENUE	192283.93 (184716.36)	4.19 (919.64)	4396.34 (4179.27)	196684.46 (189815.27)
SEGMENT RESULTS				
Profit before Interest and Taxation	26871.05 (11649.61)	(2118.88) (-1510.53)	(1267.33) (-3268.17)	23484.84 (6870.91)
Unallocated Corporate Expense			5005.99 (3321.73)	5005.99 (3321.73)
Operating Profit	26871.05 (11649.61)	(2118.88) (-1510.53)	(6273.32) (-6589.90)	18478.84 (3549.18)
Interest Expense	-	-	31847.59 (30133.15)	31847.59 (30133.15)
Interest Income	-	-	317.57 (316.20)	317.57 (316.20)
Income Tax	-	-	-	-
Profit after Interest and Taxation	26871.05 (11649.61)	(2118.88) (-1510.53)	(37803.35) (-36406.85)	(13051.18) (-26267.77)
OTHER INFORMATION				
Segment Assets	163654.81 (136578.16)	4840.01 (4577.89)	13119.71 (15606.11)	181614.53 (156762.16)
Segment Liabilities	156646.59 (121014.28)	3593.31 (3551.12)	21374.62 (32196.77)	181614.53 (156762.16)
Depreciation	1489.87 (1489.35)	163.54 (202.43)	98.82 (475.60)	1752.23 (2167.37)
Capital Expenditure	1480.95 (440.81)	2.17 (0.00)	64.42 (43.84)	1547.55 (484.65)

The business segments are:-

Segment

Fertiliser

Petrochemical

Products

Ammonium Phosphate, Ammonium Sulphate, Mixtures , MOP

Caprolactam

Segments have been identified taking into account the organisation structure.

Segment assets and liabilities represents assets and liabilities in respective segments. Share capital, Secured and Unsecured loans, Investments and Accumulated loss are classified as Unallocated.

Figures given in brackets pertains to previous year.

₹ In Lakh

RECONCILIATION OF REVENUE	2017-18	2016-17
Segment Revenue as above	196684.46	189815.27
Add Interest Income	317.57	316.20
Revenue as per Profit and Loss Statement	197002.03	190131.47

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45. NOTES FORMING PART OF FINANCIAL STATEMENTS

A General Description of Defined Contribution Plan

Contributory Superannuation Scheme-The scheme is aimed to provide superannuation benefits to the employees. Every year company contributes ₹100 to the fund.

B General Description of Defined Benefit Plan

1 Provident Fund

The Provident Fund contributions are made to Trusts administered by the company. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act 1952.

During the year an amount of ₹1747.02 lakh (Previous Year ₹1892.91 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19 issued by the Institute of Chartered Accountants of India, the Provident Fund Trust set up by the company is treated as Defined Benefit Plan since the company has to meet the shortfall in the fund assets , if any.

2 Gratuity and Leave Encashment

The company operates gratuity plan where in every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service.The same is payable on death , separation from service or retirement, whichever is earlier. The benefit vests after five years of continuous service.The company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the balance sheet date.

Particulars	₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
a. Changes in the present value of obligations				
Present value of obligations at the beginning of the year	10164.15	12116.10	11640.69	12172.46
Interest cost	830.18	1020.24	892.82	990.33
Past service cost	-	-	3,588.96	-
Current service cost	1809.77	1273.90	527.11	413.34
Benefits paid	(1955.48)	(1746.55)	(2251.18)	(1836.60)
Actuarial loss/(gain) on obligation	(945.06)	(2499.54)	142.27	(98.84)
Present value of obligations at the end of the year	9903.56	10164.15	14540.67	11640.69
b. Changes in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	-	-	8567.99	9667.07
Expected return on investment	-	-	685.44	773.37
Employer's contribution	1955.48	1746.55	0.18	0.36
Benefits paid	1955.48	1746.55	(2251.18)	(1836.60)
Actual return on Plan Asset over Expected Interest	-	-	555.11	(36.21)
Fair value of plan assets at the end of the year	-	-	7557.54	8567.99
Actual return on investment	-	-	685.44	773.37
c. Amount recognised in Balance sheet				
Present value of obligations at the end of the year	9903.56	10164.15	14540.67	11640.69
Fair value of plan assets at the end of the year	-	-	7557.54	8568.00
Unfunded net liability recognised in Balance sheet	9903.56	10164.15	6983.13	3072.69
d. Expenses recognised in the Statement of Profit and Loss during the year				
Current service cost	1809.77	1273.90	527.11	413.34
Past service cost	-	-	-	-
Net Interest on Obligation / Asset	830.18	1020.24	337.71	253.17
Total Expenses recognised in the Statement of Profit and Loss during the year	2639.95	2294.14	864.82	666.51
Amount Disclosed under Other Comprehensive Income:				
Opening balance	(2499.55)	-	(98.84)	-
Actuarial Gain or Loss on Obligation side during the year	(945.05)	(2499.55)	3731.23	(98.84)
Closing Amount Disclosed under OCI	(3444.60)	(2499.55)	3632.39	(98.84)
e. Investment details	% invested as at 31st March		% invested as at 31st March	
LIC Group Gratuity (Cash Accumulation) policy	-	-	51.98	73.60
f. Actuarial assumptions	(1994-96) Ultimate		LIC (1994-96) Ultimate	
Mortality rate	8.00%	8.00%	8.00%	8.00%
Discount rate	5.00%	5.00%	5.00%	5.00%
Salary escalation rate	-	-	8.00%	8.00%
Expected rate of return on plan assets	-	-	-	-

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45. NOTES FORMING PART OF FINANCIAL STATEMENTS

	₹ in Lakh		₹ in Lakh	
	Trust managed Provident Fund Udyogamandal		Trust managed Provident Fund Cochin Division	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
a. Changes in the present value of obligations				
Present value of obligations at the beginning of the year	24514.32	22756.00	2818.79	2545.55
Interest cost	2109.00	1979.03	242.91	225.01
Past service cost	-	-	-	-
Current service cost	3696.53	3963.81	435.14	534.10
Benefits paid	(3983.21)	(3509.71)	(495.39)	(382.10)
Actuarial loss/(gain) on obligation	(1462.13)	(674.81)	(644.63)	(103.77)
Present value of obligations at the end of the year	24874.51	24514.32	2356.82	2818.79
b. Changes in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	29980.72	23621.45	2873.33	2915.41
Expected return on investment	2398.46	2105.72	229.87	233.23
Employer's contribution	-	-	-	-
Benefits paid	(3983.21)	(3509.71)	(495.39)	(382.10)
Actuarial loss/(gain) on plan assets	(3223.22)	7763.26	(185.17)	106.79
Fair value of plan assets at the end of the year	25172.75	29980.72	2422.64	2873.33
Actual return on investment	2398.46	2105.72	229.87	233.23
c. Amount recognised in Balance sheet				
Present value of obligations at the end of the year	24874.51	24514.32	2356.82	2818.79
Fair value of plan assets at the end of the year	25172.75	29980.72	2422.64	2873.33
Unfunded net liability	(298.24)	(5466.40)	(65.82)	(54.54)
d. Expenses recognised in the Statement of Profit and Loss during the year				
Current service cost	3696.53	3963.81	435.14	534.10
Past service cost	-	-	-	-
Interest cost	2109.00	1979.03	242.91	225.01
Expected return on investment	(2398.46)	(2105.72)	(229.87)	(233.23)
Net actuarial (gain) / loss recognised during the year	1761.08	(8438.07)	(210.55)	(210.55)
Total Expenses	5168.15	(4600.95)	237.63	315.33

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NOTES FORMING PART OF FINANCIAL STATEMENTS

₹In Lakh							
Particulars	Note	IGAAP Accounts	Ind AS Adjustments	As at 31.03.2017	IGAAP Accounts	Ind AS Adjustments	As at 01.04.2016
ASSETS							
NON CURRENT ASSETS							
Property, Plant and Equipment	a,f	25378.32	4292.54	29670.86	26972.78	4343.61	31316.39
Capital Work in Progress		2467.93	-	2467.93	2186.40	-	2186.40
Investment Property	a	-	9.70	9.70	-	9.80	9.80
Intangible Assets		-	-	-	-	-	-
Financial Assets		366.55	4204.98	4571.53	366.55	4008.99	4375.54
Investments	b						
Trade Receivables	c	621.24	-	621.24	621.31	-	621.31
Loans	d	12.00	-	12.00	12.31	(0.32)	11.99
Other Financial Assets	c	267.77	(92.94)	174.83	224.18	(5.49)	218.69
Other Non Current Assets							
CURRENT ASSETS							
Inventories	a	29113.81	8414.28	37528.09	30383.53	8356.59	38740.12
Financial Assets		44556.93	(1646.12)	42910.81	38862.03	(1250.89)	37611.14
Trade Receivables	e	50606.94	-	50606.94	40559.19	-	40559.19
Cash and Cash equivalents	d	3229.09	-	3229.09	2008.15	(0.07)	2008.08
Bank Balances other than above		1989.29	-	1989.29	3737.34	-	3737.34
Loans	c	2.60	-	2.60	12.72	-	12.72
Other financial assets	e,h	17179.21	490.10	17669.31	39888.43	63.49	39951.92
Current Tax Asset		92.93	92.93	92.93	5.48	5.48	5.48
Other current Assets	e,f	6849.43	(4116.33)	2733.10	7698.85	(4343.50)	3355.35
Assets held for disposal		124413.49	(5179.42)	119234.07	132766.71	(5525.49)	127241.22
TOTAL ASSETS		153527.30	3234.86	156762.16	163150.24	2831.10	165981.34
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		64707.20	-	64707.20	64707.20	-	64707.20
Other Equity		(214293.86)	(1646.73)	(215940.59)	(195595.75)	(2005.80)	(197601.55)
		(149586.66)	(1646.73)	(151233.39)	(130888.55)	(2005.80)	(132894.35)

46. Ind AS 101 - Reconciliation
Reconciliations between previous GAAP and Ind AS

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



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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NOTES FORMING PART OF FINANCIAL STATEMENTS

	₹ in Lakh					
LIABILITIES						
NON CURRENT LIABILITIES						
Financial Liabilities						
Borrowings	177048.75	-	162713.36	177048.75	-	162713.36
Provisions	11743.37	175.26	13155.46	11918.63	162.28	13317.74
Deferred Tax Liabilities (Net)	-	-	-	-	-	-
Other Non Current Liabilities	-	883.20	-	883.20	946.88	946.88
	188792.12	1058.46	175868.82	189850.58	1109.16	176977.98
CURRENT LIABILITIES						
Financial Liabilities						
Borrowings	63181.59	-	18345.35	63181.59	-	18345.35
Trade Payables	32072.50	(0.01)	57246.75	32072.49	(95.36)	57151.39
Other Financial Liabilities	13152.53	3759.46	36128.47	16911.99	3759.75	39888.22
Other Current Liabilities	4421.75	63.68	4983.37	4485.43	63.35	5046.72
Provisions	1493.47	-	1466.03	1493.47	-	1466.03
Current Tax Liabilities (Net)	114321.84	3823.13	118169.97	118144.97	3727.74	121897.71
	153527.30	3234.86	163150.24	156762.16	2831.10	165981.34
TOTAL EQUITY AND LIABILITIES						



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NOTES FORMING PART OF FINANCIAL STATEMENTS

Reconciliation of Total Comprehensive Income					₹ In Lakh
	Particulars	Note No.	IGAAP ACCOUNTS	IND AS ADJUSTMENTS	YEAR ENDED 31.03.2017
I	Revenue from Operations		186259.99	2067.98	188327.97
II	Other Income		1715.88	87.62	1803.50
III	Total Income (I+II)		187975.87	2155.60	190131.47
IV	Expenses:				
	Cost of Materials Consumed	i	106062.36	2678.67	108741.03
	Purchase of Stock in Trade		9867.93	-	9867.93
	Change in Inventories of Finished Goods and Stock in Trade		(8120.41)	0.00	(8120.41)
	Employee Benefit Expenses		21827.29	2569.24	24396.53
	Finance Cost	j	30512.52	(46.19)	30466.33
	Depreciation and Amortization Expenses / Impairment	k	1683.49	446.42	2129.91
	Other Expenses	l	49975.00	(1057.08)	48917.92
	Total Expenses (IV)		211808.18	4591.06	216399.24
V	Profit before Tax (III-IV)		(23832.31)	(2435.46)	(26267.77)
	Exceptional Items		(5136.09)	5136.09	-
VI	Tax Expenses				
	Current Tax				
	Deferred Tax				
VII	Profit for the Year (V+VI)		(18696.22)	(7571.55)	(26267.77)
VIII	Other Comprehensive Income				
	Items that will not be reclassified to Profit or loss		-	-	-
	Income Tax relating to items that will not be reclassified to Profit / Loss		-	-	-
	Other Comprehensive income for the year (VIII)		-	2794.39	2794.39
IX	Total Comprehensive Income for the year (VII+VIII)		(18696.22)	(4777.16)	(23473.38)



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NOTES FORMING PART OF FINANCIAL STATEMENTS

46A. Explanatory Statement to Reconciliation of Equity

a Property, Plant and Equipment:

This includes spares capitalised as per Ind AS ₹1646.12 Lakh (Previous Year ₹1250.88 Lakh) less Depreciation Reserve ₹1561.52 lakh (Previous Year ₹1119.74 Lakh) net ₹84.60 lakh (previous Year ₹131.14 lakh). These spares were shown as Inventories under IGAAP. Capitalisation of Decommissioning Expenses of installation in Cochin Port ₹129.85 Lakh (Previous Year ₹129.85 Lakh) less Depreciation Reserve ₹4.64 Lac (Previous year NIL) ₹125.21 Lakh (previous year ₹129.85 lakh)
Land given on lease to FRBL (11 Acre) and GAIL (2.40 Acre in Udyogamandal and 0.33 Acre in Cochin Division) and building to CIPET were classified as Investment Property as per Ind AS valued at ₹9.70 lakh (Previous Year ₹9.80 lakh)

b Investment:

Under previous IGAAP, Company had accounted for long term investment in unquoted equity shares of Indian Potash Limited (IPL), Travancore Cochin Chemicals Limited (TCC), Capexil Agencies Limited and Kerala Enviro Infrastructure Limited, at cost. Under Ind AS, Company has designated this investment as FVTOCI financial asset. Ind AS requires such investments to be measured at fair value on every reporting date. As at the date of transition to Ind AS, the difference between the fair value and previous IGAAP carrying amount has been recognized as a separate component of equity, in the FVTOCI reserve amounting to Rs ₹4204.98 lakh (as on 01.04.2016 ₹4008.98 lakh). As on 31.03.2017 the value was increased by ₹196.00 lakh

c Loans / Others

Capital advances ₹55.40 lakh (previous year ₹5 lakh) and Advance income Tax (net of Provision and TDS) ₹212.36 lakh (Previous Year ₹219.17 lakh) grouped under Loans and Advances as per IGAAP were regrouped to Other Non current Asset.

d Cash and cash equivalents

Unpaid interest warrant and Treasury deposit were regrouped from Cash and Cash Equivalent amounting to ₹11.54 Lakh (previous year ₹11.54 Lakh).

e Trade receivables

Subsidy receivable on fertilisers from the Government of India ₹49780.22 lakh (Previous year ₹39848.95 Lakh) shown under other current asset under IGAAP regrouped under Trade receivable as per Ind AS.
Sales Tax Advance remittance pending appeal ₹72.97 lakh (Previous year ₹72.97 lakh) were regrouped under Dues from Deposits under Ind AS.

f Retired Assets

Retired Assets which was shown under other current assets is disclosed under property, plant and equipment under Ind AS.

g Provisions:

Provision for Decommissioning of assets in Leasehold Property amounting to ₹175.26 lakh (Previous year ₹162.28 lakh)
Liability on Corporate Guarantee amounting to ₹3766.50 lakh has been provided as per Ind AS.
Provision for Excise duty on finished product stock is classified under other Current liabilities under Ind AS
Excise duty on sales has been included under other expenses as per Ind AS instead of deduction from Sale of Product / service
Upfront Premium received on lease of land to FRBL ₹50 lakh and GAIL ₹13.90 lakh has been amortised as per Ind AS

h Unearned portion of upfront money received from FRBL and GAIL less due within 12 months shown under Non Current others liabilities.

i Cost of material Consumed

Packing Material consumed has been grouped under Cost of Material Consumed as per Ind AS

j Forward Contract Premium

Unexpired portion of Premium on Forward Exchange contract, which was deferred during previous years, has been considered and adjusted in the respective year of contract.

k Depreciation

Depreciation has been charged on Spares capitalised (₹441.78 lakh) and Decommissioning Asset (₹4.63 lakh)

l Other Expenses

₹In Lakh

Particulars	AS per Ind AS	IGAAP	Impact
1) Excise Duty on Sales regrouped in Other Expenses	1665.35	-	1665.35
2) Packing Material regrouped to Materials Consumed	-	2678.67	(2678.67)
3) Deferred portion of Premium on Forward Contract	(43.93)	-	(43.93)
4) Prior Period expenses	-	(0.17)	0.17
			(1057.08)



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Statement Showing Reconciliation of other Equity			
Particulars	Adjustment to Reserve	Adjustment to OCI	Amount
Other Equity as per IGAAP as on 1st April 2016			(195595.72)
Depreciation on PPE (spares Capitalised)	(1119.73)		
Fair Value of unquoted Equity Instruments	-	4008.98	
One time Compensation received	(1010.57)		
Other Current Liabilities - Financial Guarantee	(3766.50)		
Liability toward de commissioning of Assets in Leasehold property	(32.43)		
change in Accounting Policy - Deferred Premium on Forward contracts	(156.16)		
Write back of provision-BPCL	(21.69)		
Prior period expenses	92.27		(2005.83)
Other Equity as per Ind AS as at 1st April 2016			(197601.55)

47. Contingent Liabilities and Commitments (to the extent not provided for):

Contingent Liabilities

Particulars	As at 31.03.2018	As at 31.03.2017
Claims against the company not acknowledged as debts in respect of:		
Central Excise Act, 1944 *	9194.55	8829.79
Finance Act, 1994 (Service Tax)	408.99	389.45
Sales Tax / Entry tax	444.96	193.35
Income Tax Act, 1961	82.47	151.48
ESI Act	127.83	127.83
Suppliers and contractors #	24639.62	23001.36
Bonus Act, 1965	33.59	33.59
Others	2024.59	1655.16

48. Excise duty demand of ₹2.38 lakh on purchase of Raw material, pending appeal, has not been considered since the liability rests with supplier as per order terms. (Previous Year ₹2.38 lakh).
49. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹178489.75 lakh including interest till 31.03.2013 before the arbitrator. The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17308.04 lakh including interest as on 31.12.2013. As per the award, the mobilisation advance paid by the Company to the contractor along with interest of ₹2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon'ble District Court which has since stayed the award. Accordingly, the award amount along with interest up to 31.03.2018, amounting to ₹21629.14 lakh without considering the adjustment of mobilisation advance and interest allowed under the arbitral award is not considered as a liability and included under Contingent Liability.
50. In view of the conditions in the directives of the Government of India, while implementing the wage revision for the period 1997 to 2006, the company is not liable to provide for arrears of salary and wages (net of interim relief paid) for the period from 01.01.1997 to 30.06.2001 and perquisites and other allowances for the period from 20.10.2000 to 30.06.2001, in respect of managerial and non managerial employees. Certain retired managerial employees of FACT have moved the Hon'ble High Court of Kerala and obtained a directive dt 31.3.2016, by which the company has to frame a scheme towards disbursement of the arrears. The company has appealed against the decision and the same is pending before the Hon'ble High Court of Kerala. The amount involved is not ascertained at this stage.
51. Bank Guarantees given to various clients/ statutory authorities for performance of contracts/ obligations are not included, as the money value thereof cannot be ascertained.



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₹ In Lakh

	As at 31.03.2018	As at 31.03.2017
52. Estimated amount of contracts remaining to be executed on capital account and not provided for.	468.83	441.83
53. Construction Contracts		
Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹1156.00 lakh (Previous year ₹1218.78 lakh), and capital ₹320.00 lakh (Previous year ₹303.11 lakh).		
In the case of work being carried out by FACT Engineering and Design Organisation (FEDO), for National Institute of Technology (NIT), Nagaland, as an executing agency, on a cost plus basis, as a deposit work, FEDO is eligible for certain percentage of fees of total project cost. As per technical evaluation, 50% (previous year 46.75%) of work related to consultancy services by FEDO to NIT, has been completed as on 31.3.2018 and pro-rata credit of ₹816.65 lakh (previous year ₹772.96 lakh) has been taken, after considering for ₹204.81 lakh as work in Progress (previous year ₹161.93 lakh towards unearned income). The value of construction work done and certified during the FY 2017-18 is taken as ₹866.66 lakh, (previous year ₹3119.89 lakh) and equivalent amount has been considered for direct charges on contract.		

Particulars	As at 31.03.2018	As at 31.03.2017
Contract revenue recognised in the period.	1265.81	3900.61
Advance received against contract in progress.	1800.94	833.85
Retention by customers against contract in progress.	38.89	34.87
Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date.	1760.53	1568.53
Gross amount due from customers for contract work as an asset.	231.79	210.39
Gross amount due to customers for contract work as a liability.	209.60	123.70

Excise duty on own division jobs is ascertained based on Cost Accounting Standard 4.

54. Foreign Currency Exposure

The details of foreign currency balances which are not hedged as at the Balance Sheet date are as below:-

Particulars	Figures as at 31.03.2018		Figures as at 31.03.2017	
	Foreign Currency	Indian Rupee	Foreign Currency	Indian Rupee
	(in lakh)		(in lakh)	
Trade Payable	USD 81.13	5356.89	USD 31.03	2021.13

55. The Company has a system of obtaining confirmation of balances from Vendors and Customers. Some of the parties confirmed the balances.
56. For all periods upto and including the year 31st March 2016 the company prepared its financial statements in accordance with the accounting standard prescribed under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
57. Company entered an agreement with M/s. Bharat Petroleum Corporation Limited for sale of 169.689 Acre of land @ Rs. 248 Lakh per acre at Ambalamedu. Transfer Deed for 150 Acre of land registered on 10th may 2018, registration of title deed for the balance land will be completed in a short period. In additions to the above, there is a MoU with Government of Kerala for transfer of 150 Acre of land @ Rs. 100 lakh per acre and 331.790 acres @Rs. 248 lakh per acre.
58. As the accumulated loss has exceeded the networth as on 31.3.2013, the Company has made a formal reference under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 on adoption of duly audited accounts for the Financial Year 2012-13 in the Annual General Meeting held on 27.12.2013 to Board for Industrial and Financial Reconstruction (BIFR) during February 2014. Consequent to the commencement of provisions of Sick Industrial Companies (Special Provisions) Repeal Act, 2003, BIFR has been dissolved and all pending cases before BIFR stand abated. With effect from 1st December, 2016 provisions relating to corporate insolvency, under the Insolvency and Bankruptcy Code, 2016 have been commenced. The National Company Law Tribunal (NCLT) under the Companies Act, 2013 are also established to deal with inter-alia, matters relating to insolvency of companies. FACT is not required to file any case for



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insolvency resolution under the Insolvency and Bankruptcy Code 2016 before NCLT at present. During the financial year 2015-16 ,with the objective of carrying on the operations of the company without hindrance, the Government of India has disbursed a plan loan of Rs. 1000 crores on 29/3/2016.This helped the company to overcome its working capital constraints and improve the operations during the financial year 2016-17 and 2017-18. A comprehensive proposal for revival of the company is under the consideration of the Ministry. In view of the above, company does not foresee impairment of its operations as a going concern and hence the accounts are prepared on going concern basis.

59. The Standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 30th May 2018
60. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by its Shareholders.
61. The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year.

In terms of our Report Attached

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
E V Thomas
Partner
Membership No. 3679

Place: Kochi
Date: 30 May 2018

For and on behalf of the Board of Directors

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
K V Balakrishnan Nair
Company Secretary

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

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62. NOTES FORMING PART OF FINANCIAL STATEMENTS

COST OF MATERIALS CONSUMED		2017-18					2016-17				
		Opening Stock	Purchases	Closing Stock	Consumption	Opening Stock	Purchases	Closing Stock	Consumption		
1	Regassified Liquid natural Gas	-	24280.02	-	24280.02	-	27842.70	-	27842.70		
2	Naphtha	237.09	-	-	237.09	358.87	-	237.09	121.78		
3	Sulphur - Imported	1669.80	9608.68	1245.30	10033.18	2306.17	10177.70	1669.80	10814.07		
4	Sulphur	-	6,150.04	1441.91	4708.13	-	-	-	-		
5	Rock Phosphate-Imported	1666.47	6925.87	233.29	8359.05	3291.14	7665.82	1666.47	9290.49		
6	Phosphoric Acid-Imported	1303.35	34174.74	85.62	35392.47	1479.17	46571.19	1303.35	46747.01		
7	Phosphoric Acid	-	6844.44	65.81	6778.63	1.36	-	-	1.36		
8	Ammonia - Imported	1210.94	15643.77	1304.29	15550.42	2161.12	9053.11	1210.94	10003.29		
9	Benzene - Imported	10.24	-	10.24	-	10.89	-	10.24	0.65		
10	Benzene	177.53	-	177.53	-	188.36	-	177.53	10.83		
11	Caustic Soda**	43.33	-	37.20	-	53.99	-	43.33	-		
12	Rock Phosphate-18% for mixing	8.16	19.20	27.35	0.01	11.43	28.47	8.16	31.74		
13	Sulphuric Acid	13.41	152.21	9.14	156.48	406.53	805.31	13.41	1198.43		
	TOTAL	6340.32	103798.97	4637.68	105495.49	10269.03	102144.30	6340.32	106062.36		

** Closing stock after adjustments for consumption as chemicals of ₹6.14 lakh.



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NOTES FORMING PART OF FINANCIAL STATEMENTS

Note No. 63. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 (viii) OF GENERAL INSTRUCTIONS FOR STATEMENT OF PROFIT AND LOSS OF SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31.03.2018

1 Value of imported and indigenous raw materials and spare parts consumed and percentage thereof to total consumption.

	Current year	Percentage	Previous year	Percentage
B Spare Parts , Components & Chemicals				
Imported	148.11	5.60	238.40	7.20
Indigenous	2495.90	94.40	3071.33	92.80
	2644.01	100.00	3309.73	100.00

2 CIF Value of Imports	Current year ₹ in lakh	Previous year ₹ in lakh
(i) Raw Materials	62534.84	69606.03
(ii) Traded Products	0.00	5215.23
(iii) Spares and other materials	137.35	181.92
(iv) Capital Goods	0.00	0.00
	62672.19	75003.18

3 A Expenditure in foreign currency (Cash Basis)	Current year ₹ in lakh	Previous year ₹ in lakh
(i) Consultancy service	0.00	0.00
(ii) Others	119.74	89.81
	119.74	89.81



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FORM AOC-1

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

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

Part -A Subsidiaries

NIL

Part-B Associates and Joint ventures

Statement pursuant to Section 129(3) of the Companies Act 2013 related to Associate Companies and Joint ventures

Name of Associates or Joint Ventures	FACT RCF Building Products Ltd.	Kerala Enviro Infrastructure Ltd
Latest audited balance sheet date	31.03.2017	31.03.2018
Date on which the Associate or Joint Venture was associated or acquired	2 nd May 2008	4 th March 2015
Shares of Associate or Joint ventures held by the Company on the year end (No.)	32870000	3124000
Amount of Investment in Associates or Joint ventures	₹32.87 crore	₹3.12 crore
Extent of Holding (in percentage)	50%	25.66%
Description of how there is significant influence	50:50 Joint venture One half of the Directors are nominated by FACT	Share holding of 25.66% FACT is nominating one Director on the Board
Reason why the associate/Joint venture is not consolidated	Consolidated	Consolidated
Networth attributable to shareholding as per latest audited Balance sheet	(₹39.36crore)	₹12.03 crore
Profit or loss for the year	(₹14.84 crore)	₹2.46 crore
1. Considered in consolidation	NIL	₹0.63 crore
2. Not Considered in consideration	(₹7.42 crore*)	NIL

*As the entire investment is eroded and fully provided, further losses are not considered.

- Names of associates or joint ventures which are yet to commence operations- NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

(K V Balakrishnan)
Company Secretary

(Sanjai Maheshwari)
Director(Finance)

(Manoj Mishra)
Chairman & Managing Director



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₹ in lakh

DETAILS OF CAPITAL EXPENDITURE INCURRED ON TOWNSHIP AND OTHER SOCIAL OVERHEADS AS REQUIRED BY O.M. No. BPE - 1 (17) / ADV (F) / 69 DATED 5-3-69 FROM THE MINISTRY OF FINANCE (BUREAU OF PUBLIC ENTERPRISES) UPTO 31st MARCH 2018

	Gross Block as at 31-3-2017	Written down value as at 31-3-2017	Additions/ adjustments 2017-18	Depreciation for the year 2017-18	Depreciated value as at 31-3-2018
Land (Estimated)	186.18	186.18	0.00	0.00	186.18
Staff Quarters etc. in Township	1379.96	374.43	0.00	7.55	366.88
Sewers & Drains	280.85	41.63	0.00	10.64	30.99
Hospitals	64.37	13.96	0.00	0.37	13.59
Schools	93.43	24.56	0.00	0.58	23.98
Shops	12.08	2.02	0.00	0.05	1.97
	2016.86	642.78	0.00	19.19	623.59

DETAILS OF MAINTENANCE AND OTHER REVENUE EXPENDITURE ON TOWNSHIP AND OTHER SOCIAL OVERHEADS AS REQUIRED BY O.M.No. BPE-1(17)/ADV.(F)/69 DATED 5-3-69 FROM THE MINISTRY OF FINANCE (BUREAU OF PUBLIC ENTERPRISES) DURING THE YEAR ENDED 31st MARCH 2018

Particulars	Expenditure	Income	Net Expenditure
Staff Quarters & Estate Establishment	474.66	684.49	(209.83)
Schools	0.60	11.15	(10.55)
Medical facilities	938.45	17.51	920.94
Other Welfare Expenses	765.53	27.38	738.15
Notional interest at 6 % p.a. on capital outlay on Township and overheads	121.01	0.00	121.01
	2300.25	740.53	1559.72

STATEMENT SHOWING EXPENDITURE ON PUBLIC RELATIONS AND PUBLICITY (AS REQUIRED BY BPE O.M. No. BPE/GL/O42/78 BPE (IR)21(1)/78 DATED 18-12-1978) FOR THE YEAR ENDED 31st MARCH 2018

Particulars	
Salaries and Wages including Provident Fund	27.10
Advertisement Charges	65.16
Propoganda and Publicity	21.88
Exhibition	0.23
Demonstration, Sign Boards, Cost of Fertilisers, Village adoption, Soil Testing and Agronomy Services	8.06
Audio-visual film, Slides production, Projection charges and equipment	0.00
Running and Maintenance Expenses of Publicity vehicles and Travel Expenses	0.00
	122.43



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

SUMMARISED ACCOUNTS

₹ In Lakh

PARTICULARS	2017-18	2016-17	2015-16
RESOURCES			
Net Worth	(169640)	(155501)	(130953)
Borrowings And Deferred Credits	194114	189851	175868
Capital Reserve	61	63	65
Equity Instruments through OCI	5561	4205	-
	30096	38617	44980
UTILISATION OF RESOURCES			
Net Fixed Asset	29472	29681	26973
Capital -work- in progress	1883	2468	2186
Other non-current assets	1018	808	846
Investments	5927	4572	367
Net Current Assets	(8203)	1089	14609
	30096	38617	44981
EARNINGS			
Sale of products and services (net)	192867	188328	173599
Accretion/(decretion) to work in progress and finished goods	3053	8120	(17904)
Other Income	4135	1804	2898
	200055	198252	158593
OUT GOINGS			
Direct Materials & inputs	128130	132063	130708
Employees' remuneration and benefits	25030	24397	24965
Other expenses	26090	35464	22348
Depreciation / Impairment loss	1715	2130	1812
Finance Cost	32142	30466	25214
	213106	224520	205047
Profit/(Loss) for the year	(13051)	(26268)	(46454)
Extraordinary items / Exceptional items: Income/ (Expense)	-	-	1235
Profit/ (Loss) before tax	(13051)	(26268)	(45219)
Provision for Taxation	-	-	-
Profit/ (Loss) after tax	(13051)	(26268)	(45219)



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

CHANGES IN FINANCIAL POSITION FOR THE YEAR ENDED 31ST MARCH 2018

₹ in lakh

PARTICULARS	2017-18	2016-17	2015-16
SOURCES OF FUNDS			
Funds generated from operations:			
Profit after tax	-	-	-
Depreciation and Impairment loss	1715	2130	1484
Long term borrowings & liabilities	-	-	-
Short-term borrowings	-	-	-
Fertilizer Bonds	-	-	-
Decrease in Working Capital	9290	4269	(94727)
	11005	6399	(93243)
APPLICATION OF FUNDS			
Loss for the year	13051	26268	45219
Prior Period Adjustments	-	(5136)	-
Remeasurement of Fixed Benefit Plan	1087	(2598)	-
Decrease in short term borrowings	-	-	-
Decrease in Long term borrowings & liabilities	(4264)	(12873)	(138498)
Capital expenditure (net)	921	776	(22)
Investment in shares/bonds	-	-	-
Non current assets	210	(38)	58
Increase in Working Capital	-	-	-
	11005	6399	(93243)

STATEMENT OF CHANGES IN WORKING CAPITAL

PARTICULARS	2017-18	2016-17	2015-16
Cash and bank balance	1146	(539)	(3082)
Inventories	4966	5300	(16269)
Sundry debtors	(5598)	10048	(311)
Other current assets	23517	(22819)	19312
Loans and advances	52	(10)	1852
	24083	(8020)	1502
Creditors and other liabilities	33373	(3751)	(93225)
Increase/(decrease) in Working capital	(9290)	(4269)	94727
	24083	(8020)	1502

VALUE ADDED STATEMENT

PARTICULARS	2017-18	2016-17	2015-16
Value of production *			
(Including other income)	200055	198252	158593
Less: Cost of Direct materials & inputs	128130	132063	130708
	71925	66189	27885
Add: Exceptional Items :Income/ (Expense)	-	-	1235
Value Added	71925	66189	29120
Applied in the following way :			
Employee remuneration and benefits	25030	24397	24965
Other operating expenses	26090	35464	22348
Depreciation	1715	2130	1812
Finance Cost	32142	30466	25214
Provision for Income Tax	-	-	-
Retained profit/(loss)	(13051)	(26268)	(45219)
	71925	66189	29120
* Net of sales discount/dealer Margin			

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Floor, Udyogamandal, Kochi, Kerala

10 YEARS FINANCIAL HIGHLIGHTS

₹ in lakh

	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	
	As per Indian Accounting Standard	As per Schedule III of the Companies Act 2013								As per pre-revised Schedule VI of the Companies Act 1956	
1	Sales	140651	133398	119419	136743	143993	152776	174535	139348	115357	73832
2	Subsidy	57655	57270	52997	65280	83141	90669	126596	115927	100517	141047
3	Income from Contracts & Services	1266	3912	5592	1213	488	742	975	1045	1110	1130
4	Turnover (1+2+3)	199572	194580	178008	203236	227622	244187	302106	256320	216984	216009
5	Less: Discount & Excise duty	6705	6252	4409	5357	6684	12610	14501	10247	6391	3143
6	Revenue from operations (4-5)	192867	188328	173599	197879	220938	231577	287605	246073	210593	212866
7	Other Income	4135	1804	2898	1855	1401	1979	3670	3060	5361	4543
8	Total Income	197002	190131	176497	199734	222339	233556	291275	249133	215954	217409
9	Material Consumed	108024	108741	107980	139440	152490	142464	174918	142879	129037	167825
10	Purchases of Stock-in-trade	169	9868	272	6928	6730	8722	13485	9257	21952	8723
11	Stock: (Accretion)/Decretion	(3053)	(8120)	17904	(59)	(3368)	11044	(4859)	(179)	(9693)	(3563)
12	Employee benefits expenses	25030	24397	24965	26278	25754	23871	22473	26805	19486	12563
13	Repairs & Maintenance	3443	3494	4069	3251	3237	3348	3127	1837	3508	2825
14	Power & Fuel	16459	16681	11998	14876	25925	33382	40312	35496	30068	20806
15	Other Manufacturing Expenses	26125	28743	28737	24955	24765	26068	21903	18547	17943	15016
16	Total Expenditure	176197	183803	195925	215669	235533	248899	271359	234642	212301	224195
17	Gross Margin (8-16)	20805	6328	(19428)	(15935)	(13194)	(15343)	19916	14491	3653	(6786)
18	Exceptional Items- Expenses (+)/ Income (-)	-	-	(1235)	2406	(10407)	(39)	-	821	-	-
19	Extraordinary items (income)	-	-	-	-	-	-	-	-	22116	-
20	Finance Cost	32142	30466	25214	19629	19183	15538	13677	14340	11597	6396
21	Depreciation / Impairment loss	1715	2130	1812	2021	4526	4554	4259	4263	2427	4623
22	Profit/(Loss) before taxation	(13051)	(26268)	(45219)	(39991)	(26496)	(35396)	1980	(4933)	(10371)	4311
23	Provision for taxation	-	-	-	-	-	-	-	-	13	16
24	Net profit / (Loss)	(13051)	(26268)	(45219)	(39991)	(26496)	(35396)	1980	(4933)	(10384)	4295
25	Proposed Dividend	-	-	-	-	-	-	-	-	-	-
26	Tax on Proposed Dividend	-	-	-	-	-	-	-	-	-	-
27	Net block	29472	29681	26973	28180	27606	24336	27754	31591	36350	38606
28	Capital work-in-progress	1883	2468	2186	2486	2383	5313	2510	881	1642	687
29	Non-Current assets, Loans & Advances	1018	808	846	788	1871	1853	767	581	-	-
30	Current assets, Loans & Advances	143315	119234	132779	131277	154205	136312	157753	130435	128048	82352
31	Current Liabilities & Provisions	151518	118145	118170	211395	195369	148586	132620	124157	70621	41615
32	Investments	5927	4572	367	367	2136	2136	1823	13840	28130	28131
33	Misc. expenditure to the extent not w.off	-	-	-	-	-	-	-	-	-	-
34	Accumulated Loss	234347	220208	195660	150441	110450	83954	48558	50538	45605	35222
35	Total Utilisation	264443	258825	240640	102143	103282	105318	106545	103709	169154	143383
36	Working Capital (30-31)	(8203)	1089	14609	(80118)	(41164)	(12274)	25133	6278	57427	40737
	Non Current Liabilities :-										
37	Long term borrowings	177049	177049	162713	16149	18976	21803	24023	22023	12643	9243
38	Long term provisions	17066	12802	13155	21221	19530	18735	17739	16900	-	-
39	Short term borrowings (1)	-	-	-	-	-	-	-	-	91721	69346
40	Share Capital (incl. Pending allotment)	64707	64707	64707	64707	64707	64707	64707	64707	64707	64707
41	Reserves & Surplus	-	-	-	-	-	-	-	-	-	-

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

10 YEARS FINANCIAL HIGHLIGHTS

	₹ in lakh									
	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
	As per Indian Accounting Standard									
	61	63	65	66	69	73	76	79	83	87
42 Capital Reserve	5561	4205								
43 Equity Instruments through OCI	264443	258825	240640	102143	103282	105318	106545	103709	169154	143383
43 Total Sources	(169640)	(155501)	(130953)	(85734)	(45743)	(19247)	16149	14169	19102	29485
44 Networth (40+41-33-34) (2)	5221	18776	29273	(72371)	(31217)	(4820)	35915	21550	93777	79343
45 Capital employed (27+29+36-38)	27002	23661	14815	29809	31246	27188	38127	32798	37743	28050
46 Finished Goods	1527	1815	2542	5452	3956	4645	4751	5221	-	-
47 Work in progress	10474	7881	10269	7243	11670	20066	11158	13648	-	-
48 Raw Materials	8604	9322	10885	12482	14289	14556	11604	9307	8055	8608
49 Stores, Spares & Loose tools	268	231	352	146	927	989	10115	400	4105	212
50 Materials in transit	45009	50607	710	1021	1147	826	1125	4846	6125	27137
51 Sundry debtors	6365	5218	5757	8839	7737	3237	7017	5523	2818	2305
52 Cash & bank balance	54	3	16122	14270	14453	15403	18436	17721	15841	10579
53 Loans & advances	44012	20495	71327	52015	68780	49402	55420	40971	45680	1071
54 Other Current Assets	143315	119234	132779	131277	154205	136312	157753	130435	128048	82352
55 Total (46 to 54)	149703	116652	114116	206807	189720	142905	127841	120225	60427	32870
56 Current Liabilities	1815	1493	4054	4588	5649	5681	4779	3932	10194	8745
57 Provisions	151518	118145	118170	211395	195369	148586	132620	124157	70621	41615
58 Total (56+57)	(8203)	1089	14609	(80118)	(41164)	(12274)	25133	6278	57427	40737
59 Net Working Capital (55-58)	(11336)	(24138)	(43407)	(37970)	(21970)	(30842)	6239	(670)	(7957)	(13198)
60 Gross Internal resources (21+24-19)	225000	225000	225000	225000	225000	225000	225000	225000	225000	225000
61 Installed Capacity (MT)	633500	633500	633500	633500	633500	633500	633500	633500	633500	633500
Ammonium Sulphate										
Factamphos 20:20										
DAP										
Urea										330000
Caprolactam	50000	50000	50000	50000	50000	50000	50000	50000	50000	50000
N	173050	173050	173050	173050	173050	173050	173050	173050	173050	324450
P2O5	131900	131900	131900	131900	131900	131900	131900	131900	131900	131900
62 Production (MT)										
Ammonium Sulphate	180178	152953	79567	120360	178792	126286	163468	200311	179546	128845
Factamphos 20:20	661973	654361	515435	614004	663787	537081	622256	644454	753744	605047
DAP										
Urea										
Caprolactam		770.00								
N	169511	162381	119478	147595	169589	133431	158126	170155	187735	147551
P2O5	132395	130872	103087	122801	132757	107416	124451	128891	150749	121009
63 Capacity utilisation (%)										
N	97.96	93.83	69.04	85.29	98.00	77.11	91.38	98.33	108.49	45.48
P2O5	100.37	99.22	78.16	93.10	100.65	81.44	94.35	97.72	114.29	91.74
(1) Short term borrowings are included under current liabilities.										
(2) Does not include capital work-in-progress.										



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

CONSOLIDATED FINANCIAL STATEMENT

BABU A. KALLIVAYALIL & CO. CHARTERED ACCOUNTANTS

IIInd Floor, Manchu Complex, P.T. Usha Road, Kochi - 682 011

Telephone: 0484-2363119, 2380868 Fax : 0484 - 2380868

E-mail : bakco@vsnl.net; bakco.ca@gmail.com

INDEPENDENT AUDITOR'S REPORT

To The Members of The Fertilisers And Chemicals Travancore Limited

Report on the Consolidated Financial Statements

- 1) We have audited the accompanying consolidated Ind AS financial statements of **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED ("the Holding Company")** and its Associate and Jointly controlled entities (the holding company and its associate and jointly controlled entities together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information ("Consolidated Ind AS Financial Statements"- "CFS").

Management's responsibility for the Consolidated Ind AS Financial Statements

- 2) The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated position, consolidated performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.
- 3) In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

- 4) Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters required to be included in the audit report under the provisions of the Act and Rules made there under.
- 5) We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.
- 6) An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls.
- 7) An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
- 8) We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 9) We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in term of their reports referred to in Other Matter paragraph (13) is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Opinion

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

Material uncertainty related to Going Concern

11) We draw attention to note number # 58 of consolidated Ind AS financial statements. The Group has accumulated loss amounting to Rs. 2,34,347 lakhs (Previous year Rs.2,20,208 lakhs) with a negative net worth of Rs. 1,64,018 lakhs (Previous year Rs.1,51,233 lakhs) and its net worth has been completely eroded. The Group has incurred a net loss during the current and previous years. This condition indicates the existence of material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern. However, the financial statements of the Group have been prepared on going concern basis.

Our opinion is not qualified in respect of this matter.

Emphasis of Matter

12) We draw your attention to Note number # 43 of consolidated Ind AS financial statements. In respect of a jointly controlled entity, FACT RCF Building Products Limited, the financial statements considered for consolidation is unaudited and we have relied on the financial statements furnished by the Management.

Our opinion is not qualified in respect of these matters.

Other Matter

13) a) We did not audit the financial statements of four areas comprising marketing offices of the Holding Company whose financial statements reflect total fixed assets of Rs. 150 lakhs as at March 31, 2018 and total sales of Rs. 1,37,953 lakhs for the year ended on that date as considered in the standalone Ind AS financial statement. The Company has submitted certain "financial schedules" only which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the financial statements, in so far as they relate to the amounts and disclosures included in respect of these areas and our report, in so far as it relates to the aforesaid areas, is based solely on the reports of the other auditors.

b) We did not audit the financial statement of Associate Company which have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the financial statements, in so far as they relate to the amounts and disclosures included in respect of these areas and our report, in so far as it relates to the aforesaid areas, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

14) Based on the verification of books of account of the Holding Company and according to information and explanations given to us, we give in "Annexure A" on the Directions/ Additional sub-directions issued by the Comptroller and Auditor General of India (C&AG) in terms of section 143(5) of the Act.

15) As required by sub-section 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of the joint venture and associate company as noted in the 'Emphasis of Matter' and 'Other Matter' paragraphs respectively, we report to the extent applicable that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Changes in Equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
- e. With respect to the adequacy of the internal controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to the Report.
- f. Being a Government Company, the provisions of sub-section 2 of section 164 of the Companies Act, 2013, does not apply to the Company by virtue of Notification F No. 1/2/2014-CL.V dated June 05, 2015.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other Auditors on separate financial statements as noted in the 'Emphasis of Matter' and 'Other Matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the holding company and its associate company and jointly controlled entities. (Refer note #47)
 - ii. The holding company and its associate company and jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. The holding company and its associate company and jointly controlled entities did not have any amount which is liable to be transferred to the Investor Education and Protection Fund.

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/
E V Thomas
Partner

Membership No. 3679

Kochi
May 30, 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 14 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

AUDIT REPORT ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2018 AS PER DIRECTIONS OF C&AG UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013

SI No.	C & AG Directions	Comments of Statutory Auditor															
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available	<p>In our opinion and according to information and explanations given to us and on the basis of an examination of records of the Holding Company ("the Company"), the title deeds of immovable properties are held in the name of the Company, except in the following cases.</p> <table border="1"> <thead> <tr> <th>Nature</th> <th>Number of assets</th> <th>Extent of land (in acres)</th> <th>Gross Block of asset (Amount in lacs)</th> <th>Net block of asset (Amount in lacs)</th> </tr> </thead> <tbody> <tr> <td>Freehold land</td> <td>1</td> <td>48.49</td> <td>513*</td> <td>513*</td> </tr> <tr> <td>Leasehold land</td> <td>1</td> <td>14.26</td> <td>-.**</td> <td>-.**</td> </tr> </tbody> </table> <p>*As provided by Management (Refer Note number 1.3 of Property, plant and equipment under Note number 1 of CFS). **The Company has executed a deed of indemnity with the Lessor in respect of the property on February 26, 2016, wherein it was agreed that the Company is interested to continue the lease for a further period of 30 years from April 01, 2014 to March 31, 2044 on execution of fresh lease deed incorporating mutually agreed terms and conditions. However, no fresh deed is executed till date, though the Company continues to occupy the land and pay the lease rentals.</p>	Nature	Number of assets	Extent of land (in acres)	Gross Block of asset (Amount in lacs)	Net block of asset (Amount in lacs)	Freehold land	1	48.49	513*	513*	Leasehold land	1	14.26	-.**	-.**
Nature	Number of assets	Extent of land (in acres)	Gross Block of asset (Amount in lacs)	Net block of asset (Amount in lacs)													
Freehold land	1	48.49	513*	513*													
Leasehold land	1	14.26	-.**	-.**													
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc. If yes, the reasons therefore and the amount involved.	According to information and explanations given to us, the Company has not waived / written off any of debts / loans/interest etc. during the year.															
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities.	According to information and explanations given to us, the Company does not have any inventories lying with third parties and no assets are received by the Company as a gift/ grants from Government or other authorities.															
4	State of impact of revision of subsidies for fertilizers products, viz. NPK, Ammonium Sulphate and imported MoP in valuation of its closing stock.	<p>As per Company's policy for inventory valuation "Finished / trading products are valued at lower of cost or net realizable value in the aggregate, product-wise. Costs of finished / semi-finished / intermediate products are determined based on annual average cost excluding interest and head office and administrative overheads. Cost of finished goods in warehouse includes freight and handling charges".</p> <p>During the year following items are valued at cost, since it is lower than net realizable value.</p> <ol style="list-style-type: none"> 1. NPK, 2. Ammonium sulphate, 3. Imported MoP. <p>The closing stock of items transferred under non Direct Benefit Transfer Scheme is valued at cost less subsidies received for the same. Hence, during the year, the impact of revision of subsidies for fertilizer products, viz. NPK, Ammonium Sulphate and imported MoP are reflected in valuation of its closing stock.</p>															

Kochi
May 30, 2018

For Babu A Kallivayalil & Co.
Chartered Accountants,
Firm Registration No. 05374S

E V Thomas
Partner
Membership No. 3679



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 15 (e) under 'Report on Other Legal and Regulatory Requirements' section of our report)

REPORT ON THE INTERNAL FINANCIAL CONTROLS

(under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013)

We have audited the internal financial controls over financial reporting of **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** ('the Company' or 'the Holding Company') and its associate and jointly controlled entities (the Holding Company and its associate and jointly controlled entities together referred to as "the Group") as of March 31, 2018 in conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls of the Group over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Group has, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting need to be strengthened as at March 31, 2018, based on the internal control over financial reporting criteria established by the Group, considering the essential components of internal control stated in the Guidance Note on 'Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India.

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Kochi
May 30, 2018

Sd/-
E V Thomas
Partner
Membership No. 3679



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Indian Audit and Accounts Department,
Office of the Principal Director of Commercial Audit
and ex-officio Member Audit Board, Chennai

CONFIDENTIAL

07.08.2018

PDCA/G-2/4-4/FACTA /cs/2018-19/28

To

The Chairman and Managing Director
The Fertilisers and Chemicals Travancore Limited,
Eloor, Udyogamandal,
Kochi-683 501

Sir,

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Consolidated Financial Statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2018

I am to forward herewith the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Consolidated financial statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2018.

Five copies of Annual Report of your Company may kindly be arranged to be forwarded to this office
Receipt of this letter may be acknowledged.

Yours faithfully,
Sd/-

(R Ambalavanan)

PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT AND
EX-OFFICIO MEMBER AUDIT BOARD, CHENNAI

Encl: Audit certificate

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2018

The preparation of Consolidated financial statements of The Fertilisers and Chemicals Travancore Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statement under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 30.05.2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of The Fertilisers and Chemicals Travancore Limited for the year ended 31 March 2018. We conducted a supplementary audit of the financial statements of The Fertilisers and Chemicals Travancore Limited but did not conduct supplementary audit of the financial statements of FACT-RCF Building Products Limited for the year ended on that date. Further section 139(5) and 143(6)(b) of the Act are not applicable to Kerala Enviro Infrastructure Limited being private entity for appointment of their Statutory Auditor nor for conduct of Supplementary Audit. Accordingly C&AG has neither appointed the Statutory Auditor nor conducted the supplementary audit of this Company. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

For and on the behalf of the
Comptroller & Auditor General of India

Place: Chennai
Date: August 07, 2018

Sd/-

(R. AMBALAVANAN)

PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT AND
EX-OFFICIO MEMBER AUDIT BOARD, CHENNAI



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Consolidated Balance Sheet as at 31st March 2018

₹ in Lakh

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	1	29462.42	29670.86	31316.39
Capital Work in Progress	1A	1882.57	2467.93	2186.40
Investment Property	2	9.60	9.70	9.80
Joint Venture Investments	3A	308.72	245.62	224.89
Financial Assets				
Investments	3B	5618.49	4325.91	4150.65
Trade Receivables	4	-	-	-
Loans	5	619.72	621.24	621.31
Other Financial Assets	6	13.32	12.00	11.99
Other Non Current Assets	7	384.80	174.83	218.69
		38299.64	37528.09	38740.12
CURRENT ASSETS				
Inventories	8	47874.64	42910.81	37611.14
Financial Assets				
Trade Receivables	9	45009.24	50606.94	40559.19
Cash and Cash equivalents	10	4612.04	3229.09	2008.08
Other Bank Balances	11	1752.48	1989.29	3737.34
Loans	12	54.49	2.60	12.72
Other Financial Assets	13	40766.34	17669.31	39951.92
Current Tax Assets	14	52.00	92.93	5.48
Other current Assets	15	3154.27	2733.10	3355.35
		143275.50	119234.07	127241.22
Assets held for Disposal	16	39.41	-	-
		181614.55	156762.16	165981.34
TOTAL ASSETS				
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	17	64707.20	64707.20	64707.20
Other Equity	18	(228725.30)	(215940.59)	(197601.55)
		(164018.10)	(151233.39)	(132894.35)
LIABILITIES				
NON CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	19	177048.75	177048.75	162713.36
Provisions	20	16246.12	11918.63	13317.74
Other Non Current Liabilities	21	819.51	883.20	946.88
		194114.38	189850.58	176977.98



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Consolidated Balance Sheet as at 31st March 2018

₹ in Lakh

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	22	50737.50	63181.59	18345.35
Trade Payables	23	42328.14	32072.49	57151.39
Other Financial Liabilities	24	52771.41	16911.99	39888.22
Other Current Liabilities	25	3865.95	4485.43	5046.72
Provisions	26	1815.27	1493.47	1466.03
		151518.27	118144.97	121897.71
TOTAL EQUITY AND LIABILITIES		181614.55	156762.16	165981.34

Statement of significant Accounting Policies

A

Explanatory Information on Consolidated Financial Statements

36-63

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

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

₹ in Lakh

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I Revenue from Operations	27	192867.07	188327.97
II Other Income	28	4134.96	1803.50
III Total Income (I+II)		197002.03	190131.47
IV Expenses			
Cost of Materials Consumed	29	108023.90	108741.03
Purchase of Stock in Trade	30	169.03	9867.93
Change in Inventories of Finished Goods, Work in Progress and Stock in Trade	31	(3052.86)	(8120.41)
Employee Benefit Expenses	32	25029.87	24396.53
Finance Cost	33	32141.63	30466.33
Depreciation and Amortization Expenses / Impairment	1,2	1714.78	2129.91
Other Expenses	34	46026.86	48917.92
Total Expenses (IV)		210053.21	216399.24
V Profit / (Loss) before Tax (III-IV)		(13051.18)	(26267.77)
VI Tax Expenses		-	-
VII Profit / (Loss) for the Year (V+VI)		(13051.18)	(26267.77)
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or loss		1355.68	196.00
(ii) Remeasurement of defined benefit plan		(1087.32)	2598.39
(iii) Income Tax relating to items that will not be reclassified to Profit or Loss			
Other Comprehensive income for the year (VIII)		268.36	2794.39
IX Total Comprehensive Income for the year (VII+VIII)		(12782.82)	(23473.38)
X Earnings per Equity Share			
Basic/Diluted per Equity Share (₹)	35	(2.02)	(4.06)
Statement of significant Accounting Policies	A		
Explanatory Information on Financial Statements	36-63		

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Consolidated Cash flow statement for the year ended 31st March 2018

₹ in Lakh

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
A Cash flow From Operating Activities		
Net Profit / (Loss) before Tax	(13051.18)	(26267.77)
Adjustments for:		
Depreciation / Impairment loss on Assets	1714.78	2129.91
(Profit) / Loss on Sale of Asset	(6.38)	0.05
Interest Income	(317.57)	(316.21)
Dividend Income	(9.72)	(9.72)
Interest and Finance Charges	32141.63	30466.33
Provision for bad / Doubtful Debts	203.15	249.50
Provision for Obsolescence	27.63	101.51
Amount written back from deferred Government Grants	(1.89)	(1.89)
Operating Profit before Working Capital Changes	20700.45	6351.71
Adjustment for :		
Inventories	(4991.46)	(5401.19)
Trade Receivables	5483.93	(10167.28)
Loans	(50.37)	10.19
Others Including Bank balances	(48837.81)	24283.34
Trade Payables	10255.65	(46137.56)
Borrowings	(12444.09)	59171.63
Other liabilities	35176.25	(23601.20)
Provisions	4649.29	(1371.67)
	(10758.61)	(3213.74)
Cash Generation from Operation	9941.84	3137.97
Direct Tax Paid	-	-
Net Cash from Operating Activities	9941.84	3,137.97
B Cash Flow from Investing Activities		
Addition to Fixed Assets	(914.50)	(765.87)
Change in other Comprehensive Income	268.36	2794.38
Change in Retained Earnings (Prior Period adj)	-	5136.27
Interest Received	317.57	316.21
Dividend Received	9.72	9.72
Net Cash from investing Activities	(318.85)	7490.71



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Consolidated Cash flow statement for the year ended 31st March 2018

₹ in Lakh

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
C Cash Flow from Financing Activities		
Interest Paid	(8240.05)	(9407.67)
Net Cash from Financing Activities	(8240.05)	(9407.67)
Net increase in cash and Cash Equivalents (A+B+C)	1382.95	1221.01
Cash and Cash Equivalents as at 1st April (Opening Balance)	3229.09	2008.08
Cash and Cash Equivalents as at 31st March (Closing Balance)	4612.04	3229.09
Closing Cash and Cash Equivalents		
Represented By :		
Cash on hand	2.61	3.00
Balances with banks	400.01	919.21
Cheques, drafts on hand	0.05	500.17
Deposit with Bank (less than 3 month maturity)	4209.37	1806.71
Total	4612.04	3229.09

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

Statement of changes in equity for the year ended March 31, 2018

A. Equity share capital

₹ in Lakh

Particulars	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 Mar 2017	Changes in equity share capital during the year	Closing balance as at 31 Mar 2018
Equity shares of ₹10 each	64707.20	-	64707.20	-	64707.20
Total	64707.20	-	64707.20	-	64707.20

B. Other Equity

Particulars	Reserves and Surplus			Equity Instrument Through Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Government Grant		
Balance as on 01.04.2017	2.64	(220208.22)	60.01	4204.98	(215940.59)
Changes in Accounting Policy or prior period errors	-	-	-	-	-
Restated Balance at the beginning of the reporting period	2.64	(220208.22)	60.01	4204.98	(215940.59)
Profit for the year	-	(13051.18)	-	-	(13051.18)
Other Comprehensive Income for the year (Net of Taxes ; if any)	-	(1087.32)	1355.68	268.36	-
Total Comprehensive Income for the year	-	(14138.50)	-	1355.68	(12782.82)
Transfers(if any)	-	-	(1.89)	-	(1.89)
Balance as on 31.03.2018	2.64	(234346.72)	58.12	5560.66	(228725.30)

Particulars	Reserves and Surplus			Equity Instrument Through Other Comprehensive Income	Total
	Capital Reserve	Retained Earnings	Government Grant		
Balance as on 01.04.2016	2.64	(195660.26)	61.90	-	(195595.72)
Changes in Accounting Policy or prior period errors	-	(878.58)	-	4008.98	3130.40
Restated Balance at the beginning of the reporting period	2.64	(196538.84)	61.90	4008.98	(192465.32)
Profit for the year	-	(26,267.77)	-	-	(26267.77)
Other Comprehensive Income for the year (Net of Taxes ; if any)	-	2598.39	-	196.00	2,794.39
Total Comprehensive Income for the year	-	(23669.38)	-	196.00	(23473.38)
Transfers(if any)	-	-	(1.89)	-	(1.89)
Balance as on 31.03.2017	2.64	(220208.22)	60.01	4204.98	(215940.59)

In terms of our Report Attached

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
E V Thomas
Partner
Membership No. 3679

Place: Kochi
Date: 30 May 2018

For and on behalf of the Board of Directors

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
K V Balakrishnan Nair
Company Secretary

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

A Statement of Significant Accounting Policy forming part of Accounts for the Year ended 31st March 2018

1. Corporate Information

The Company is a public company domiciled in India and is incorporated under provisions of the Companies Act applicable in India. Its shares are listed on one recognized stock exchanges in India. The registered office of the Company is located at Eloor, Udyogamandal, Ernakulam 683501, Kerala.

2. Basis for preparation of financial statements

The Consolidated financial statements of the Company have been prepared in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards)(Amendment) Rules, 2016 and other relevant provisions of the Act.

The Consolidated financial statements have been prepared under the historical cost and on accrual basis, except for the following: -

- Certain financial assets and liabilities measured at fair value
- Certain provisions recognized using actuarial valuation techniques
- Non-current assets classified as "held for sale" are measured at the lower of their carrying amount and fair value less cost to sell.

The Consolidated financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakh (₹ 00,000), except when otherwise indicated.

The consolidated financial statements relate to the Company [The Fertilisers and Chemicals Travancore Ltd.] and Jointly Controlled Entities FACT RCF Building Products Ltd. (FRBL) and KERALA ENVIRO INFRASTRUCTURE LIMITED.

The accounting policies have been consistently applied by the Company and its Jointly Controlled Entities and are consistent with those used to prepare the opening balance sheet as at the transition date.

The financial statements of the Jointly Controlled Entities used in the consolidation are drawn up to the same reporting date as of the Company i.e. for the year ended 31st March 2018.

Principles of Consolidation:

The financial statements of Jointly Controlled Entities are combined by applying equity method in accordance with IND AS 28 - "Investment in Associates and Joint Ventures".

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements. Differences in accounting policies followed by joint venture entity consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not material.

The following Jointly Controlled Entities are considered in the consolidated financial statements:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as on 31.03.2018	Date of the entity becoming Joint Venture
FACT -RCF Building Products Ltd.	India	50%	2-May-08
Kerala Enviro Infrastructure Ltd	India	26.48%	4-Mar-15

3. Significant Accounting Policies

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between estimates and actuals are recognized in the period in which they materialize.

i) Property Plant and Equipment

- All Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.
- Land purchased/acquired and under the possession of the company are treated as free hold land.
- Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset
- Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

- e) Spares costing (Unit value of ₹10 lacs and above), and other components which are required to be replaced at intervals, meeting the recognition criteria have been classified as Plant and equipment and are depreciated separately based on their specific useful lives.
- f) 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 are met.
- g) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue. Financing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized upto the date of capitalization. Financing cost, if any, incurred on general borrowings used for projects is capitalized at the weighted average cost. The amount of such borrowings is determined after setting off the amount of internal accruals, if any.

Depreciation

Depreciation is charged on Fixed Assets based on the useful lives of assets, prescribed under the Schedule II of the Companies Act 2013. The Company has adopted Straight Line method of depreciation for all the categories of assets, acquired on or after 01.04.2014. Effective from 1st April, 2014, the Company has reassessed the useful life of its existing fixed assets and has charged depreciation over the remaining useful lives, after retaining residual value, in accordance with the transitional provisions contained in the Schedule II of the Companies Act, 2013.

Residual value of 5% has been retained for all the Fixed Assets, which is in line with the provisions of the Schedule II.

Depreciation is charged @ 100% on the assets with acquisition value of less than ₹ 5,000/-, the value being immaterial, considering the size and nature of the business of the Company.

Impairment

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. When the recoverable amount of previously impaired assets exceeds its carrying amount, the value of asset is reinstated by reversing the impairment loss considered in prior years limited to lower of its recoverable value or carrying amount at the depreciated historical cost.

Capital Stores

Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required

Exemption Availed Under Ind AS 101

On transition to Ind AS, Company has elected to continue with the carrying value of all its property plant and equipment existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the property plant and equipment.

ii) Capital Work In Progress

Projects under which Property, Plant and Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

iii) Investment Property

Investment properties are properties that are held to earn rentals and /or for capital appreciation (including property under construction for such purposes) and not occupied by the Company for its own use.

Investment properties are measured initially at cost, including transaction costs and net of recoverable taxes. The cost includes the cost of replacing parts and borrowing costs if recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

Investment properties are derecognised either when they have been disposed off or when they are being occupied by the Company for its own use or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Exemption availed under Ind AS 101 :- On transition to Ind AS, the Company has elected to continue with the carrying value of its Investment Property existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the same.

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iv) Intangible Assets

Technical know-how / license fee relating to production process and process design are recognized as intangible assets and amortised on a straight line method over a period of 5 years or life of the underlying plant / facility whichever is earlier.

Expenditure incurred on Research and Development, other than capital account is charged to revenue.

Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalized as intangible assets and amortized over a period of 5 years

Exemption Availed Under Ind AS 101

Exemption availed under Ind AS 101 :- For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets existing as on 1st April 2016 measured as per the previous GAAP (Indian GAAP) and use that value as its deemed cost as of the transition date.

The Company has no intangible assets with infinite useful lives.

v) Inventory Valuation

Raw materials and stores and spares are valued at or below cost. Cost being ascertained on moving weighted average method. In cases where there has been a decline in the price of imported and indigenous raw material and it is estimated the cost of finished product will exceed the net realizable value, the materials are written down to net realizable value.

Materials in process are not valued, consistently.

Finished/Trading products are valued at lower of cost or net realizable value in the aggregate, product-wise. Intermediate products are valued at lower of cost or net realizable value derived from finished products and saleable by-product at realizable value. Cost of Finished / semi-finished / intermediate products are determined based on annual average cost excluding interest and head office and administrative overheads. Cost of finished goods in warehouse includes freight and handling charges.

Materials in transit / under inspection are valued at cost

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the lowest slab of the approved price for the next financial year reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. For assessing the closing stock of gypsum, the closing stock as per survey report as on 31.3.2016 will be taken as the base year and closing stock shall be derived by considering the production, consumption, dispatch and sales during the year.

vi) Commitments

Capital

Estimated amount of contracts remaining to be executed on capital accounts, above ₹5 lakhs in each case, are considered for disclosure.

Other Commitments

Disclosure is considered in respect of those non-cancellable contractual commitments (i.e. cancellation of which will result in a penalty disproportionate to the benefits involved) based on the professional judgement of the management which are material and relevant.

vii) Borrowing Cost

Borrowing Costs that are specifically identified to the acquisition or construction of qualifying assets are capitalised as part of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

viii) Investments

All equity investments in scope of Ind- AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value through Profit and Loss (FVTPL). For all other equity instruments, the Company may decide to classify the same as at Fair Value through Other Comprehensive Income (FVTOCI). The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable. Company is not holding any equity instrument for trading.

Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

Exemption Availed Under Section 101

On transition to Ind AS, Company has elected to continue with the carrying value of its investments Joint ventures as at 1st April 2016, measured as per previous GAAP and used that carrying value as the deemed cost of the same.

ix) Revenue Recognition

Sales are recognized on accrual basis when all significant risks and rewards of ownership are transferred to the buyer.



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Gross sales (net of returns) include excise duty, wherever applicable.

Recognition of subsidy is generally made on the basis of in principle recognition / approval/ settlement of claims by the Government of India as per the policy in force.

Other income is recognized on an accrual basis.

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

Interest income is recognized when no significant uncertainty as to its realization exists.

Scrap, salvaged / waste materials and sweepings are accounted for on realization.

Claims on underwriters, carriers and on Customs and Central Excise Departments are taken into account on acceptance.

Insurance and other miscellaneous claims are recognized on receipt/ acceptance of claim. Contractual pass through incentives, benefits, etc. are recognized on receipt basis.

x) Leases

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

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments are recognized as an expense in the Statement of profit and loss as per lease terms as such payments are structured to increase in line with expected general inflation.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised as revenues as per lease terms since such rentals are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

xi) Foreign Currency Transactions:

Receivables and payables in foreign currency as on the reporting date including forward exchange contracts are restated at the rate prevailing at that date.

The premium in respect of forward exchange contracts is recognized in the year of contracts.

Variations arising on account of fluctuations in foreign exchange rates are treated as revenue (gain/loss (-)).

xii) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee are recognised as an expense during the period when the employees render the services.

Post Employment Benefits

Defined Contribution Benefits

Contributory Superannuation Scheme with an annual contribution of ₹100 by the Company, aimed to provide superannuation benefits to the employees, has been treated as Defined contribution Plan.

Defined Benefit Plans

The company's contribution to the Provident Fund is remitted to separate trust established for this purposes based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the company and charged to Statement of Profit and Loss.

The company operates defined benefit plan for gratuity and leave encashment. The cost of providing such defined benefits is determined



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using the projected unit credit method of actuarial valuation made at the end of the year and the gratuity fund is administered through a fund maintained by insurance company (Life insurance Corporation of India).

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

xiii) Grants

Government grants in the nature of promoters' contribution are credited to Capital reserve and treated as part of Shareholders funds.

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

Revenue grants relating to revenue expenses are deducted from the respective expenses.

In respect of revenue grants released by Government, the treatments in the accounts are considered as per the respective schemes notified by the Government. Other revenue grants relating to revenue expenses are considered as income and credited to statement of Profit and Loss.

xiv) Taxes

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax on account of timing difference between taxable income and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are not recognized unless, in the management judgment there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

xv) Goods and Service Tax

Goods and Service Tax credit on eligible materials is recognised on receipt of such materials and services.

xvi) Segment Reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under unallocable corporate expenses.

Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

xvii) Contract Operations

In contract operations revenue is recognized on percentage completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date.

Foreseeable losses on contract activities are recognized fully irrespective of the progress of work.

In the case of Total responsibility jobs/Deposit work/Cost plus contracts, contract revenue is determined by adding the aggregate cost plus fixed percentage fees thereon as agreed with the Customer.

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to a earlier periods, exceeding ₹1 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

Research and development expenses (other than cost of fixed assets acquired) are charged as an expense in the Statement of Profit And Loss in the year in which they are incurred.



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xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is 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 and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Show Cause notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the company, these are classified as disputed obligations.

The treatment in respect of disputed obligations, in each case, is as under:

- i) a provision is recognized in respect of present obligations where the outflow of resources is probable
- ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

xxi) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

xxii) Financial Instruments

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost.

The classification depends on the entity'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 arising from fair valuation will either be recorded in profit or loss or other comprehensive income. 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 other comprehensive income.

Measurement

Initial recognition

The Company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement

Subsequent measurement of financial assets 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 financial assets:

Amortized 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.

Fair value through other comprehensive income (FVOCI)

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 fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through Profit and Loss(FVTPL)

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.



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Investments in Joint Venture

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IND AS 105.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Company's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Impairment of financial assets

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

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.



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Subsequent measurement

The subsequent measurement of financial liabilities of the Company depending on their classification is described below:

Loans and borrowings including bank overdrafts

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

xxiii) First-time adoption of Ind AS

These financial statements, for the year ended 31st March 2016, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2015, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2015 (Indian GAAP).

The Company has adopted all the applicable Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies Accounts Rules, 2014 (IGAAP), which was the previous GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2016 as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, the Company's date of transition to Ind AS. Reconciliations and descriptions of the effect of the transition have been summarized in Note no. 46 to financial statements.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions.

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition. The same is applicable even for Investment property and intangible assets.

Company has also reviewed the necessary adjustments required to be done in accordance with this standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1st April 2016 as fair value through OCI.

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note No. 1. Non Current Assets - Property, Plant and Equipment (PPE):

₹ in lakh

Particulars	DEEMED COST / COST				DEPRECIATION			IMPAIRMENT LOSS			NET BLOCK					
	As at 01.04.2017	Additions during the year	Disposals/ Deductions during the year	Adjustments during the year	As at 31.03.2018	Upto 01.04.2017	For the year	On Disposals/ Deductions during the year	On adjustments during the year	Upto 31.03.2018	Upto 01.04.2017	(Withdrawal)/ Provision during the year	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Tangible assets																
Land	1744.73	2.17	(39.41)	-	1707.49	-	-	-	-	-	-	-	-	1707.50	1744.74	1744.07
Buildings	1331.41	-	-	-	1331.41	44.57	44.55	-	-	89.12	5.53	(1.20)	4.33	1237.97	1281.32	1324.67
Plant and Equipment	24238.69	1335.75	(20.75)	(332.06)	25221.63	2025.05	1600.21	(19.71)	(294.56)	3310.99	325.21	(36.25)	288.96	21621.69	21888.44	23412.74
Furniture and Fixtures	33.88	0.23	-	-	34.11	1.54	1.56	-	-	3.10	-	-	-	31.01	32.34	33.81
Vehicles	66.43	12.03	-	-	78.46	12.33	12.61	-	-	24.94	-	-	-	53.52	54.10	66.43
Office equipment	128.37	191.91	-	-	320.28	38.22	49.10	-	-	87.32	-	-	-	232.96	90.15	114.86
Others:-																
Roads & Culverts	338.17	-	-	-	338.17	20.97	20.95	-	-	41.92	-	-	-	296.25	317.20	338.18
Railway Sidings	15.62	-	-	-	15.62	-	-	-	-	-	-	-	-	15.62	15.62	15.62
Misc. Assets	178.12	5.46	-	-	183.58	23.57	23.16	-	-	46.73	-	-	-	136.85	154.55	173.61
Retired Asset	4092.40	-	(0.85)	37.50	4129.05	-	-	-	-	-	-	-	-	4129.05	4092.40	4092.40
Minor Assets	0.24	-	-	-	0.24	0.24	-	-	-	0.24	-	-	-	-	-	-
Total	32168.06	1547.55	(61.01)	(294.56)	33640.04	2166.49	1752.14	(19.71)	(294.56)	3604.36	330.74	(37.45)	293.29	29462.42	29670.86	31316.39
Previous year	32130.91	484.65	(1.15)	-	32168.06	446.34	1720.93	(0.78)	-	2166.49	368.18	(37.44)	330.74	29670.86	31316.39	-

- 1.1) Company has agreed to mortgage 408 acres of land vide patna no.7030 in survey no.205 in Puthencruz, Ernakulam District, Kerala state to the Government of India against the plan loan sanctioned by the Government of India during the year 2015-16.
- 1.2) Out of the total 2150.50 acres (Previous year 2150.50 acres) of land held by the Company, 158.82 acres, value ₹ Nil (Previous year 158.82 acres, value ₹ Nil) are held under lease hold right. Out of this, lease agreement in respect of 14.26 acres (Previous year 14.26 acres) of leasehold land belonging to Cochin Port Trust is under finalisation.
- 1.3) Land for ₹ 512.94 lakh (Previous year ₹ 510.77 lakh) in respect of which the title deeds are yet to be registered/ received. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the year.
- 1.4) Cost of Railway siding includes ₹85.43 lakh (Previous year ₹85.43 lakh), written down value ₹4.27 lakh (Previous year ₹4.27 lakh), held jointly with M/s. Bharat Petroleum Corporation Limited (Kochi Refinery)
- 1.5) During the year 2013-14, Company had given 4.0558 hectares of land to Kochi Metro Rail Limited on lease and license basis for a period of 2 years from 22.10.2013 to 21.10.2015. The lease has been
- 1.6) Plant and Equipment includes value of 6 nos of Ammonia bullets fixed on the barges of contractor of the company for transportation of Ammonia, of original cost ₹53.30 lakh and accumulated depreciation ₹50.64 lakh, with net value of ₹2.66 lakh.
- 1.7) ₹37.45 lakh has been withdrawn, shown as reduction from depreciation expenses in the Statement of Profit and Loss towards impairment loss during the FY 2017-18 and cumulative impairment loss is ₹293.29 lakh.
- 1.8) Non Current asset held for disposal includes Ammonia and Urea Plant at Cochin Division. These assets are retained in books at written down value which the Company expects as its fair value.
- 1.9) First charge on 520.47625 acres of land (Previous year 520.47625 acres, on 01.04.2016 520.47625 acres) and buildings in the States of Kerala, Tamilnadu and Karnataka and First charge on certain Plant and Machinery permanently attached to the above land as a security against loans repayable on demand.
- 1.10) Includes assets procured with EEC fund amounting to ₹59.61 lakh (previous year ₹60.55 lakh, on 01.04.2016 ₹61.49 lakh)

Note No. 1A. Non Current Assets - Capital Work in Progress

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Capital Work in Progress	1679.20	2300.52	1855.83
Goods in Transit / Material in Transit	203.37	167.41	330.57
	1882.57	2467.93	2186.40



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Note No. 2. Non Current assets - Investment Property

₹ In Lakh

Particulars	As at 31.03.2018	As at 31.03.2017	As at 1.04.2016
Opening Balance			
Land	6.50	6.50	6.50
Building	3.30	3.30	3.30
Total	9.80	9.80	9.80
Addition			
Land	-	-	-
Building	-	-	-
Total	-	-	-
Closing Balance			
Land	6.50	6.50	6.50
Building	3.30	3.30	3.30
Total	9.80	9.80	9.80
Depreciation			
Building			
Opening Balance	0.10	-	-
Current Year	0.10	0.10	-
Closing Balance	0.20	0.10	-
Net Block			
Land	6.50	6.50	6.50
Building	3.10	3.20	3.30
Total	9.60	9.70	9.80

For investment property existing as on 1 April 2016, i.e., its date of transition to Ind-AS, the company has used Indian GAAP carrying value as deemed costs.

Particulars	As at 31.03.2018	As at 31.03.2017
Rental Income from investment property	99.12	99.12
Direct operating expenses to income generating property	-	-
Less: Reimbursement of expenses	-	-
Profit arising from Investment Property before depreciation	99.12	99.12
Depreciation	0.10	0.10
Profit arising from Investment Property	99.02	99.02

Reconciliation of fair value

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Fair Value of Investment property			
Opening Balance			
Freehold Land	1355.07	1355.07	1355.07
Buildings	26.42	26.42	26.42
Total	1381.49	1381.49	1381.49
Additions/(Deletions)			
Freehold Land	135.51	-	-
Buildings	-	-	-
Total	135.51	-	-
Closing Balance			
Freehold Land	1490.58	1355.07	1355.07
Buildings	26.42	26.42	26.42
Total	1517.00	1381.49	1381.49

Fair Value of Freehold Land is based on the notification issued by the Government of Kerala in their website. Management assumes the original cost of the Building as fair value

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Note No. 3A. Joint Venture Investments			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
FACT-RCF Building Products Ltd			
32870000 (Previous year 32870000) Equity Shares of ₹10/- each	-	-	3,287.00
Less: Provision for diminution in the value of investment	-	-	(3,287.00)
			-
Kerala Enviro Infrastructure Ltd			
3124000 (Previous year 3124000) equity shares of ₹10/- each fully paid-up	308.72	245.62	224.89
	308.72	245.62	224.89
Investment in Joint Venture	308.72	245.62	224.89
*Reconciliation of fair value measurement of the investment in unquoted			
FACT-RCF Building Products Ltd			
32870000 equity shares (P.Y.32870000, 32870000 as on 01.04.2016) of ₹10 each	-	-	3,287.00
Less:- Provision for Diminution in the value of investment	-	-	(3,287.00)
Carrying Value	-	-	-
Kerala Enviro Infrastructure Ltd			
*Reconciliation of fair value measurement of the investment in unquoted			
Opening balance	245.62	224.89	312.40
Total Gains and losses recognised in OCI	63.10	20.73	(87.51)
Closing Balance	308.72	245.62	224.89
Note No. 3B. Non Current Asset - Financial Assets - Investments			
Travancore Cochin Chemicals Ltd.,			
681820(Previous year 681820)Equity Shares of ₹10/- each including 340910 Bonus shares.	94.31	4.89	-
Capexil Agencies Ltd.			
15 (Previous year 15) Equity Shares of ₹1000/- each fully paid-up	-	-	-
Indian Potash Ltd.			
324000 (Previous year 324000) Equity Shares of ₹10/- each fully paid-up, including 1,35,000 Bonus Shares	5,523.16	4,320.00	4,149.63
	5,617.47	4,324.89	4,149.63
Shares in Co-Operative Societies:			
FACT Co-operative Society Ltd			
10001 (Previous year 10001) shares of ₹10/- each fully paid-up	1.00	1.00	1.00
Meherabad Co-operative Housing Society Ltd			
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01	0.01
Good Earth Housing Society Ltd.			
10 (Previous year 10) shares of ₹50/- each fully paid-up ₹500 (Previous year Rs 500)	0.01	0.01	0.01
	1.02	1.02	1.02
Total Investments	5,618.49	4,325.91	4,150.65
Aggregate amount of unquoted investments	5,927.21	4,571.53	4,375.54
Aggregate amount of impairment in the value of investments	-	-	-
*Reconciliation of fair value measurement of the investment in unquoted			
Travancore Cochin Chemicals Ltd			
Opening balance	4.89	-	34.09
Total Gains and losses recognised in OCI	89.42	4.89	(34.09)
Closing Balance	94.31	4.89	-



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Capexil Agencies Ltd.			
*Reconciliation of fair value measurement of the investment in unquoted			
Opening balance	-	-	0.15
Total Gains and losses recognised in OCI	-	-	(0.15)
Closing Balance	-	-	-
Indian Potash Ltd			
*Reconciliation of fair value measurement of the investment in unquoted			
Opening balance	4320.00	4149.63	18.90
Total Gains and losses recognised in OCI	1203.16	170.37	4130.73
Closing Balance	5523.16	4320.00	4149.63

Note : Shares of Co-operative societies are retained at book value.

Company has adopted the carrying amount as per IGAAP as its deemed cost of its investment in joint ventures.

The deemed cost of the investments has been arrived as under:

Note No. 4. Non current Assets - Financial assets- Trade Receivables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
From related party			
Considered doubtful	203.41	174.92	134.52
Less: Provision for Doubtful Debts	203.41	174.92	134.52
	-	-	-
Others			
Secured			
Considered doubtful	1328.00	1242.72	1163.59
Less: Provision for Doubtful Debts	1328.00	1242.72	1163.59
	-	-	-
	-	-	-

The disclosure of movement as required under Indian Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets

Allowance for doubtful Trade receivables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision at the beginning of the year	1417.64	1298.11	1276.42
Provisions made during the year	113.77	119.53	21.69
Released during the year	-	-	-
Provision at the end of the year	1531.41	1417.64	1298.11

Note No. 5. Non current Assets - Financial assets-Loans

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Security deposit			
Un Secured Considered Good	611.38	611.28	609.71
	611.38	611.28	609.71
Loan to Employees			
Un Secured Considered Good	8.34	9.96	11.60
	8.34	9.96	11.60
	619.72	621.24	621.31

Note : Loans to employees ₹8.34 lakh (Previous year ₹9.96 lakh) towards festival advance paid during 1996-97, and is being recovered at the time of separation from company's service.

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Note No. 6. Non current Assets - Financial assets- Other Financial Assets			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advances to Related Parties			
Considered doubtful	953.20	884.67	754.69
Less : Provision	953.20	884.67	754.69
	-	-	-
Advance to Others			
Un Secured Considered Doubtful	11661.97	9486.67	7692.94
Less : Provision for Doubtful Receivables	11661.97	9486.67	7692.94
	-	-	-
Treasury Deposit and Interest Warrant Deposit	12.86	11.54	11.54
Other Deposits	0.46	0.46	0.45
	13.32	12.00	11.99

The disclosure of provisions movement as required under Indian Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets

Allowance for bad & doubtful Loans and advances

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision at the beginning of the year	10,371.33	8,447.63	6,871.15
Provisions made during the year	2,243.84	1,923.70	1,576.48
Written off during the year	-	-	-
Provision at the end of the year	12,615.17	10,371.33	8,447.63

Provision for doubtful loans and advances include ₹11514.60 lakh (Previous year ₹9360.14 lakh, on 01.04.2016 ₹7566.41 lakh) towards interest accrued on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable .

Note No. 7. Non current Assets - Financial assets- Other Non Current Assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Advances			
Un Secured Considered Good	305.80	55.40	5.00
Un Secured Considered Doubtful	-	-	-
Less : Provision	-	-	-
Advances Other than Capital Advances:			
Security Deposit	-	-	-
Tax Deducted at source including Advance Tax (net of Provision)	79.00	119.43	213.69
	384.80	174.83	218.69

Note : Capital advance include amount paid for items supplied but rejected by the Company pending settlement ₹Nil (Previous year ₹4.00 lakh, ₹4.74 Lakh on 01.04.2016)

Deferred tax assets (net)

The Company has deferred tax asset of ₹212611 lakh (Previous year ₹205581 lakh) as on 31.03.2018 because of unabsorbed depreciation and accumulated losses. The deferred tax liability as on 31.03.2018 is ₹18824 lakh (Previous year ₹14487 lakh). Since there is net deferred tax asset as on 31.03.2018, as a matter of prudence the deferred tax asset is not considered in the Accounts. The net impact (favourable) in tax on account of this comes to ₹59880 lakh.(Previous year ₹59048 lakh)



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Note No. 8. Current Assets - Inventories			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Raw Materials	4637.68	6340.32	10269.03
Raw materials-in -transit	5835.84	1540.70	-
	10473.52	7881.02	10269.03
Work-in-progress	1527.09	1815.36	2541.53
Finished Goods	26476.67	20766.08	14759.93
Stock-in-trade (in respect of goods acquired for trading)	525.73	2895.19	54.76
Stores and Spares			
Machinery Spares	9637.77	9793.53	10114.19
General Stores	2316.47	2850.98	2741.03
Stores & Spares-in -transit	267.58	231.21	351.72
	12221.82	12875.72	13206.94
Retired Spares	453.50	453.50	453.50
Total Inventories	51678.33	46686.87	41285.69
Less: Provision towards obsolescence and storage losses	3803.69	3,776.06	3,674.55
	47874.64	42910.81	37611.14

Notes

1. Inventories along with other Current Assets is pledged as Primary Security for Working Capital arrangement with Consortium of Banks amounting to ₹114962 Lakh (Fund Based ₹70250 lakh and Non Fund Based ₹44712 lakh)
2. Inventory of raw material, stores and spares, Work in Progress are valued at cost and finished goods are valued at lower of cost or realisable value
3. Finished Goods includes 27.63 lakh MT of saleable gypsum (PY 31.22 lakh MT, on 01.04.2016 34.45 lakh MT) amounting to ₹9119.39 lakh (Previous year ₹7400.07 lakh, on 01.04.2016 ₹11506.82 lakh - inclusive of Excise Duty) valued as per Accounting policy.
4. Stores & Spares in transit includes Stores & Spares at site pending inspection Rs. 218.81 lakh (Previous year ₹177.83 lakh, ₹269.71 lakh on 01.04.2016)

The disclosure of provisions movement as required under Indian Accounting Standard "Provisions, Contingent Liabilities and Contingent Assets"
Provision towards obsolescence and storage losses (including provision towards Retired spares)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision at the beginning of the year	3776.06	3674.55	3591.54
Provisions made during the year	27.63	101.51	83.01
Utilisations during the year	-	-	-
Released during the year	-	-	-
Provision at the end of the year	3803.69	3776.06	3674.55

Note No. 9. Current Assets - Financial assets-Trade Receivables

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Subsidy Receivable			
Unsecured Considered good	44572.30	49780.22	39848.95
	44572.30	49780.22	39848.95
Sundry Debtors			
Secured, considered good	6.28	15.68	0.19
Unsecured, considered good	430.66	811.04	710.05
	436.94	826.72	710.24
	45009.24	50606.94	40559.19

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Note No. 10. Current Assets - Financial assets-Cash and Cash Equivalents

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balances with Banks	400.01	919.21	353.06
Cheques , Drafts on hand	0.05	500.17	0.27
Cash on hand	2.61	3.00	2.30
Deposit with original maturity less than three months	4209.37	1806.71	1652.45
	4612.04	3229.09	2008.08

Cash and bank balances include ₹ 0.16 lakh (Previous Year ₹0.16 lakh, on 01.04.2016 ₹0.17 lakh) being the balance of amount received from clients for execution of jobs on Total Responsibility basis and ₹1683.06 lakh (Previous year ₹1217.82 lakh, on 01.04.2016 ₹52.23 lakh) towards work on Deposit basis, lying in a specified account to meet the matching liabilities under Current Liabilities.

Note No. 11. Current Assets - Financial assets-Other Bank Balances

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Deposit with original maturity more than three months but less than twelve months (*)	1752.48	1989.29	3737.34
(*) Includes margin money Deposit	1752.48	1989.29	3737.34

Note No. 12. Current Assets - Financial assets-Loans

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Security Deposits:			
Unsecured , considered good	54.49	2.60	12.72
Others	-	-	-
	54.49	2.60	12.72

Note No. 13. Current Assets - Financial assets-Other financial assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Foreign Currency Receivable on Forwad Contract	15652.25	3153.65	25741.97
Dues from Statutory Authorities	21726.30	12081.62	12390.31
Interest Accrued	-	-	-
Amount receivable against Service Orders	1199.54	1007.98	1138.24
Other Accrued Income	997.16	742.58	379.02
Employee Benefit - Gratuity	297.79	281.63	112.17
Township Dues	893.30	400.00	190.21
Other Receivables	-	1.85	-
	40766.34	17669.31	39951.92

Dues from statutory authorities include ₹4044.53 lakh (Previous year ₹3046.41lakh, on 01.04.2016 ₹1239.82lakh) relates to Kerala Value Added Tax paid on procurement of Regasified Liquid Natural Gas has been accounted as refundable on account of announcement by the Hon'ble Finance Minister of Kerala in the State Legislative Assembly during the Budget Session.

Deposits includes ₹72.97 lakh (Previous Year ₹72.97 lakh, on 01.04.2016 ₹78.09 lakh) towards the amount paid against disputed demands pending appeal.

Note No. 14. Current Assets - Current Tax Assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Tax Deducted at Source	52.00	92.93	5.48
	52.00	92.93	5.48

Note No. 15. Current Assets - Other Current assets

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Contractors	2490.64	2216.45	2925.90
Employees	189.34	203.47	112.81
Pre Paid Expenses	333.64	230.90	246.25
Others	140.65	82.28	70.39
	3154.27	2733.10	3355.35

Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹8.63 lakh (Previous year ₹9.45 lakh, on 01.04.2016 ₹22.52 lakh)

Due from Contractors includes an amount of ₹1353.19 lakh (Previous year ₹1353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14, as per which the company is entitled to adjust an amount of ₹2798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon'ble District Court which has since stayed the award. Accordingly the Company demanded the bank to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon'ble High court of Mumbai for realization of amount, which is pending. However an amount of ₹1353.19 lakh only has been retained pending disposal of the case.



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Note No. 16. Current Assets - Financial assets- Non Current Assets held for Disposal			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Retired Assets held for Disposal	-	-	-
Land Held for Sale (M/s. BPCL)	39.41	-	-
	39.41	-	-

Company entered an agreement with M/s. Bharat Petroleum Corporation Limited for sale of 169.689 Acre of land @ Rs. 248 Lakh per acre at Ambalamedu. The above land is shown under Land held for sale.

Note No. 17. Equity- Equity Share Capital

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Authorised:			
1000000000 (Previous year 1000000000) Equity Shares of ₹10/-each	100000.00	100000.00	100000.00
Issued, Subscribed and fully Paid up:			
647071974 (Previous year 647071974) Equity Shares of ₹10/- each fully paid up	64707.20	64707.20	64707.20

Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
No. of shares at the beginning of the year	647071974	647071974	647071974
No. of shares issued during the year	-	-	-
No. of shares at the end of the year	647071974	647071974	647071974

Notes

1. Rights , Preference and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital. - Nil / Not Applicable
2. Shares held by shareholders holding more than 5% of shares:

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
The Government of India - No of shares	582364776	582364776	582364776
- Percentage of Total Shares	90.00%	90.00%	90.00%
Special National Investment Fund constituted by the Government of India - No of Shares	55400424	55400424	55400424
- Percentage of Total Shares	8.56%	8.56%	8.56%

3. In order to comply with the minimum public shareholding norms, the Government of India have transferred 55400424 equity shares of ₹10 each to Special National Investment Fund on 6th August 2013.

4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

- I. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash
- II. Aggregate number and class of shares allotted as fully paid up by way of Bonus shares
- III. Aggregate number and class of shares bought back

5. Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL

Note No. 18. Equity - Other Equity

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Capital Reserves:			
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64	2.64
	2.64	2.64	2.64
Other Reserves:			
Deferred Government Grant :			



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Indo EEC Fertiliser Education Project			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening balance	56.40	57.34	58.27
Less: Amount written off during current year	0.94	0.94	0.93
Closing balance	55.46	56.40	57.34
Bio-Fertiliser Project			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening balance	3.61	4.56	5.51
Less: Amount written off during current year	0.95	0.95	0.95
Closing balance	2.66	3.61	4.56
Equity Instruments through other Comprehensive Income			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening Balance	4204.98	4008.98	-
Changes During the Year	1355.68	196.00	4008.98
Closing Balance	5560.66	4204.98	4008.98
Retained Earnings:			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Opening balance	(220208.22)	(201675.07)	(195660.26)
Add Changes in Accounting Policy / Prior Period items as per Ind AS	-	5136.23	(6014.81)
Add :Profit/ (Loss) during the year	(13051.18)	(26267.77)	-
Add: Remeasurement of defined benefit plan	(1087.32)	2598.39	-
Closing balance	(234346.72)	(220208.22)	(201675.07)
Other equity	(228725.30)	(215940.59)	(197601.55)
Note No. 19. Non Current Liabilities - Financial Liabilities - Borrowings			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Term loans			
Secured			
From the Government of India (Refer Note)	177048.75	177048.75	162713.36
	177048.75	177048.75	162713.36
<p>Note : A plan loan of ₹1000 crore bearing interest @13.50% p.a subject to revision on annual basis was released by the Government of India on 29th March 2016 to maintain the operations of the company. As per the terms of sanction of the loan, the amount of ₹1000 crore along with the earlier loan and interest outstanding has been converted to a single loan carrying interest @13.50% p.a with a one year moratorium for payment of interest. The loan along with interest is repayable in three or more equal instalments in a period of 5 years ending by 2022. Since there is no commitment to repay the loan / interest in the Financial Year 2018-19, the loan amount outstanding as at 31.03.2017 along with interest is shown under Non Current Liabilities - Financial Liabilities - Borrowings.</p>			
Note No. 20. Non Current Liabilities - Provisions			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for employee benefits			
(i) Provision for gratuity	7668.55	3072.69	2505.38
(ii) Provision for leave encashment	8388.29	8670.68	10650.08
Decommissioning of Assets in Leased Properties	189.28	175.26	162.28
	16246.12	11918.63	13317.74



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Note No. 21. Non Current Liabilities - Other Non current Liabilities			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Advance Rent Received	819.51	883.20	946.88
	819.51	883.20	946.88
As on 1st April	(946.89)	(1010.57)	(1010.57)
Released to Profit and Loss account	63.69	63.68	-
As at 31st March	(883.20)	(946.89)	(1010.57)
current	63.69	63.69	63.69
Non Current	819.51	883.20	946.88

Note No. 22. Current Liabilities - Financial Liabilities - Borrowings			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Secured:-			
Loans repayable on demand			
From Banks			
Cash credit	48416.11	63181.59	5694.47
LIBOR Linked Buyers Credit	2321.39	-	11850.88
Borrowing against Fixed Deposit	-	-	800.00
	50737.50	63181.59	18345.35

Secured by (a) Hypothecation of current / movable assets viz. stock of raw materials, trade receivables, stores and spares, semi-finished goods, finished goods, receivables etc. (b) First charge on 520.47625 acres of land (Previous year 520.47625 acres, on 01.04.2016 520.47625 acres) and buildings in the States of Kerala, Tamilnadu and Karnataka (c) First charge on certain Plant and Machinery permanently attached to the above land. Rate of interest on Cash credit varies from 12.00% to 13.65 % P.A (Previous year from 12.00 % to 14.00 % P.A) and is repayable on Demand (Previous year- On demand).

Cash Credit includes Rs. 16149.00 lakh (previous year Rs.8337.25 lakh) towards working capital demand loan from State Bank of India at interest rate of 7.80% Per Annum (Previous year 8.00% Per Annum), secured by subsidy due for the months of September 2017 to December 2017(Previous year September 2016 and October 2016). As per Office Memorandum No.23011/11/2017-MPR dated 05.03.2018, issued by the Government of India, interest at the rate of 0.96% Per Annum (Previous year 1.75% Per Annum) is to be borne by the company. The outstanding loan amount has been fully liquidated on 7th April 2018 (Previous year - on 7th April 2017) .

Note No. 23. Current Liabilities - Financial Liabilities - Trade Payables			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Trade payables			
(i) Due to Micro, Small and Medium Enterprises	49.45	40.28	17.16
(ii) Others	42278.69	32032.21	57134.23
	42328.14	32072.49	57151.39

Note : Trade payables include ₹34.24 lakh (Previous year ₹22.70 lakh, ₹15.55 lakh on 01.04.2016) payable to Small Scale Industrial Undertakings to the extent such parties have been identified from the available documents/ information. Dues owed by the Company to Small Scale Industrial Undertakings outstanding for more than 30 days is ₹19.65 lakh (Previous year ₹8.03 lakh, ₹Nil on 01.04.2016)

Note No. 24. Current Liabilities - Financial Liabilities - Other Financial Liabilities			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Interest accrued on borrowings	23901.58	-	110.96
Liability on corporate Guarantee	2550.00	3766.50	3766.50
Unclaimed matured fixed deposit and interest thereon	0.49	0.49	0.49
Other payables (forward Contract)	15546.05	3213.36	26581.28
Dues to employees	89.83	274.66	41.83
Trade Deposit from customers	2377.66	2364.21	2459.26
Statutory dues	1066.23	1121.23	1084.21
Other liabilities	7239.57	6171.54	5843.69
	52771.41	16911.99	39888.22

During the year Company's liability in respect of Corporate Guarantee issued in favour of the bankers of Joint Venture (FRBL), has been reassessed based on the One Time Settlement Scheme offered by the bankers. Considering the negative networth of FRBL, the amount receivable against the above has been fully provided for and the liability has been classified as above under "Other Financial Liabilities".



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₹ In Lakh

Note No. 25. Current Liabilities - Other Current Liabilities			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Income received in Advance from Customer	-	-	33.58
Advance from Customers	3802.26	2812.45	2361.76
Advance Rent Received	63.69	63.69	63.69
Statutory Dues			
a) Excise Duty on Closing Stock	-	1609.29	2587.69
	3865.95	4485.43	5046.72

Note No. 26. Current Liabilities - Provisions			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for employee benefits			
(i) Provision for leave encashment	1515.27	1493.47	1466.03
	1515.27	1493.47	1466.03
Provision towards other Contractual Obligation	300.00	-	-
	1815.27	1493.47	1466.03

Note No. 27. Revenue from operations			₹In Lakh
Particulars	Year ended 31.03.2018	Year ended 31.03.2017	
Sale of products			
Own Products	137862.54	128623.93	
Traded Products	2788.62	4773.84	
	140651.16	133397.78	
Less : Sales discount/Dealer margin	(6705.39)	(6251.87)	
	133945.77	127145.91	
Subsidy/Concession on Fertilisers	57655.49	57269.64	
	57655.49	57269.64	
Sale of Services			
Gross income from contracts and other services	1265.81	3912.43	
Total Revenue from operations *	192867.07	188327.97	
*including excise duty			
Sale of own products comprises of:			
Ammonium Sulphate	21669.38	17546.86	
Factamfos 20-20-0-13	113554.09	107091.36	
Mixed Manures	84.03	461.53	
Caprolactam	-	900.09	
Gypsum	1860.88	1504.45	
Others	694.16	1119.64	
Total	137862.54	128623.93	
Sale of traded products:			
Muriate of Potash	894.54	1664.58	
Imported Complex Fertiliser (20:20:0:13)	1594.32	2704.83	
Organic Manures	299.76	399.66	
Others	-	4.77	
	2788.62	4773.84	
Subsidy/Concession on Fertilisers			
Factamfos 20-20-0-13	47945.45	46062.53	
Ammonium Sulphate	9204.28	7137.20	
Muriate of Potash	-	2409.47	
Imported Complex Fertiliser (20:20:0:13)	417.93	1587.78	
City Compost	87.83	72.66	
	57655.49	57269.64	

Consequent to the implementation of Direct Benefit Transfer Scheme (DBT), subsidy income on fertilizers is being recognised upon the sales basis instead of hitherto followed practice of recognising revenue upon the movement of fertilizers to the warehouses under the erstwhile on account subsidy scheme of Government of India. The DBT programme has been implemented in a phased manner and the roll out was completed in January 2018. Under the scheme, 100% subsidy is being released to the fertilizer companies on sale of fertilizer, which is given effect through the concessional pricing of fertilizers to the ultimate beneficiary.



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₹ In Lakh

Note No. 28. Other income

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Interest income:		
On deposits with banks	257.70	267.01
On loans , advances , claims , overdues	59.87	49.20
Dividend income	9.72	9.72
Other non-operating income		
Excess provisions written back	2836.45	41.20
Profit on Fixed assets sold/written off/revalued (net)	6.38	(0.05)
Transfer from deferred Government grants:		
(i) On EEC project	0.94	0.94
(ii) On Bio-Fertiliser project	0.95	0.95
Rent	636.69	602.76
Miscellaneous income	326.26	831.77
	4134.96	1803.50

Note : Interest of ₹2154.46 lakh (Previous year ₹1793.73 lakh) for the year 2017-18 receivable from the contractor on the interest bearing mobilisation advance still retained by the party, has been considered in the accounts. However a corresponding provision for doubtful interest has been made during the current year.

Excess provisions written back includes write back of interest expenditure amounting to ₹1919.95 lakh, consequent to waiver of interest by suppliers and ₹916.50 Lakh towards withdrawal of Provision for liability on corporate guarantee after considering ₹300 lakh for remaining Contractual obligation

Note No. 29. Cost of materials consumed

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Raw Material (refer note below)	105495.49	106062.36
Packing Material	2528.41	2678.67
	108023.90	108741.03

Note : The physical verification of raw materials has been carried out on or around 31st March 2018. The differences over book figures in the case of raw material has been adjusted in consumption (Excess(-) / Shortage). Current year ₹ (-)317.42 lakh (Previous year ₹ (-)497.42 lakh).

Note No. 30. Purchases of Stock-in-trade

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Muriate of Potash	-	4008.32
Imported Complex Fertiliser (20:20:0:13)	-	5555.32
Others	169.03	304.29
	169.03	9867.93

Note No. 31. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Opening stock		
Finished Goods	20766.08	14759.93
<i>Includes excise duty ₹ 1609.30 lakh (PY ₹ 2587.69 lakh)</i>		
Stock-in-trade	2895.19	54.76
Work-in progress	1815.36	2541.53
	25476.63	17356.22
Closing stock		
Finished Goods	26476.67	20766.08
<i>Includes excise duty Nil (PY ₹ 1609.30 lakh)</i>		
Stock-in-trade	525.73	2895.19
Work-in- progress	1527.09	1815.36
	28529.49	25476.63
Changes in inventories: (Increase)/ Decrease	(3052.86)	(8120.41)



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Note No. 32. Employee benefits expense		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Salaries and Wages	16050.24	17405.26
Contribution to Provident Fund	1747.02	1892.91
Leave encashment (net of Provision)	913.33	2459.94
Gratuity	4482.86	694.65
Staff welfare expenses	1836.42	1943.77
	25029.87	24396.53
Note : Remuneration to Directors		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Sri Jaiveer Srivastava, Chairman and Managing Director (upto 02.11.2016)	-	15.97
Sri V.K.Anil, Director (Technical) (upto 27.06.2016)	-	24.98
Sri D Nandakumar Director (Marketing) (From 13.09.2017)	12.96	0.00
	12.96	40.95
Note No. 33. Finance costs		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Interest		
Interest on loans from the Government of India	23901.58	21058.66
Interest on Cash credit from banks	7567.66	6975.90
Interest -others	437.46	2074.94
Other borrowing costs	294.04	333.18
Net loss on foreign currency transactions translations		
Exchange rate variation & premium on forward exchange contract on buyer's credit	(59.11)	23.65
	32141.63	30466.33
Note No. 34. Other expenses		
Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Consumption of stores and spare parts	2644.01	3309.70
Power and Fuel	16458.99	16681.05
Rent	771.56	582.16
Repairs and maintenance to buildings	80.18	104.11
Repairs and maintenance to machinery	3362.94	3389.75
Insurance	44.41	57.91
Rates and Taxes	102.25	88.60
(Gain)/Loss on exchange rate variation (net)	(320.44)	154.03
Material and other direct charges on contracts	1003.15	3331.20
Auditors' Fees and Expenses (refer note below)	17.39	29.48
Freight , Handling and other charges	17184.30	14642.04
Increase/(Decrease) in provision for excise duty on stock of Finished goods (refer note below)	(1609.29)	(978.39)
Bad debts written off	0.03	-
Provision for doubtful receivables & advances	672.69	264.22
Damages/Shortages of Stores , Spares & Products (Net)	0.31	(11.98)
Provision for obsolescence of stores (Net)	27.63	101.51
Research and Development Expenditure(refer note below)	114.17	108.87
CISF Expenses (including salaries)	2480.34	2830.23
Directors' Sitting Fees	2.85	1.30
Excise duty	184.68	1,665.35
Miscellaneous Expenses (refer note below)	3842.91	3344.48
	47065.06	49695.62
Less : Allocated Expenses [net of income from inter-divisional jobs of ₹1476.00 lakh] (Previous year ₹1521.89 lakh)	(1,038.20)	(777.70)
	46026.86	48917.92



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₹ In Lakh

Notes:

1. Auditors' Fees and Expenses include

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
For Statutory Audit	6.65	6.90
For Branch Audit	1.40	1.64
For Other Services	5.01	15.99
For Expenses	4.33	4.95
Total	17.39	29.48

2. Increase/(Decrease) in provision for excise duty on stock of Finished goods

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Provision on closing stock	0.00	1609.30
Less provision on opening stock	1609.30	2587.69
Net provision	(1609.30)	(978.39)

3. Research and Development Expenditure of ₹114.17 lakh (Previous Year ₹108.87 lakh) includes expenditure towards salary ₹113.92 lakh (Previous year ₹108.20 lakh) and depreciation ₹0.10 lakh (Previous year ₹0.20 lakh).

4. Miscellaneous Expenses includes Directors travel amounting to ₹17.92 lakh (Previous year ₹13.70 lakh).

5. Miscellaneous Expenses includes ₹353.72 lakh (previous year ₹6.51 lakh) towards the cost of PoS machine distributed by the Company under Direct benefit Transfer Scheme framed by the government of India.

6. Physical verification of stores and spares was carried out at all divisions as per the procedure laid down in the Stores Management Manual and the differences(Excess(-)/Shortage) over book figures has been adjusted in the accounts. Current year ₹0.31 lakh (Previous year ₹(-) 11.98 lakh)

7. Physical verification of fuel was carried out at all divisions as per the procedure laid down in the Stores Management Manual and the differences(Excess(-)/Shortage) over book figures has been adjusted in the accounts. Current year ₹3.86 lakh (Previous year ₹ 79.17 lakh)

Note No. 35. Earning per Share

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Profit / (Loss) after Tax	(13051.18)	(26267.77)
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted earnings per Share (₹)	(2.02)	(4.06)

Explanatory Information on Consolidated Financial Statements

Note No. 36. Corporate Social Responsibility

The Corporate Social responsibility (CSR) provisions as per sec 135(1) of the Companies Act, 2013 is applicable to the Company. But due to the losses suffered during the preceding Financial Years, the Company is not liable to spend any amount mandatorily on CSR.

Note No. 37. Caprolactam Operations:

Due to uneconomic price of one of the product namely Caprolactam in the market, the plant remained unproductive during the year. Certain segments of the Petro Chemical plant has been operated for production of Ammonium Sulphate through the direct neutralization method. The Caprolactam plant is maintained and preserved for commencement of production when required. Company has redeployed a section of the employees of the plant to other areas wherever required. The unabsorbed fixed cost pertaining to caprolactam plant charged to revenue during the year is ₹2123.07 lakh.(Previous year ₹2430.17 lakh)



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38. Disclosure required for Micro, Small and Medium Enterprises

₹In Lakh

Sl No.	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
1	Principal amount remaining unpaid	49.45	40.28	17.16
2	Interest due thereon	3.58	1.16	0.77
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-	-
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.34	1.01	-
5	Interest accrued and remaining unpaid	3.92	1.16	0.77
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

39. Fair Value Hierarchy

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

The following methods and assumptions were used to estimate the fair values for the given below financial assets.

Unquoted Equity Shares of Indian Potash Limited

The fair values of the unquoted equity shares have been estimated using a weighted average of DCF, PE and NAV model.

Unquoted Equity Shares of Other Companies:

The fair values of the unquoted equity shares have been estimated using NAV model.

Derivatives not designated as hedges

Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs (i.e. based on inputs/statement of position received from banks).

Investment Properties

The value of the investment properties are based on the information available in Government of Kerala fair value notification, market conditions etc.



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₹ In Lakh

Particulars	31.03.2018		31.03.2017		01.04.2016	
	Significant observable inputs		Significant observable inputs		Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3	Level 2	Level 3
Financial Assets						
Investment in Unquoted Equity Shares of:						
Indian Potash Limited		5523.16		4320.00		4149.63
Travancore Cochin Chemicals Ltd		94.31		4.89		-
Capexil Agencies Ltd.		-		-		-
Kerala Enviro Infrastructure Limited		308.72		245.62		224.89
Foreign Currency Receivable under Forward exchange contracts	15652.25		3153.65		25741.97	
Financial Liabilities						
Amount Payable under forward exchange contracts	15546.05		3213.36		26581.28	
Assets for which Fair values are disclosed						
Investment Properties	1517.00		1381.49		1381.49	

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV. Company do not have any such investment. The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in **Level 2**. If one or more of the significant inputs is not based on observable market data, the instrument is included in **Level 3**. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in **Level 3**.

Operating Leases

Leases as lessor

The Company leases out its investment property on operating lease basis

i) Future minimum lease receivable

At 31 March, the future minimum lease payments under non-cancellable leases are receivable as follows

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Within less than one year	87.62	87.62	87.62
Between one and five years	350.48	350.48	350.48
More than five years	445.10	508.79	572.47

ii) Amounts recognized in profit and loss

Particulars	As at 31.03.2018	As at 31.03.2017
Lease Rent	87.62	87.62
	87.62	87.62

Leases as lessee

FACT has taken lands for lease (Operating lease) for the purpose of storage and handling of Raw Materials

i) Future minimum lease Payable

Future minimum rentals payable under non-cancellable operating leases

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Within less than one year	207.03	197.17	187.78
Between one and five years	936.93	892.31	849.82
More than five years	9437.93	9689.57	9929.23
	10581.89	10779.06	10966.84

ii) Amounts recognized in profit and loss

The amount paid as Lease rental expense during the last two years are as below:

Particulars	As at 31.03.2018	As at 31.03.2017
Lease Rentals	197.56	187.78
	197.56	187.78



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₹ In Lakh

40 . Financial Instrument Classification			
Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial Assets			
Financial Assets at Amortised Cost			
Trade Receivables	45009.24	50606.94	40559.19
Cash and Cash equivalents	4612.04	3229.09	2008.08
Other Bank Balances	1752.48	1989.29	3737.34
Loans	674.21	623.84	634.03
Other Financial Assets	25127.41	14527.66	14221.94
	77175.38	70976.82	61160.58
Financial Assets at Fair Value through Other Comprehensive Income:			
Equity Investments	5927.21	4571.53	4375.54
Financial Assets at Fair Value through Profit and Loss Statement:			
Foreign Currency Receivable on Forward exchange contract	15652.25	3153.65	25741.97
	21579.46	7725.18	30117.51
Financial Liabilities			
Financial Liability at Amortised Cost			
Borrowings	227786.25	240230.34	181058.71
Trade Payables	42328.14	32072.49	57151.39
Other Financial Liabilities	37225.36	13698.63	13306.94
	307339.75	286001.46	251517.04
Financial Liabilities at Fair Value through Profit and Loss Statement:			
Liability on Forward Exchange contract	15546.05	3213.36	26581.28
	15546.05	3213.36	26581.28

41. Financial Risk Management

The company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Aging analysis, Credit Analysis, Post Dated Cheques and Security Deposit.	Diversification of bank deposits, credit limits and Bank Guarantees
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk –foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash Flow Forecasting, Monitoring of Forex Risk Management Policy	Forward Foreign exchange contracts

(A) Credit risk

Credit Risk refers to the risk of default on its obligations resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹45406.64 lakh and ₹50606.94 lakh as of March 31, 2018 and March 31, 2017, respectively of which ₹44969.71 lakh (previous year ₹49780.22 lakh) due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and from services rendered. Credit risk is being managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business



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In addition, the Company is exposed to credit risk in relation to financial guarantees given to the banks. The maximum exposure in this respect is the amount the Company would have to pay if the guarantee is called on is ₹2550.00 lakh as at March 31, 2018 (₹3766.50 lakh as on 31.03.2017, as at 1st April 2016, ₹3766.50 lakh).

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

Financing arrangements

The company had access to the following undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Expiring within one year (Bank Overdraft/ CC Limit)	34732.89	12155.66	61305.23

The Bank Overdraft/Cash Credit (CC)/Short term loan (STL) facilities may be drawn at any time and may be called back by the bank at their discretion. The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. The credit facilities have an average maturity of 1 year.

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: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Company's activities exposes it's primarily to the financial risk of changes in foreign currency risk. To mitigate the foreign currency risk, the company is entering into forward contracts with Banks.

42. Disclosure under Ind AS 24 on related party transactions are given below

Since Government of India owns 90% of the Company's equity share capital (under the administrative control of Ministry of Chemicals and Fertilizers), the disclosures relating to transactions with the Government and other Government controlled entities have been reported in accordance with para 26 of Ind AS 24.

Certain transactions are carried out with other government related entities for purchase of Gases, for procurement of Raw Materials / Finished Goods, Assets / Spare Parts from Original equipment manufacturers, which are significant in terms of value, the details of which are as under:

Name of Entity	Nature of Transaction	2017-18	2016-17
GAIL (India) Ltd	Procurement of Gas / Transmission Charges	13527.37	14104.34
MMTC Limited	Procurement of Traded Products	-	3299.42
Bharat Petroleum Corporation Limited	Procurement of Gas / Petroleum Products	19527.34	13935.86
Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	11995.51	13096.32
Steel Authority of India	Procurement of Steel Structural	260.03	188.23
Rashtriya Chemicals and Fertilisers	Sale of Fertilisers	433.99	-
Bharat Petroleum Corporation Limited	Services Provided	83.85	129.43
Indian Oil Corporation Ltd	Services Provided	87.31	378.31

The above referred transactions have been carried out on arm's length basis with the said entities.

The other disclosures with related parties are as under:

1) Relationship

JOINT CONTROLLED ENTITIES

SI No	Name of Entity	Percentage of ownership interest as at		
		31.03.2018	31.03.2017	01.04.2016
1	FACT-RCF BUILDING PRODUCTS LTD. (FRBL)	50.00%	50.00%	50.00%
2	Kerala Enviro Infrastructure Ltd. (KEIL)	25.66%	25.66%	25.66%



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Transactions during the year with the above referred related parties:

SI No	Particulars	Year ended	Year ended
		31.03.2018	31.03.2017
		Amount	Amount
i)	Contribution towards sharecapital	-	-
ii)	Sales of Products	28.49	40.40
iii)	Others	68.53	129.98

Consequent to full provision recognized towards the investments made in FRBL as per Indian GAAP, the carrying value as on the date of transition has been recognized as deemed cost of investment which is NIL as on the transition date .i.e. 1st April 2016.

The provision towards the amount given as material, Services and advances made in the earlier financial years continues. Similar Provision amounting to ₹97.02 Lakh (Previous year ₹170.38 lakh) has been made for the current year also.

Balance Outstanding:

SI.No	Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
i)	Corporate Gurantees given	3766.50	3766.50	-
ii)	Due to FACT on sales	203.41	174.92	134.52
iii)	Advances Given (for meeting business requirements)	953.20	884.67	754.69

Out of the guarantees given by the Company on behalf of FRBL to its bankers, guarantees amounting to ₹3766.50 Lakh as a part of the Debt restructuring scheme, has been accounted for as a financial liability required to be measured at fair value and also tested for loss allowance. Expecting the liability of repayment of debt obligations of FRBL, bankers may devolve on the Company, the Company has provided for loss on impairment of its corporate guarantee amounting to ₹3766.50 lakh towards term loan which has been adjusted to its opening reserves as at 1st April 2016, the date of transition to Ind AS. During the year the said liability has been crystallised and agreed for alone time settlement for and amount of ₹3030 lakh has been provided. The said liability towards financial guarantee is reported under other financial liabilities. During the year 2009-10, the Company has along with Department of Factories and Boilers, Government of Kerala, formed a society under the Travancore Literary, Scientific and Charitable Societies Act 1955 with the objective of conducting courses relating to welding technologies with a grant of ₹ 1 Crore from the Government of Kerala, under the name Kerala institute of Welding and Research. The contribution from FACT is only provision of its existing facilities of Training School. The accounts of the society are not consolidated as society is formed with an objective of not obtaining any economic benefits from its activities and is considered immaterial to the Company's activity.

2) Key Management Personnel

- 1 Shri Sushil Kumar Lohani, Chairman and Managing Director (upto 16.02.2018)
- 2 Shri Manoj Mishra, Chairman and Managing Director (from 21.02.2018)
- 3 Shri Suresh Warrior, Director (Finance) (upto 30.11.2017)
- 4 Shri D Nandakumar, Director (Marketing) (from 13.09. 2017)
- 5 Shri U Saravanan, Director (Technical) (from 14.8.2017)
- 6 Shri Sanjai Maheshwari Director (Finance) (from 06.03.2018)
- 7 Shri K V Balakrishnan Nair, Company Secretary

Transactions with related parties:

Remuneration to key management personnel :

SI No	Particulars	Year ended 31.03.2018	Year ended 31.03.2017
1	Shri Jaiveer Srivastava, Chairman and Managing Director (Upto 02.11.2016)	-	15.97
2	Shri V K Anil, Director (Technical) (upto 27.06.2016)	-	24.98
3	Shri D Nandakumar, Director (Marketing) (From 13.09.2017)	12.96	-
4	Shri K V Balakrishnan Nair, Company Secretary	16.94	16.36
		29.90	57.31

The whole time Directors have been allowed the use of company car and for private journey upto a ceiling of 12000 kms. per year, on payment as prescribed by the Government.

Gratuity payable to the Directors has not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.



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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakh

43. Financial Reporting of interest in Joint Ventures

The required information is as under:-

JOINT CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Percentage of ownership interest		
		31.03.2018	31.03.2017	01.04.2016
FACT RCF Building Products Ltd.	India	50.00%	50.00%	50.00%
Kerala Enviro Infrastructure Limited	India	25.66%	25.66%	25.66%

FACT-RCF BUILDING PRODUCTS LTD.:- A Joint venture Company with Rashtriya Chemicals and Fertilizers Limited (RCF) for manufacture of rapid building materials from Gypsum at Kochi.

Summarized financial information of Company's investment in FACT-RCF BUILDING PRODUCTS LTD. (FRBL)

Particulars	As at 31.03.2018 (Unaudited)	As at 31.03.2017 (Audited)	As at 01.04.2016 (Audited)
Non-Current Assets	7383.00	8388.25	9327.83
Cash and Cash Equivalent	54.50	54.48	129.72
Current Assets other than Cash and Cash Equivalents	826.02	955.11	1201.61
Non-Current Liabilities	7508.61	10981.23	8507.43
Current Liabilities	4470.75	2352.18	3685.98
Equity	(3715.84)	(3935.57)	(1534.25)
Proportion of the company's ownership	50.00%	50.00%	50.00%
Carrying amount of the investment*	-	-	-

Particulars	Year Ended 31.3.2018 (Unaudited)	Year Ended 31.3.2017 (Audited)
Income	1647.87	2104.57
Cost of materials consumed	152.70	177.17
Depreciation and amortization expense	969.10	966.83
Finance costs	462.06	1199.62
Employee benefits expenses	291.62	359.38
Other Expenses	1256.81	1803.68
Loss from continuing operations	(1484.42)	(2402.11)
Total comprehensive income for the year	(1484.42)	(2402.11)
Company's Share of profit / loss for the year	(742.21)	(1201.06)

* Owing to the company's share of losses exceeding its interest in the joint venture the share of loss stands discontinued. Accordingly company has not recognized share of loss of ₹742.21 lakh for the year (P.Y. ₹1201.06 lakh) and ₹1857.92 lakh cumulatively upto the year ended 31.03.2018 (₹1967.79 lakh cumulatively upto the year ended 31.03.2017).

Kerala Enviro Infrastructure Ltd. (KEIL) is a public limited company formed as Special Purpose Vehicle and promoted by the Kerala State Industrial Development Corporation (KSIDC) in association with various industries in the State for establishing Common Treatment, Storage and Disposal Facility (CTSDF) for solid hazardous industrial waste in the State of Kerala.



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₹ In Lakh

Summarised financial information of Company's investment in Kerala Enviro Infrastructure Ltd. (KEIL)

Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)	As at 01.04.2016 (Audited)
Non-Current Assets	7383.00	8388.25	9327.83
Non-Current Assets	1071.33	1072.00	840.45
Cash and Cash Equivalent	775.56	259.98	418.50
Current Assets other than Cash and Cash Equivalents	694.82	725.80	666.45
Non-Current Liabilities	1084.81	953.58	900.24
Current Liabilities	253.89	147.07	148.82
Equity	1203.01	957.13	876.34
Proportion of the company's ownership	25.66%	25.66%	25.66%
Carrying amount of the investment	308.72	245.62	224.89

Particulars	Year Ended 31.3.2018 (Audited)	Year Ended 31.3.2017 (Audited)
Income	1358.51	891.89
Cost of materials consumed	4.40	6.02
Depreciation and amortization expense	41.94	57.82
Finance costs	-	-
Employee benefits expenses	119.22	103.19
Other Expenses	873.87	627.07
Profit before Tax	319.08	97.79
Current Tax	73.31	16.13
Profit after Tax	245.77	81.66
Other Comprehensive Income	0.12	(0.87)
Total comprehensive income for the year	245.89	80.79
Company's Share of profit / loss for the year	63.10	20.73



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44. SEGMENTAL REPORTING

Segment Information for the year ended 31st March 2018

Information about Primary Business Segments

	₹ in Lakh.	₹ in Lakh.	₹ in Lakh.	₹ in Lakh.
	Fertiliser	Petrochemical	Others (Unallocated)	Total
REVENUE				
External Revenue	192283.93 (184716.36)	4.19 (919.64)	4396.34 (4179.27)	196684.46 (189815.27)
TOTAL REVENUE	192283.93 (184716.36)	4.19 (919.64)	4396.34 (4179.27)	196684.46 (189815.27)
SEGMENT RESULTS				
Profit before Interest and Taxation	26871.05 (11649.61)	(2118.88) (-1510.53)	(1267.33) (-3268.17)	23484.84 (6870.91)
Unallocated Corporate Expense			5005.99 (3321.73)	5005.99 (3321.73)
Operating Profit	26871.05 (11649.61)	(2118.88) (-1510.53)	(6273.32) (-6589.90)	18478.84 (3549.18)
Interest Expense	-	-	31847.59 (30133.15)	31847.59 (30133.15)
Interest Income	-	-	317.57 (316.20)	317.57 (316.20)
Income Tax	-	-	-	-
Profit after Interest and Taxation	26871.05 (11649.61)	(2118.88) (-1510.53)	(37803.35) (-36406.85)	(13051.18) (-26267.77)
OTHER INFORMATION				
Segment Assets	163654.81 (136578.16)	4840.01 (4577.89)	13119.71 (15606.11)	181614.53 (156762.16)
Segment Liabilities	156646.59 (121014.28)	3593.31 (3551.12)	21374.62 (32196.77)	181614.53 (156762.16)
Depreciation	1489.87 (1489.35)	163.54 (202.43)	98.82 (475.60)	1752.23 (2167.37)
Capital Expenditure	1480.95 (440.81)	2.17 (0.00)	64.42 (43.84)	1547.55 (484.65)

The business segments are:-

Segment Fertiliser	Products Ammonium Phosphate, Ammonium Sulphate, Mixtures , MOP
Segment Petrochemical	Caprolactam

Segments have been identified taking into account the organisation structure.

Segment assets and liabilities represents assets and liabilities in respective segments. Share capital, Secured and Unsecured loans, Investments and Accumulated loss are classified as Unallocated.

Figures given in brackets pertains to previous year.

₹ in Lakh

RECONCILIATION OF REVENUE	2017-18	2016-17
Segment Revenue as above	196684.46	189815.27
Add Interest Income	317.57	316.20
Revenue as per Profit and Loss Statement	197002.03	190131.47

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45. NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

A General Description of Defined Contribution Plan

Contributory Superannuation Scheme-The scheme is aimed to provide superannuation benefits to the employees. Every year company contributes ₹100 to the fund.

B General Description of Defined Benefit Plan

1 Provident Fund

The Provident Fund contributions are made to Trusts administered by the company. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act 1952.

During the year an amount of ₹1747.02 lakh (Previous Year ₹1892.91 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19 issued by the Institute of Chartered Accountants of India, the Provident Fund Trust set up by the company is treated as Defined Benefit Plan since the company has to meet the shortfall in the fund assets , if any.

2 Gratuity and Leave Encashment

The company operates gratuity plan where in every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service.The same is payable on death , separation from service or retirement, whichever is earlier. The benefit vests after five years of continuous service.The company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the balance sheet date.

Particulars	₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
a. Changes in the present value of obligations				
Present value of obligations at the beginning of the year	10164.15	12116.10	11640.69	12172.46
Interest cost	830.18	1020.24	892.82	990.33
Past service cost	-	-	3588.96	-
Current service cost	1809.77	1273.90	527.11	413.34
Benefits paid	(1955.48)	(1746.55)	(2251.18)	(1836.60)
Actuarial loss/(gain) on obligation	(945.06)	(2499.54)	142.27	(98.84)
Present value of obligations at the end of the year	9903.56	10164.15	14540.67	11640.69
b. Changes in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	-	-	8567.99	9667.07
Expected return on investment	-	-	685.44	773.37
Employer's contribution	1955.48	1746.55	0.18	0.36
Benefits paid	1955.48	1746.55	(2251.18)	(1836.60)
Actual return on Plan Asset over Expected Interest	-	-	555.11	(36.21)
Fair value of plan assets at the end of the year	-	-	7557.54	8567.99
Actual return on investment	-	-	685.44	773.37
c. Amount recognised in Balance sheet				
Present value of obligations at the end of the year	9903.56	10164.15	14540.67	11640.69
Fair value of plan assets at the end of the year	-	-	7557.54	8568.00
Unfunded net liability recognised in Balance sheet	9903.56	10164.15	6983.13	3072.69
d. Expenses recognised in the Statement of Profit and Loss during the year				
Current service cost	1809.77	1273.90	527.11	413.34
Past service cost	-	-	-	-
Net Interest on Obligation / Asset	830.18	1,020.24	337.71	253.17
Total Expenses recognised in the Statement of Profit and Loss during the year	2639.95	2294.14	864.82	666.51
Amount Disclosed under Other Comprehensive Income:				
Opening balance	(2499.55)	0.00	(98.84)	0.00
Actuarial Gain or Loss on Obligation side during the year	-945.05	(2499.55)	3731.23	(98.84)
Closing Amount Disclosed under OCI	(3444.60)	(2499.55)	3632.39	(98.84)
e. Investment details	% invested as at 31st March		% invested as at 31st March	
LIC Group Gratuity (Cash Accumulation) policy	-	-	51.98	73.60
f. Actuarial assumptions	(1994-96) Ultimate		LIC (1994-96) Ultimate	
Mortality rate	8.00%	8.00%	8.00%	8.00%
Discount rate	5.00%	5.00%	5.00%	5.00%
Salary escalation rate	-	-	8.00%	8.00%
Expected rate of return on plan assets	-	-	-	-

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	₹ in Lakh			
	Trust managed Provident Fund Udyogamandal		Trust managed Provident Fund Cochin Division	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
a. Changes in the present value of obligations				
Present value of obligations at the beginning of the year	24514.32	22756.00	2818.79	2545.55
Interest cost	2109.00	1979.03	242.91	225.01
Past service cost	-	-	-	-
Current service cost	3696.53	3963.81	435.14	534.10
Benefits paid	(3983.21)	(3509.71)	(495.39)	(382.10)
Actuarial loss/(gain) on obligation	(1462.13)	(674.81)	(644.63)	(103.77)
Present value of obligations at the end of the year	24874.51	24514.32	2356.82	2818.79
b. Changes in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	29980.72	23621.45	2873.33	2915.41
Expected return on investment	2398.46	2105.72	229.87	233.23
Employer's contribution	-	-	-	-
Benefits paid	(3983.21)	(3509.71)	(495.39)	(382.10)
Actuarial loss/(gain) on plan assets	-3223.22	7763.26	(185.17)	106.79
Fair value of plan assets at the end of the year	25172.75	29980.72	2422.64	2873.33
Actual return on investment	2398.46	2105.72	229.87	233.23
c. Amount recognised in Balance sheet				
Present value of obligations at the end of the year	24874.51	24514.32	2356.82	2818.79
Fair value of plan assets at the end of the year	25172.75	29980.72	2422.64	2873.33
Unfunded net liability	(298.24)	(5466.40)	(65.82)	(54.54)
d. Expenses recognised in the Statement of Profit and Loss during the year				
Current service cost	3696.53	3963.81	435.14	534.10
Past service cost	-	-	-	-
Interest cost	2109.00	1979.03	242.91	225.01
Expected return on investment	(2398.46)	(2105.72)	(229.87)	(233.23)
Net actuarial (gain) / loss recognised during the year	1761.08	(8438.07)	(210.55)	(210.55)
Total Expenses	5168.15	(4600.95)	237.63	315.33

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

46. Ind AS 101 - Reconciliation Reconciliations between previous GAAP and Ind AS							
₹In Lakh							
Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following table represent the reconciliations from previous GAAP to Ind AS.							
Particulars	Note	IGAAP Accounts	Ind AS Adjustments	As at 31.03.2017	IGAAP Accounts	Ind AS Adjustments	As at 01.04.2016
ASSETS							
NON CURRENT ASSETS							
Property, Plant and Equipment	a,f	25378.32	4292.54	29670.86	26972.78	4343.61	31316.39
Capital Work in Progress		2467.93	-	2467.93	2186.40	-	2186.40
Investment Property	a	-	9.70	9.70	-	9.80	9.80
Intangible Assets							
Financial Assets							
Investments	b	366.55	4204.98	4571.53	366.55	4008.99	4375.54
Trade Receivables							
Loans	c	621.24	-	621.24	621.31	-	621.31
Other Financial Assets	d	12.00	-	12.00	12.31	(0.32)	11.99
Other Non Current Assets	c	267.77	(92.94)	174.83	224.18	(5.49)	218.69
CURRENT ASSETS							
Inventories							
Financial Assets	a	44556.93	(1646.12)	42910.81	38862.03	(1250.89)	37611.14
Trade Receivables	e	50606.94	-	50606.94	40559.19	-	40559.19
Cash and Cash equivalents	d	3229.09	-	3229.09	2008.15	(0.07)	2008.08
Bank Balances other than above		1989.29	-	1989.29	3737.34	-	3737.34
Loans	c	2.60	-	2.60	12.72	-	12.72
Other financial assets	e, h	17179.21	490.10	17669.31	39888.43	63.49	39951.92
Current Tax Asset			92.93	92.93		5.48	5.48
Other current Assets	e,f	6849.43	(4116.33)	2733.10	7698.85	(4343.50)	3355.35
Assets held for disposal		124413.49	(5179.42)	119234.07	132766.71	(5525.49)	127241.22
TOTAL ASSETS		153527.30	3234.86	156762.16	163150.24	2831.10	165981.34
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital		64707.20	-	64707.20	64707.20	-	64707.20
Other Equity		(214293.86)	(1646.73)	(215940.59)	(195595.75)	(2005.80)	(197601.55)
		(149586.66)	(1646.73)	(151233.39)	(130888.55)	(2005.80)	(132894.35)



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	₹ in Lakh					
LIABILITIES						
NON CURRENT LIABILITIES						
Financial Liabilities						
Borrowings	177048.75	162713.36	177048.75	162713.36	-	162713.36
Provisions						
Deferred Tax Liabilities (Net)	11743.37	13155.46	11918.63	13155.46	162.28	13317.74
Other Non Current Liabilities	-	-	883.20	-	946.88	946.88
	188792.12	175868.82	189850.58	175868.82	1109.16	176977.98
CURRENT LIABILITIES						
Financial Liabilities						
Borrowings	63181.59	18345.35	63181.59	18345.35	-	18345.35
Trade Payables	32072.50	57246.75	32072.49	57246.75	(95.36)	57151.39
Other Financial Liabilities	13152.53	36128.47	16911.99	36128.47	3759.75	39888.22
Other Current Liabilities	4421.75	4983.37	4485.43	4983.37	63.35	5046.72
Provisions	1493.47	1466.03	1493.47	1466.03	-	1466.03
Current Tax Liabilities (Net)	114321.84	118169.97	118144.97	118169.97	3727.74	121897.71
	153527.30	163150.24	156762.16	163150.24	2831.10	165981.34
TOTAL EQUITY AND LIABILITIES						



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Reconciliation of Total Comprehensive Income					
₹ In Lakh					
	Particulars	Note No.	IGAAP ACCOUNTS	IND AS ADJUSTMENTS	YEAR ENDED 31.03.2017
I	Revenue from Operations		186259.99	2067.98	188327.97
II	Other Income		1715.88	87.62	1803.50
III	Total Income (I+II)		187975.87	2155.60	190131.47
IV	Expenses:				
	Cost of Materials Consumed	i	106062.36	2678.67	108741.03
	Purchase of Stock in Trade		9867.93	-	9867.93
	Change in Inventories of Finished Goods and Stock in Trade		(8120.41)	0.00	(8120.41)
	Employee Benefit Expenses		21827.29	2569.24	24396.53
	Finance Cost	j	30512.52	(46.19)	30466.33
	Depreciation and Amortization Expenses / Impairment	k	1683.49	446.42	2129.91
	Other Expenses	l	49975.00	(1057.08)	48917.92
	Total Expenses (IV)		211808.18	4591.06	216399.24
V	Profit before Tax (III-IV)		(23832.31)	(2435.46)	(26267.77)
	Exceptional Items		(5136.09)	5136.09	-
VI	Tax Expenses				
	Current Tax				
	Deferred Tax				
VII	Profit for the Year (V+VI)		(18696.22)	(7571.55)	(26267.77)
VIII	Other Comprehensive Income				
	Items that will not be reclassified to Profit or loss				
	Income Tax relating to items that will not be reclassified to Profit / Loss				
	Other Comprehensive income for the year (VIII)		-	2794.39	2794.39
IX	Total Comprehensive Income for the year (VII+VIII)		(18696.22)	(4777.16)	(23473.38)



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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

46A. Explanatory Statement to Reconciliation of Equity

a Property, Plant and Equipment:

This includes spares capitalised as per Ind AS ₹1646.12 Lakh (Previous Year ₹1250.88 Lakh) less Depreciation Reserve ₹1561.52 lakh (Previous Year 1119.74 Lakh) net ₹84.60 lakh (previous Year ₹131.14 lakh). These spares were shown as Inventories under IGAAP. Capitalisation of Decommissioning Expenses of installation in Cochin Port ₹129.85 Lakh (Previous Year ₹129.85 Lakh) less Depreciation Reserve ₹4.64 Lac (Previous year NIL) ₹125.21 Lakh (previous year ₹129.85 lakh)

Land given on lease to FRBL (11 Acre) and GAIL (2.40 Acre in Udyogamandal and 0.33 Acre in Cochin Division) and building to CIPET were classified as Investment Property as per Ind AS valued at ₹9.70 lakh (Previous Year ₹9.80 lakh)

b Investment:

Under previous IGAAP, Company had accounted for long term investment in unquoted equity shares of Indian Potash Limited (IPL), Travancore Cochin Chemicals Limited (TCC), Capexil Agencies Limited and Kerala Enviro Infrastructure Limited, at cost.

Under Ind AS, Company has designated this investment as FVTOCI financial asset. Ind AS requires such investments to be measured at fair value on every reporting date. As at the date of transition to Ind AS, the difference between the fair value and previous IGAAP carrying amount has been recognized as a separate component of equity, in the FVTOCI reserve amounting to Rs ₹4204.98 lakh (as on 01.04.2016 ₹4008.98 lakh). As on 31.03.2017 the value was increased by ₹196.00 lakh

c Loans / Others

Capital advances ₹55.40 lakh (previous year ₹5 lakh) and Advance income Tax (net of Provision and TDS) ₹212.36 lakh (Previous Year ₹219.17 lakh) grouped under Loans and Advances as per IGAAP were regrouped to Other Non current Asset.

d Cash and cash equivalents

Unpaid interest warrant and Treasury deposit were regrouped from Cash and Cash Equivalents amounting to ₹11.54 Lakh (previous year ₹11.54 Lakh).

e Trade receivables

Subsidy receivable on fertilisers from the Government of India ₹49780.22 lakh (Previous year ₹39848.95 Lakh) shown under other current asset under IGAAP regrouped under Trade receivable as per Ind AS.

Sales Tax Advance remittance pending appeal ₹72.97 lakh (Previous year ₹72.97 lakh) were regrouped under Dues from Deposits under Ind AS.

f Assets held for disposal

Assets held for disposal which was shown under other current assets is disclosed separately under Ind AS.

g Provisions:

Provision for Decommissioning of assets in Leasehold Property amounting to ₹175.26 lakh (Previous year ₹162.28 lakh)

Liability on Corporate Guarantee amounting to ₹3766.50 lakh has been provided as per Ind AS.

Provision for Excise duty on finished product stock is classified under other Current liabilities under Ind AS

Excise duty on sales has been included under other expenses as per Ind AS instead of deduction from Sale of Product / service

Upfront Premium received on lease of land to FRBL ₹50 lakh and GAIL ₹13.90 lakh has been amortised as per Ind AS

h Unearned portion of upfront money received from FRBL and GAIL less due within 12 months shown under Non Current others liabilities.

i Cost of material Consumed

Packing Material consumed has been grouped under Cost of Material Consumed as per Ind AS

j Forward Contract Premium

Unexpired portion of Premium on Forward Exchange contract, which was deferred during previous years, has been considered and adjusted in the respective year of contract.

k Depreciation

Depreciation has been charged on Spares capitalised (₹441.78 lakh) and Decommissioning Asset (₹4.63 lakh)

l Other Expenses

₹In Lakh

Particulars	AS per Ind AS	IGAAP	Impact
1) Excise Duty on Sales regrouped in Other Expenses	1665.35	-	1665.35
2) Packing Material regrouped to Materials Consumed	-	2678.67	(2678.67)
3) Deferred portion of Premium on Forward Contract	(43.93)	-	(43.93)
4) Prior Period expenses	-	(0.17)	0.17
			(1057.08)



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakh

Statement Showing Reconciliation of other Equity			
Particulars	Adjustment to Reserve	Adjustment to OCI	Amount
Other Equity as per IGAAP as on 1st April 2016			(195595.72)
Depreciation on PPE (spares Capitalised)	(1119.73)		
Fair Value of unquoted Equity Instruments	-	4008.98	
One time Compensation received	(1010.57)		
Other Current Liabilities - Financial Guarantee	(3766.50)		
Liability toward de commissioning of Assets in Leasehold property	(32.43)		
change in Accounting Policy - Deferred Premium on Forward contracts	(156.16)		
Write back of provision-BPCL	(21.69)		
Prior period expenses	92.27		(2005.83)
Other Equity as per Ind AS as at 1st April 2016			(197601.55)

47. Contingent Liabilities and Commitments (to the extent not provided for):

Contingent Liabilities

Particulars	As at 31.03.2018	As at 31.03.2017
Claims against the company not acknowledged as debts in respect of:		
Central Excise Act, 1944 *	9194.55	8829.79
Finance Act, 1994 (Service Tax)	408.99	389.45
Sales Tax / Entry tax	444.96	193.35
Income Tax Act, 1961	82.47	151.48
ESI Act	127.83	127.83
Suppliers and contractors #	24639.62	23001.36
Bonus Act, 1965	33.59	33.59
Others	2024.59	1655.16

48. Excise duty demand of ₹2.38 lakh on purchase of Raw material, pending appeal, has not been considered since the liability rests with supplier as per order terms. (Previous Year ₹2.38 lakh).

49. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹178489.75 lakh including interest till 31.03.2013 before the arbitrator. The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17308.04 lakh including interest as on 31.12.2013. As per the award, the mobilisation advance paid by the Company to the contractor along with interest of ₹2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon'ble District Court which has since stayed the award. Accordingly, the award amount along with interest up to 31.03.2018, amounting to ₹21629.14 lakh without considering the adjustment of mobilisation advance and interest allowed under the arbitral award is not considered as a liability and included under Contingent Liability.

50. In view of the conditions in the directives of the Government of India, while implementing the wage revision for the period 1997 to 2006, the company is not liable to provide for arrears of salary and wages (net of interim relief paid) for the period from 01.01.1997 to 30.06.2001 and perquisites and other allowances for the period from 20.10.2000 to 30.06.2001, in respect of managerial and non managerial employees. Certain retired managerial employees of FACT have moved the Hon'ble High Court of Kerala and obtained a directive dt 31.3.2016, by which the company has to frame a scheme towards disbursement of the arrears. The company has appealed against the decision and the same is pending before the Hon'ble High Court of Kerala. The amount involved is not ascertained at this stage.

51. Bank Guarantees given to various clients/ statutory authorities for performance of contracts/ obligations are not included, as the money value thereof cannot be ascertained.



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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakh

	As at 31.03.2018	As at 31.03.2017
52. Estimated amount of contracts remaining to be executed on capital account and not provided for.	468.83	441.83
53. Construction Contracts		
Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹1156.00 lakh (Previous year ₹1218.78 lakh), and capital ₹320.00 lakh (Previous year ₹303.11 lakh).		
In the case of work being carried out by FACT Engineering and Design Organisation (FEDO), for National Institute of Technology (NIT), Nagaland, as an executing agency, on a cost plus basis, as a deposit work, FEDO is eligible for certain percentage of fees of total project cost. As per technical evaluation, 50% (previous year 46.75%) of work related to consultancy services by FEDO to NIT, has been completed as on 31.3.2018 and pro-rata credit of ₹816.65 lakh (previous year ₹772.96 lakh) has been taken, after considering for ₹204.81 lakh as work in Progress (previous year ₹161.93 lakh towards unearned income). The value of construction work done and certified during the FY 2017-18 is taken as ₹866.66 lakh, (previous year ₹3119.89 lakh) and equivalent amount has been considered for direct charges on contract.		

Particulars	As at 31.03.2018	As at 31.03.2017
Contract revenue recognised in the period.	1265.81	3900.61
Advance received against contract in progress.	1800.94	833.85
Retention by customers against contract in progress.	38.89	34.87
Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date.	1760.53	1568.53
Gross amount due from customers for contract work as an asset.	231.79	210.39
Gross amount due to customers for contract work as a liability.	209.60	123.70

Excise duty on own division jobs is ascertained based on Cost Accounting Standard 4.

54. Foreign Currency Exposure

The details of foreign currency balances which are not hedged as at the Balance Sheet date are as below:-

Particulars	Figures as at 31.03.2018		Figures as at 31.03.2017	
	Foreign Currency	Indian Rupee	Foreign Currency	Indian Rupee
	(in lakh)		(in lakh)	
Trade Payable	USD 81.13	5356.89	USD 31.03	2021.13

55. The Company has a system of obtaining confirmation of balances from Vendors and Customers. Some of the parties confirmed the balances.
56. For all periods upto and including the year 31st March 2016 the company prepared its financial statements in accordance with the accounting standard prescribed under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
57. Company entered an agreement with M/s. Bharat Petroleum Corporation Limited for sale of 169.689 Acre of land @ Rs. 248 Lakh per acre at Ambalamedu. Transfer Deed for 150 Acre of land registered on 10th may 2018, registration of title deed for the balance land will be completed in a short period. In additions to the above, there is a MoU with Government of Kerala for transfer of 150 Acre of land @ Rs. 100 lakh per acre and 331.790 acres @Rs. 248 lakh per acre.
58. As the accumulated loss has exceeded the networth as on 31.3.2013, the Company has made a formal reference under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 on adoption of duly audited accounts for the Financial Year 2012-13 in the Annual General Meeting held on 27.12.2013 to Board for Industrial and Financial Reconstruction (BIFR) during February 2014. Consequent to the commencement of provisions of Sick Industrial Companies (Special Provisions) Repeal Act, 2003, BIFR has been dissolved and all pending cases before BIFR stand abated. With effect from 1st December, 2016 provisions relating to corporate insolvency, under the Insolvency and Bankruptcy Code, 2016 have been commenced. The National Company Law Tribunal (NCLT) under the Companies Act, 2013 are also established to deal with inter-alia, matters relating to insolvency of companies. FACT is not required to file any case for



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Registered Office : Eloor, Udyogamandal, Kochi, Kerala

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

insolvency resolution under the Insolvency and Bankruptcy Code 2016 before NCLT at present. During the financial year 2015-16 ,with the objective of carrying on the operations of the company without hindrance, the Government of India has disbursed a plan loan of Rs. 1000 crores on 29/3/2016. This helped the company to overcome its working capital constraints and improve the operations during the financial year 2016-17 and 2017-18. A comprehensive proposal for revival of the company is under the consideration of the Ministry. In view of the above, company does not foresee impairment of its operations as a going concern and hence the accounts are prepared on going concern basis.

59. The Consolidated financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 30th May 2018
60. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by its Shareholders.
61. The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year.

In terms of our Report Attached

For and on behalf of the Board of Directors

For Babu A Kallivayalil & Co.
Chartered Accountants
Firm Registration No. 05374S

Sd/-
Sanjai Maheshwari
Director (Finance)
DIN 00653170

Sd/-
Manoj Mishra
Chairman & Managing Director
DIN 06408953

Sd/-
E V Thomas
Partner
Membership No. 3679

Sd/-
K V Balakrishnan Nair
Company Secretary

Place: Kochi
Date: 30 May 2018

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

62. NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

		2017-18						2016-17			
		Opening Stock	Purchases	Closing Stock	Consumption	Opening Stock	Purchases	Closing Stock	Consumption		
1	Regassified Liquid natural Gas	-	24280.02	-	24280.02	-	27842.70	-	27842.70		
2	Naphtha	237.09	-	-	237.09	358.87	-	237.09	121.78		
3	Sulphur - Imported	1669.80	9608.68	1245.30	10033.18	2306.17	10177.70	1669.80	10814.07		
4	Sulphur	-	6,150.04	1441.91	4708.13	-	-	-	-		
5	Rock Phosphate-Imported	1666.47	6925.87	233.29	8359.05	3291.14	7665.82	1666.47	9290.49		
6	Phosphoric Acid-Imported	1303.35	34174.74	85.62	35392.47	1479.17	46571.19	1303.35	46747.01		
7	Phosphoric Acid	-	6844.44	65.81	6778.63	1.36	-	-	1.36		
8	Ammonia - Imported	1210.94	15643.77	1304.29	15550.42	2161.12	9053.11	1210.94	10003.29		
9	Benzene -Imported	10.24	-	10.24	-	10.89	-	10.24	0.65		
10	Benzene	177.53	-	177.53	-	188.36	-	177.53	10.83		
11	Caustic Soda**	43.33	-	37.20	-	53.99	-	43.33	-		
12	Rock Phosphate-18% for mixing	8.16	19.20	27.35	0.01	11.43	28.47	8.16	31.74		
13	Sulphuric Acid	13.41	152.21	9.14	156.48	406.53	805.31	13.41	1198.43		
	TOTAL	6340.32	103798.97	4637.68	105495.49	10269.03	102144.30	6340.32	106062.36		

** Closing stock after adjustments for consumption as chemicals of ₹6.14 lakh.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

₹ In Lakh

63. NOTES ON ACCOUNTS

INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 (viii) OF GENERAL INSTRUCTIONS FOR STATEMENT OF PROFIT AND LOSS OF SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31.03.2018

1 Value of imported and indigenous raw materials and spare parts consumed and percentage thereof to total consumption.

	Current year	Percentage	Previous year	Percentage
B Spare Parts , Components & Chemicals				
Imported	148.11	5.60	238.40	7.20
Indigenous	2495.90	94.40	3071.33	92.80
	2644.01	100.00	3309.73	100.00

2 CIF Value of Imports

Current year Previous year

(i) Raw Materials	62534.84	69606.03
(ii) Traded Products	0.00	5215.23
(iii) Spares and other materials	137.35	181.92
(iv) Capital Goods	0.00	0.00
	62672.19	75003.18

3 A Expenditure in foreign currency (Cash Basis)

(i) Consultancy service	0.00	0.00
(ii) Others	119.74	89.81
	119.74	89.81



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

CIN: L24129KL1943GOI000371

Ph. 0484-2546486 : Fax No.0484-2546637 Website: www.fact.co.in E-mail Id: kvbnair@factltd.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies' (Management and Administration) Rules, 2014]

Name of the Shareholders	
Registered address	
Folio No./DP ID-Client ID	
E-mail ID	

I/We, being the shareholder(s) of shares of the above named Company, hereby appoint;

- Name address
E-mail ID signature : or failing him ;
- Name address
E-mail ID signature : or failing him ;
- Name address
E-mail ID signature :

as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 74th Annual General Meeting of the Company to be held on Monday the 24th September 2018 at 2.30 PM at Udyogamandal Club, Eloor, Udyogamandal and any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above proxy to vote in the manner as indicated in the box below.

SI	Resolutions	For	Against
1	Consider and Adopt a. Audited Standalone Financial statements for the financial year ended 31st March 2018 and the reports of the Board of Directors and Auditors thereon. b. Audited Consolidated financial statement for the financial year ended 31st March 2018 and the reports of the Auditors there on		
2	Fixation of remuneration of Statutory Auditors and Branch Auditors.		
3	Election of Smt Alka Tiwari as a Director on the Board of Directors		
4	Election of Smt. Gurveen Sidhu as a Director on the Board of Directors		
5	Fixation of Remuneration of Cost Auditors		

Signed this day of 2018.

Signature of Shareholder(s) :

Signature of Proxy holder(s) :

Affix
Revenue
Stamp

Note:

This Form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company at Eloor Udyogamandal-683501, Kochi, Kerala, not less than 48 hours before the commencement of the Annual General Meeting.



THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

Registered Office : Eloor, Udyogamandal, Kochi, Kerala

CIN: L24129KL1943GOI000371

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Attendance Slip

**74th Annual General Meeting, 24th September 2018 at 2.30 PM.
At Udyogamandal Club, Eloor, Udyogamandal.**

Shareholders or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signature registered with the Company. Duplicate slip will not be issued at the entrance to the meeting hall.

1. Name(s) of Shareholder(s) :
including joint holders, if any
2. Registered address of the Sole/
First named Shareholder :
3. DP ID No.& Client ID No. :
Registered Folio No.
4. No. of Shares held :

Whether shareholder or proxy Shareholder

Proxy

I/We hereby record my/our attendance at the 74th Annual General Meeting being held on 24th September 2018 and / or at any adjournment thereof.

Signature of the Shareholder or Proxy :

PLEASE BRING THE ATTENDANCE SLIP TO THE MEETING



Building Inauguration at FEW



**प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS**

**दि फर्टिलाइजर्स एण्ड केमिकल्स ट्रावन्कोर लिमिटेड
(भारत सरकार का उद्यम)**

**पंजीकृत कार्यालय: एलूर, उद्योगमंडल - 683 501, कोच्ची, केरल, भारत
वेबसाइट: www.fact.co.in
सी आई एन: L24129KLI943GO1000371**

**THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Enterprise)
Regd. Office: Eloor, Udyogamandal - 683 501, Kochi, Kerala, India
Website : www.fact.co.in
CIN: L24129KLI943GO1000371**

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11 Meherabad, Bhulabai Desai Road, Mumbai - 400 036
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State Offices :

Bengaluru, Chennai, Hyderabad, Thiruvananthapuram & Udyogamandal-Kochi