

THE PHOSPHATE COMPANY LIMITED

Works
47, Ramkrishna Road
Rishra - 712 248
Hooghly (W.B)
Ph.: (033)2672 1448 / 1497
Fax : 91 33 2672 2270
E-mail: phosphaterishra@gmail.com
GSTN : 19AABCT1270F1ZJ



Regd. & Admin Office
14, Netaji Subhas Road
Kolkata-700 001
Ph.: (033) 2230 0771, 4035 1234
E-mail: lakshmiphosphate@gmail.com
Website : www.phosphate.co.in
CIN : L24231WB1949PLC017664
PAN : AABCT1270F

Ref:290A/ 388

September 9, 2022

To,
BSE Limited
The Corporate Relationship Department
P.J. Towers, 1st Floor,
Dalal Street,
Mumbai – 400 001.

To,
The Secretary,
The Calcutta Stock Exchange Ltd.,
7, Lyons Range,
Kolkata-700001.

Scrip Code: 542123

Scrip code: 10026031

Re: Annual Report 2021-22

Dear Sir,

This is in reference to our letter dated 2nd September 2022 enclosing therewith Annual Report for 2021-22 alongwith Notice of the Annual General Meeting to be held on Tuesday, the 27th September 2022. This is to inform you that certain mis-printing were noticed in the Annual Report after the same was dispatched on 2nd September, 2022 through email. The Annual Report in page no.7 has been mis-printed in respect of Extract of Annual Return which has now been rectified.

In view of the above, we are again enclosing herewith the Annual Report of the Company for FY 2021-22 and it is also available at the website of the Company at
http://www.phosphate.co.in/download_2022/annual_report_2021-22.pdf

Thanking you.

Yours faithfully

For The Phosphate Co. Ltd.

Shankar Banerjee

(Shankar Banerjee)

Dy. Secretary & Compliance Officer

Encl.a/a



ANNUAL REPORT 2021 - 2022



THE PHOSPHATE COMPANY LIMITED

THE PHOSPHATE COMPANY LIMITED

CIN: L24231WB1949PLC017664

BOARD OF DIRECTORS

Shri Binod Khaitan	Non Executive Director
Shri Hemant Bangur	Non Executive Director
Shri Dilip P Goculdas	Independent Director
Smt. Sonali Sen	Independent Director
Shri Suresh Kumar Bangur	Executive Director & CEO

PRESIDENT

Shri Ajay Bangur

COMPANY SECRETARY

Shri Shankar Banerjee

STATUTORY AUDITORS

M/s. S.K.Agrawal and Co Chartered Accountants LLP
Kolkata

BANKERS

State Bank of India, Kolkata
Canara Bank, Kolkata

REGISTRAR & SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
CIN : U20221WB1982PTC034886
23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001
Telephone: 033-22482248; Fax: 033-22484787
E-mail: mdpldc@yahoo.com,

Registered Office

14, NETAJI SUBHAS ROAD KOLKATA -700001
Phone: 033-22300771/40351234
E-mail: lakshmiphosphate@gmail.com, Website: www.phosphate.co.in

WORKS

47, Ramkrishna Road, Rishra
Hooghly- 712248 (WB)
Tel: 033-2672 1448/1497
E-mail: phosphaterishra@gmail.com

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Seventy Third Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

(Amount in lakhs Rs.)

Particulars	Stand-alone		Consolidated	
	Current year	Previous year	Current year	Previous year
Gross Sales	126,38	68,08	126,38	68,08
EBIDTA	8,64	7,66	8,69	7,58
Finance Cost	3,35	3,03	3,36	3,03
Depreciation	1,05	1,05	1,05	1,05
Tax Provisions	1,51	1,03	1,54	1,01
Profit after tax	2,72	2,55	2,75	2,49
Other Comprehensive Income	(6)	(13)	(6)	(13)
Total Comprehensive Income	2,66	2,42	2,69	2,36

BUSINESS PERFORMANCE & AFFAIRS

High Raw Material Prices prevailing throughout the year. Higher capacity utilization of the Plant, your Company has achieved an All-time High Gross turnover of Rs. 126 crore during the year compared to Rs. 68 crore achieved in previous year, despite challenging conditions, prevailing due to 2nd wave of Corona Pandemic.

During the year, your company produced 80,019 MT of Green Single Super Phosphate Fertilizer, thus achieving a growth of almost 32% compared to 60,748 MT produced during previous Period.

Your Company sold 79,922 MT of Single Super Phosphate Fertilizer comprising of both Powder & Granulated form during the year, compared to 59,617 MT sold during previous period. Thus, achieving an increase of 34%.

Your Company's Refund claim of Goods & Service Tax amounting to Rs. 145 lakh for the year 2018-19 accumulated on account of Inverted Tax Structure was rejected by the Tax Department. In this matter, Supreme Court has advised GST Council to look into the anomaly in refund calculation. However, as a matter of prudence a provision of the same has been made in the accounts.

Your Company has achieved a higher Earnings before providing for Interest, Depreciation & Tax (EBITDA) Rs. 864 lakh during the year compared to Rs. 766 lakh in the previous year. After providing for Interest, Depreciation, Tax and Other Comprehensive Items, Total Comprehensive, Income during the year stood at Rs.266 lakhs compared to Rs.242 lakhs in previous year.

OUTLOOK

Govt. of India has announced Nutrient Based Subsidy Policy for PHOSPHATE & SULPHUR nutrient as available in Single Super Phosphate Fertiliser. On Sale of Fertiliser to Farmers, a Subsidy of Rs. 7,513 per MT is paid under Direct Benefit Transfer Scheme to Company. Present Rate of Subsidy is valid upto 30-09-2022. In addition Govt. of India has proposed a Freight Subsidy Policy for movement of Single Super Phosphate Fertiliser w.e.f 01-04-2022, modalities of the same are still to be announced.

Availability and prices of Raw Material has become critical due to the onset of Russia-Ukraine war, a prominent region for export Raw Material for Fertilizer. Further due to high prices, working capital requirement has substantially increased. However, your Company is confident of meeting its targets, despite these challenging conditions.

DIVIDEND

To conserve resources due to higher working capital requirements, no dividend is proposed by the Company.

TRANSFER TO GENERAL RESERVES

No amount is proposed to be transferred to the General Reserves.

PUBLIC DEPOSITS

The Company has not accepted any fixed deposits nor does the Company have any outstanding deposits under Section 73 of the Act, read with the Companies (Acceptance of Deposit) Rules, 2014 as on the date of the Balance Sheet.

BUSINESS RISK MANAGEMENT

Pursuant to section 134 (3) (n) of the Companies Act, 2013, the Board of Directors of the company regularly evaluates its associated business risks. It has an elaborate risk management procedure in place and systematic approach to mitigate risk associated with accomplishment of objectives and operations. At present it has not identified any element of risk threatening existence of the company in dealing with agro input products.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Internal Audit Department is responsible for facilitating coordination with the heads of various Departments, with respect to the process of identifying key risks associated with the business, manner of handling risks, adequacy of mitigating factors and recommending corrective action.

STATUTORY AUDITOR & AUDIT REPORT

M/s. S.K.Agrawal and Co Chartered Accountants LLP F.R.No.306033E/E300272, Statutory Auditors of the Company, are retiring at the ensuing Annual General Meeting. The Board of Directors recommends for re-appointment of M/s. S.K.Agrawal and Co Chartered Accountants LLP F.R.No.306033E/E300272 for another term of 5 (five) consecutive years from the conclusion of 74th AGM till the conclusion of 79th AGM of the Company.

The Notes on financial statements referred to in Auditors Report are self-explanatory and do not call for any further comments.

COST AUDITOR & COST AUDIT

Pursuant to the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, your Company is required to have its cost records audited by a Cost Accountant in practice. The Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of M/s. S Gupta & Co., Cost Accountants (F.R.No.000020) as the Cost Auditors of the Company for the Financial Year ending March 31, 2023. Pursuant to Section 148 of the Act, read with Rule 14(a)(ii) of Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration of Cost Auditors is being sought from the Members of the Company at the ensuing AGM. The details of the same are provided in the Notice convening the AGM.

INTERNAL AUDITORS

Your Directors have appointed M/s Batliboi Purohit & Darbari, Chartered Accountants, (F.R.No.303086E), as Internal Auditor for the financial year ending 31st March, 2023.

SECRETARIAL AUDITOR, SECRETARIAL AUDIT REPORT & SECRETARIAL STANDARDS

In compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of CS Ajay Kumar Agarwal, Proprietor of M/s Agarwal A & Associates, Company Secretaries in Whole-time-Practice [C.P. No. 13493 (FCS-7604)], as the Secretarial Auditor of the Company for the Financial Year ending March 31, 2022. The Secretarial Audit Report for the financial year ended March 31, 2022, in Form MR-3, forms an integral part of this report and is annexed as Annexure A & A(i).

The Ministry of Corporate Affairs has mandated SS-1 and SS-2 with respect to board meetings and general meetings respectively. The Company has ensured compliance of the same.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis, comprising details of the overview, industry structure and development of the Company is annexed as Annexure B and forms an integral part of the Director's Report.

DIRECTORS

The Board of Directors of the Company has an optimum combination of executive and non-executive directors, woman director and not less than fifty per cent of the board of directors comprising of non-executive directors.

The Board of Directors of your Company comprises of Shri Binod Kumar Khaitan (DIN00128502) and Shri Hemant Bangur (DIN:00040903) as Non-Independent & Non-Executive Directors, Shri Dilip Pratapsingh Goculdas (DIN:00367409) as Independent Director and Smt. Sonali Sen (DIN:00451839) as Independent as well as Woman Director, and Shri Suresh Kumar Bangur (DIN:00040862) as Executive Director.

RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION

In terms of the provisions of Section 152 of the Act read with Article of the Articles of Association of the Company, Shri Hemant Bangur (DIN:00040903), Director, will retire by rotation at the ensuing AGM and is eligible for re-appointment.

The necessary resolution for re-appointment of Mr. Bangur forms part of the Notice convening the AGM. The Board recommends and seeks your support in confirming re-appointment of Mr. Bangur. The profile and particulars of experience, attributes and functional expertise that qualify him for Board Membership are duly disclosed in the Notice convening the AGM.

RE-APPOINTMENT OF EXECUTIVE DIRECTOR

The tenure of Shri Suresh Kumar Bangur as Executive Director/CEO expires on 11th August 2022. Approval of members is being sought for re-appointment of Shri Bangur as Executive Director/CEO at the ensuing Annual General Meeting. The necessary resolution for re-appointment of Mr. Bangur forms part of the Notice convening the AGM. The Board recommends and seeks your support in confirming re-appointment of Mr. Bangur. The profile and particulars of experience, attributes and functional expertise that qualify him for Board Membership are duly disclosed in the Notice convening the AGM.

DECLARATION BY INDEPENDENT DIRECTOR

The Company has received the necessary declaration from each Independent Director (IDs) in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, as per the confirmations received from the IDs, there has been no change in the circumstances which may affect their status as IDs of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act) of all IDs on the Board.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, IDs of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Board of Directors of the Company met 4 times during the financial year 2021-22. The respective dates of the Board Meetings were 29th June 2021, 14th August 2021, 12th November 2021 and 14th February 2022. Intervening gap between two meetings is within the time limit prescribed under the Companies Act, 2013 and SEBI Regulations.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- 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 are operating effectively.
- f) The directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

BOARD INDUCTION, TRAINING AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Prior to the appointment of an Independent Director, the Company sends him/her a formal invitation along with a detailed note on the profile of the Company, the Board structure and other relevant information. At the time of appointment of the Director, a formal letter of appointment which inter alia explains the role, functions, and responsibilities expected of him/her as a Director of the Company is given. The role, functions, and responsibilities of the Director are also explained in detail and informed about the various compliances required from him/her as a Director under the various provisions of the Companies Act 2013, SEBI Listing Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, the Code of Conduct of the Company and other relevant regulations. A Director, upon appointment, is formally inducted to the Board. In order to familiarise the Independent Directors about the various business drivers, they are updated through presentations at Board Meetings about the performance and financials of the Company. They are also provided presentations about the business and operations of the Company from time to time. The Directors are also updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors.

APPOINTMENT AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of your Company in its Meeting held on 15th May, 2014, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are - Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (other than Managing/ Whole-time Directors), Key-Executives and Senior Management and the Remuneration of Other Employees. The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Annexure -D and forms part of this Report.

AUDIT COMMITTEE

The Audit Committee is duly constituted as per the provisions of the Act, applicable Rules framed there under read with the SEBI Listing Regulations. The primary objective of the Committee is monitoring and supervising the Management's financial reporting process to ensure accurate and timely disclosures with highest levels of transparency, integrity and quality of financial reporting.

The Audit Committee of the Company during the year under review, comprised of 3 (Three) Members, namely Shri Dilip P Goculdas as the Chairman of the Committee, Smt. Sonali Sen and Shri Suresh Kumar Bangur as members of the Committee. Shri Goculdas and Smt. Sen are Independent Directors and Shri Bangur is a Non-Independent Executive Director. The Committee met four times in the financial year 2021-22 respectively on 29th June 2021, 14th August 2021, 12th November 2021 and 14th February 2022. The Board accepted all the recommendations of the Audit Committee during the year.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company has a duly constituted stakeholder's relationship committee. The members are Shri Binod Khaitan (as Chairman), Shri Hemant Bangur and Shri Suresh Kumar Bangur. One meeting of the Committee was held during the year on 14th February 2022.

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of section 134(3)(p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board evaluated its performance and as well as that of its Committees and Individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

KEY MANAGERIAL PERSONNEL

Shri Suresh Kumar Bangur, Executive Director & CEO (DIN:00040862), Shri Ajay Bangur, President & CFO (PAN:ADRPB5699N) and Shri Shankar Banerjee (ACS 45073) Dy. Secretary of the Company are the Key Managerial Personnel of the Company.

SUBSIDIARY COMPANIES

M/s Abhinandan Goods Pvt. Ltd. is a wholly owned subsidiary of your Company. The salient features of the Financial Statement including details of performance and financial position of the Subsidiary Company is presented in the prescribed format in Form AOC-1 as per Annexure-E forming a part of the Director's Report. There is no other company which has become or ceased to be a subsidiary, associate or joint venture during the financial year 2021-22.

The annual financial statements of the subsidiary and related detailed information are kept at the Registered Office of the Company and also at the Registered Office of the subsidiary company and will be available to investors seeking information at any time during business hours.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiary, which forms a part of the Annual Financial Statements, have been prepared in accordance with the provisions of section 129(3) of the Companies Act 2013.

LISTING

The Company Equity Shares are listed at BSE Ltd. (Bombay Stock Exchange Ltd.) with Scrip Code:542123 and at Calcutta Stock Exchange Ltd. with scrip code:26031.

SHARE CAPITAL & RECONCILIATION

There has been no change in the capital structure of the Company during the year under review.

The Equity Share Capital of the Company is Rs.3,60,74,800 divided into 36,07,480 Equity Shares of Rs.10/- each as on the close of the FY 2021-22.

As stipulated by the Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out every quarter. The Report is placed before the Board of Directors and submitted to the Stock Exchanges.

DEMATERIALIZATION OF SHARES

SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 has made transfer of securities compulsorily in dematerialised form of company's share w.e.f. 1st April 2019.

The ISIN of the Company's shares is INE398C01016 and the same can be dematerialised with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on March 31, 2022, 94.94% of the Company's share capital stands dematerialized.

PREVENTION OF INSIDER TRADING

Your Company's Code of Conduct for Prevention of Insider Trading 2015, approved by the Board of Directors, inter alia, prohibits purchase or sale of securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

There was no amount lying unclaimed/ unpaid with the Company for transfer to the Investor Education and Protection Fund pursuant to the provisions of 124(5) of the Companies Act 2013.

INTERNAL CONTROL SYSTEM & ADEQUACY

Your Company has an Internal Control System, commensurate with the size, scale and complexity of operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, management undertakes corrective actions and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee for its information & direction.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Your Company has not entered into any transactions within the purview of Section 186 of the Companies Act 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflicting interest with your company at large. A statement of all Related Party Transactions is placed before the Audit Committee for its review, specifying the nature, value and terms and conditions of the transactions. Details of the transactions with Related Parties are provided in the accompanying financial statements.

Pursuant to the third proviso of Section 188(1) of the Act, the compliance with the provisions of Section 188(1) is not applicable, where all RPTs are carried out in the ordinary course of business and under arm's length policy basis.

Accordingly, the disclosure of RPTs as required under Section 134(3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company for FY 2021- 22. However, the said disclosure is enclosed as Annexure F.

CODE OF CONDUCT

The Code of Conduct, adopted by your Board of Directors, is applicable to Directors, senior management and employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct in relation to the Company's business and reputation. The Code covers commitment to responsibility and sustainable development, concern for occupational health, safety and environment, a gender friendly workplace, transparency and auditability, legal compliance and the philosophy of leading by personal example.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form No. MGT-9 is annexed herewith as Annexure - G. The Annual Return for FY 2021-22 in form No. MGT-7 as per provisions of the Act and Rules thereto, is available at <https://www.phosphate.co.in/investors.html>.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

Your Company has in place a robust vigil mechanism for reporting genuine concerns through the Company's whistle blower policy to deal with fraud or mismanagement, if any. The Policy ensures that strict confidentiality be maintained whilst dealing with concerns and that no discrimination will be meted out to any person for a genuinely raised concern.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the nature of Business of the Company during the reported financial year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY & COVID RESPONSE

The 2nd wave of COVID-19 pandemic had wreaked havoc across the world including India. This caused major disruption of Businesses during 1st quarter of FY 2021-22. The situation has gradually improved and most of the COVID restrictions have been lifted. The Company has carried out its operations in line with the directives of the Government of India from time-to-time. The Company is regularly monitoring the impact of the pandemic on all aspect of its business. However, the management does not see long term risks in the Company's ability to sustain and meeting its liabilities as and when they fall due. However, given the uncertainties associated with the eventual outcome, nature and duration of the pandemic, the impact may be different from that estimated as on the date of signing of this Director's Report.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES

The Company has filed a writ-petition with Honorable High Court at Kolkata challenging the constitutional validity of West Bengal Tax on Entry of Goods into Local Areas Act, 2012. Consequently, Court has granted stay for payment and/or recovery of such Tax. Subsequently, with the amendment in Act, the matter has been transferred to Tribunal where the matter is pending. However, in view of Demand, Company has made full provision of Tax Amount.

No significant material orders passed by the regulators / statutory authorities after the close of the financial year till the date of this Report which affects the financial position of the Company for the reporting period.

CREDIT RATING

The Company's Current Banking Borrowing quantum does not require Credit Rating.

CORPORATE SOCIAL RESPONSIBILITY

Section 135 of the Companies Act 2013 relating to Corporate Social Responsibility Committee and its obligations are not applicable to your Company as it is neither having net worth of Rupees Five Hundred Crore or more, or turnover of Rupees One Thousand Crore or more, nor a net profit of Rupees Five Crore or more during any financial year.

INSURANCE

All the properties of your Company are adequately insured.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AND PARTICULARS OF EMPLOYEES**Energy Conservation**

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation of energy is achieved.
- b) No specific investment has been made towards reduction in energy consumption.

Technology Absorption

Company's products are manufactured by adopting the available contemporary technology. The Company constantly strives for maintaining quality of its products.

Foreign Exchange Earnings & Outgo

Particulars	2021-22	2020-21
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo		
-Purchase of Raw materials	Rs. 41,70,16,092	Rs. 20,07,99,138
-Others	NIL	NIL

Particulars of Employees

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided by way of Annexure H.

CORPORATE GOVERNANCE

In terms of Reg. 15 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 your Company has been exempted from the applicability of corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21, 22, 23, 24, 13[24A,] 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.

SEXUAL HARASSMENT

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. During the year 2021-22, no case of Sexual Harassment was reported.

REPORTING OF FRAUDS:

There have been no instances of fraud reported by the Statutory Auditors under Section 143 of the Act read with relevant Rules framed thereunder either to the Company or to the Central Government.

HUMAN RESOURCES

As on March 31, 2022 your company had 47 permanent employees. The company acknowledges the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company maintained cordial relationship with workers and staff during the year. Particulars of employees required under section 197(12) of the Companies Act 2013 read with Rule 5(1) of Companies (Management and Administration) Rules 2014 is annexed in Annexure H and forms an integral part of this report.

ACKNOWLEDGEMENTS

The Board places on record its appreciation for the sustained co-operation and support bestowed to your Company by customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchanges, depositories, auditors, advisors, consultants, associates, State and Central Government at all levels and all the employees for their helping hand, cooperation and dedicated work. The Board deeply acknowledges the trust and confidence placed on the Company and all its shareholders.

For and on behalf of the Board,

Kolkata,
Dated : 9th August, 2022

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)

Binod Khaitan
Director
(DIN : 00128502)

CAUTIONARY STATEMENT:

Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may vary materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws, economic development of the country and such other factors which are material to the business of the Company.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

FORM No. MR-3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March, 2022

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

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2022

To,
The Members,
THE PHOSPHATE COMPANY LIMITED

14, NETAJI SUBHAS ROAD, KOLKATA-700001

We have been appointed by the Board of Directors of The Phosphate Company Limited (CIN:L24231WB1949PLC017664) (hereinafter called the Company) to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2022.

We have conducted the Secretarial Audit for the compliance of applicable statutory provisions and the adherence to good corporate practices by The Phosphate Company Limited (hereinafter called the Company) having its Registered Office at 14 Netaji Subhas Road, Kolkata-700001, West Bengal. 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 information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed here under 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:

1. We have examined the books, papers, minute books, registers, forms, and returns filed and other records maintained by The Phosphate Company Limited ("the company") for the financial year ended on 31st March, 2022 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 there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - (No such Transactions, hence not applicable to the Company during the Audit Period)
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') or by SEBI, to the extent applicable:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

Clause 6A and 6B of SEBI Circular -CIR/CFD/CMDI/114/2019 dated October 18, 2019- Not Applicable;

2. The following Acts, over and above other laws are specifically applicable to the Company as per the Management Representation Letter issued by the Company of even date:
 - (i) Fertiliser (Control) Order 1985 issued under the Essential Commodities Act, 1955 by the Central Government.
3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which are not applicable to the Company during the financial year under report: -
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018

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

- (i) Secretarial Standards with respect to the board and general meetings issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement entered into by the Company with Calcutta Stock Exchange and BSE Limited.
4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above
 5. We further report that:
 - (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.
 - (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
 - (iii) All decisions at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the laws applicable specifically to the Company.

We further report that there are adequate systems and processes in the company which 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 are no specific events /actions which have a major bearing on the Company's affairs.

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

For **AGARWALA & ASSOCIATES**
Company Secretaries

CS Ajay Kumar Agarwal
Proprietor
C.P.No. : 13493
M.No. : F7604

Peer Review Cer. No. : 1592/2021
UDINNO. : F007604D000754834

Place : Kolkata
Date : 6th August, 2022

To,
The Members,
THE PHOSPHATE COMPANY LIMITED
14, NETAJI SUBHAS ROAD, KOLKATA-700001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and practices, we followed provide are as on able basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
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 are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **AGARWALA & ASSOCIATES**
Company Secretaries

CS Ajay Kumar Agarwal
Proprietor
C.PNo. : 13493
M.No. : F7604

Peer Review Cer. No. : 1592/2021
UDINNO. : F007604D000754834

Place : Kolkata
Date : 6th August, 2022

MANAGEMENT DISCUSSION AND ANALYSIS**Cautionary Statement**

Some of the statements in the report may be forward looking and are stated as required by applicable laws & regulations. Many factors may affect the actual results, which could be different from what the Director envisage in terms of future performance and outlook. The Company's Performance is dependent on several external factors such as performance of monsoon, government policy, fluctuation of prices of raw material and finished products and also their availability and not to say the least, the pandemic situation in the country, which could adversely affect the operations of the Company.

Fertiliser Production & Consumption**India - Fertiliser- Production & Consumption trends - in lakh tons**

	Production			Consumption- PoS		
	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>
Urea	245	246	251	337	350	342
DAP	46	38	42	101	119	93
NPK	87	93	83	99	118	115
SSP	42	49	53	44	45	57
MOP	-	-	-	28	34	25
Total:	420	426	429	609	666	632

Note:-Consumption includes Imports

Industry review:

India is the second largest consumer of Fertilisers in the world. Most of the Finished Fertiliser or Raw Material for producing fertiliser is imported. Due to pandemic, cost of Raw Materials and Transportation keeps on increasing from time.

Government Policy

Government is giving subsidy on sale of Fertiliser to Farmer captured through Point of Sale (PoS) machine installed at Retailers Shop. Government gives a subsidy of Rs.7513 per metric ton calculated as per Nutrient Based Subsidy Scheme as given to the Company under Direct Benefit Transfer Scheme.

Review of the Company

LAKSHMI Brand is the choicest fertiliser of the farmers. Despite pandemic challenges, the Company was able to increase production and sales of SSP fertiliser. The Company could achieve an all time high Turnover of Rs.126 crores during the year.

Opportunities & Risks**Opportunities**

The Agriculture Sector has experienced stable Growth over the years. Amid the Covid-19 disruptions, the Government ensured that the Agriculture activities remained robust. Record procurement under MSP Program, Credit availability to this sector augers well for the company's product.

Risk

General Risks of Operation, Environment, Human Resource etc. as applicable to every business is also applicable to us.

Internal Control Systems and their adequacy:

The Company has proper and adequate system of internal controls commensurate with its size and scale of operation to protect all its assets against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported in conformity with generally accepted accounting principles. Internal Controls are also reviewed by the Internal Auditor.

Disclosure of Accounting Treatment:

The Financial Statements have been prepared as per IND-AS in conformity with the applicable accounting standards with proper explanations justifying the cause of any deviation wherever occurred. The notes to the financial statements read with the auditors reports both stand-alone and consolidated give the necessary disclosure of all the relevant accounting treatments in the financial statements appended with the Director's Report.

Disclosure Pursuant to Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015

A. Related Party Disclosures

Compliance of Accounting Standards:

Sl. No.	In the Accounts of	Particulars	Year-end balance	Maximum amount outstanding during the year.
1	Holding Company	Loans and Advance to Subsidiary Company	Nil	Nil
2	Subsidiary Company	Loans and Advance to Holding Company	Nil	Nil
3	Holding Company	Specified investments	Rs.1024 lacs	Rs.1024 lacs

N.B. There is a due and maximum due of Rs.100 lacs from subsidiary co against sale.

Management Discussion and Analysis

Management discussion and analysis is presented in Annexure B forming a part of the Board's Report.

B. Disclosure of Accounting Treatment

Financial Statements have been prepared in consonance with the applicable Indian Accounting Standards (Ind AS).

C. Disclosures with respect to demat suspense account/ unclaimed suspense account

1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	Nil
2	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	Nil
3	number of shareholders to whom shares were transferred from suspense account during the year;	Nil
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	Nil
5	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	Nil

POLICY FOR SELECTION & APPOINTMENT OF DIRECTORS & THEIR REMUNERATION

The Nomination and Remuneration Committee (the Committee) has adopted a policy which, inter alia, deals with the manner of selection of Board of Directors, CEO and Managing Director and their remuneration.

Criteria of selection of Non-Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management. In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the degree of independence of the Directors in relation to the Company so as to enable the Board to discharge its function and duties effectively. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, and reimbursement of expenses for participation in the Board and Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board and Committees attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

CEO & Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the prospective incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (the Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013. The remuneration shall be subject to the approval/ratification of the Members of the Company in General Meeting. The remuneration of the CEO & Managing Director comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits.

Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the Committee for its review and approval.

FORM NO. AOC - 1

(Pursuant to first provision to Sub-Section(3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries as on 31-03-2022

Part "A": Subsidiaries

(Rs. in Lacs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Abhinandan Goods Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting period as that of Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupee
4	Share capital	24.00
5	Reserves & Surplus	(1.94)
6	Total Assets	1122.35
7	Total Liabilities	1100.29
8	Investments	Nil
9	Profit (Loss) before Taxation	5.16
10	Provision for Taxation (Income Tax + Deferred Tax)	2.09
11	Profit (Loss) after Taxation	3.07
12	Proposed dividend	Nil
13	% of shareholding	100
14	Date of acquisition of the subsidiary company	26-03-2016

Notes:

1. Name of subsidiaries which are yet to commence operations : Nil
2. Names of subsidiaries which have been liquidated or sold during the year : Nil

Since there are no Associate Company or Joint Venture, the Part B is not applicable

On behalf of the Board of Directors
For **The Phosphate Co. Ltd.**

Kolkata
Dated : 9th August, 2022

(Suresh Kumar Bangur)
Executive Director
DIN:00040862

(Binod Khaitan)
Director
DIN:0012850

Annexure - F

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 arm's length transaction under third proviso thereto.

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

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

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

Name of the related party	Nature of Contract	Duration of Contract	Salient terms	Date of Board Approval
Shri Suresh Kumar Bangur	Executive Director	Contractual 1 Year	Salary/Contribution to PF etc/ Perquisites	08-08-18
Shri Ajay Bangur	Chief Financial Officer	Non Contractual	Salary/Contribution to PF etc/Perquisites	15-05-14
Shri Shankar Banerjee	Company Secretary	Non-Contractual	Salary/Contribution to PF etc/Perquisites	10-08-16
Adelina Investments Pvt. Ltd.	Rs. 55.00 lacs	Payable on demand	ICD @ 12%	29-06-21
Kherapati Vanijya Ltd.	Rs. 200.00 lacs	Payable on demand	ICD @ 12%	29-06-21
Art Finance & Trade Pvt. Ltd.	Rs. 225.00 lacs	Payable on demand	ICD @ 12%	29-06-21
Devendra Finvest & Holding Pvt Ltd	Rs. 250.00 lacs	Payable on demand	ICD @ 12%	29-06-21
Kanchan Udyog Ltd	Rs. 273.00 lacs	Payable on demand	ICD @ 12%	29-06-21
Max worth Industrial Services Ltd.	Rs. 10.00 lacs	Payable on demand	ICD @ 12%	29-06-21
Max worth Industrial Services Ltd.	Rs. 5.00 lacs	Payable on demand	ICD @ 12%	14-08-21
Devendra Finvest & Holding Pvt Ltd	Rs. 35.00 lacs	Payable on demand	ICD @ 12%	14-08-21
Adelina Investments Pvt. Ltd.	Rs. 4.00 lacs	Payable on demand	ICD @ 12%	12-11-21
Maxworth Industrial Services Ltd	Rs. 30.00 lacs	Payable on demand	ICD @ 12%	12-11-21
Art Finance & Trade Pvt. Ltd.	Rs. 26.00 lacs	Payable on demand	ICD @ 12%	12-11-21
Kanchan Udyog Ltd	Rs. 84.00 lacs	Payable on demand	ICD @ 12%	12-11-21
Devendra Finvest & Holding Pvt Ltd	Rs. 124.00 lacs	Payable on demand	ICD @ 12%	12-11-21
Credwyn Holdings India Pvt Ltd	Rs. 300.00 lacs	Payable on demand	ICD @ 12%	12-11-21
Devendra Finvest & Holding Pvt Ltd	Rs. 10.00 lacs	Payable on demand	ICD @ 12%	14-02-22
Maxworth Industrial Services Ltd	Rs. 60.00 lacs	Payable on demand	ICD @ 12%	14-02-22
Maxworth Industrial Services Ltd	Rs. 10.00 lacs	Payable on demand	ICD @ 12%	18-05-22
Devendra Finvest & Holding Pvt Ltd	Rs. 15.00 lacs	Payable on demand	ICD @ 12%	18-05-22
No advance has been made to any related party whatsoever.				

On behalf of the Board of Directors
For The Phosphate Co. Ltd.

Kolkata
Dated : 9th August, 2022

(Suresh Kumar Bangur)
Executive Director
DIN:00040862

(Binod Khaitan)
Director
DIN:0012850

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31-03-2022

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L24231WB1949PLC017664
2.	Registration Date	25.02.1949
3.	Name of the Company	The Phosphate Company Limited
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	14, Netaji Subhas Road, 3rd Floor, Kolkata-700001 Phone : 033-2230 0771, E-mail : laxmiphosphate@gmail.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt. Ltd. 23, R. N. Mukherjee Road, 5th Floor Kolkata - 700 001 Phone : 033-2248 2248, Fax : 033-2248 4787 E-mail : mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Single Super Phosphate	3462101	99
2	Others		1

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and address of company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Application section
1	M/s. Abhinandan Goods Pvt. Ltd.	U24100WB2009PTC133717	Subsidiary	100	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 21]				No. of Shares held at the end of the year [As on 31st March 2022]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
a) Individual/ HUF	1299666	26900	1326566	36.7727	1309666	16900	1326566	36.7727	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	1159230		1159230	32.1341	1159230		1159230	32.1341	0.0000
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	2458896	26900	2485796	68.9068	2468896	16900	2485796	68.9068	0.0000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)									
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2458896	26900	2485796	68.9068	2468896	16900	2485796	68.9068	0.0000
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	1190	3110	4300	0.1192	1190	3110	4300	0.1192	0.0000
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	329189		329189	9.1252	284619		284619	7.8897	-1.2355
g) FII's									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds/ Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	330379	3110	333489	9.2444	285809	3110	288919	8.0089	-1.2355

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 21]				No. of Shares held at the end of the year [As on 31st March 2022]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	159791	8190	167981	4.6565	158555	8190	166745	4.6222	-0.0343
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	176060	155322	331382	9.1860	185002	153932	338934	9.3953	0.2093
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	285220		285220	7.9064	272776		272776	7.5614	-0.3450
c) Others (Specify)									
Non Resident Indians	2567	560	3127	0.0867	2602	560	3162	0.0877	0.0010
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	485		485	0.0134	2431		2431	0.0674	0.0540
Trusts									
Foreign Bodies-DR									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Resident Individual (HUF)					48717		48717	1.3504	1.3504
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	624123	164072	788195	21.8490	670083	162682	832765	23.0844	1.2354
Total Public Shareholding (B)= (B)(1)+(B)(2)	954502	167182	1121684	31.0934	955892	165792	1121684	31.0933	-0.0001
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3413398	194082	3607480	100.0000	3424788	182692	3607480	100.0000	0.0000

i. Shareholding/ Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As 01/Apr/2021]			Shareholding at the beginning of the year [As 01/Apr/2022]			% change in shareholding 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	MADHAV TRADING CORPORATION LIMITED	374880	10.3917	0.0000	374880	10.3917	0.0000	0.0000
2	SHRIVATS KHAITAN	231000	6.4034	0.0000	231000	6.4034	0.0000	0.0000
3	CREDWYN HOLDINGS INDIA	175000	4.8510	0.0000	175000	4.8510	0.0000	0.0000
4	GLOSTER LIMITED	170000	4.7124	0.0000	170000	4.7124	0.0000	0.0000
5	NIKATE KHAITAN (HUF)	164740	4.5666	0.0000	164740	4.5666	0.0000	0.0000
6	CHANDRAKALA KHAITAN	148280	4.1104	0.0000	148280	4.1104	0.0000	0.0000
7	JOONKTOLLEE TEA AND INDUSTRIES LTD.	138680	3.8442	0.0000	138680	3.8442	0.0000	0.0000
8	NIKATE KHAITAN	105600	2.9273	0.0000	105600	2.9273	0.0000	0.0000
9	RAJ PACKWELL LIMITED	100000	2.7720	0.0000	100000	2.7720	0.0000	0.0000
10	AMVI TRADECOM PRIVATE LIMITED	100000	2.7720	0.0000	100000	2.7720	0.0000	0.0000
11	SURESH KUMAR BANGUR	43000	1.1920	0.0000	99100	2.7471	0.0000	1.5551
12	WIND POWER VINIMAY PVT. LTD.	87840	2.4349	0.0000	87840	2.4349	0.0000	0.0000
13	BINOD KUMAR KHAITAN	82400	2.2841	0.0000	82400	2.2841	0.0000	0.0000
14	BINA BANGUR	70900	1.9654	0.0000	70900	1.9654	0.0000	0.0000
15	RAJENDRA KUMAR BANGUR	56900	1.5773	0.0000	56900	1.5773	0.0000	0.0000
16	SAKATE KHAITAN	64760	1.7952	0.0000	54760	1.5180	0.0000	-0.2772
17	GITA BANGUR	46200	1.2807	0.0000	46200	1.2807	0.0000	0.0000
18	LUXMI DEVI	4000	0.1109	0.0000	38044	1.0546	0.0000	0.9437
19	VIJAY KUMAR BANGUR	29400	0.8150	0.0000	29400	0.8150	0.0000	0.0000
20	RAMESH KUMAR BANGUR	27206	0.7542	0.0000	27206	0.7542	0.0000	0.0000
21	SURESH KUMAR BANGUR	60860	1.6871	0.0000	26816	0.7433	0.0000	-0.9438
22	PRADYUMNA BANGUR	26580	0.7368	0.0000	26580	0.7368	0.0000	0.0000
23	SUDARSHAN BANGUR	26300	0.7290	0.0000	26300	0.7290	0.0000	0.0000
24	MADAN GOPAL BANGUR	79500	2.2038	0.0000	23400	0.6487	0.0000	-1.5551
25	ANIRUDH BANGUR	15100	0.4186	0.0000	15100	0.4186	0.0000	0.0000
26	USHA KIRAN BANGUR	13380	0.3709	0.0000	13380	0.3709	0.0000	0.0000
27	SHRIMANGALA KHAITAN	0	0.0000	0.0000	10000	0.2772	0.0000	0.2772
28	THE ORIENTAL COMPANY LIMITED	9610	0.2664	0.0000	9610	0.2664	0.0000	0.0000
29	AJAY BANGUR	7800	0.2162	0.0000	7800	0.2162	0.0000	0.0000
30	SHREE PRAKASH BANGUR	5400	0.1497	0.0000	5400	0.1497	0.0000	0.0000
31	BIMALA DEVI	5400	0.1497	0.0000	5400	0.1497	0.0000	0.0000
32	MILAN BANGUR	4000	0.1109	0.0000	4000	0.1109	0.0000	0.0000
33	RAMESH KUMAR BANGUR	4000	0.1109	0.0000	4000	0.1109	0.0000	0.0000
34	BANGUR TRAFIN PVT. LTD.	3000	0.0832	0.0000	3000	0.0832	0.0000	0.0000
35	SURESH KUMAR BANGUR HUF	2000	0.0554	0.0000	2000	0.0554	0.0000	0.0000
36	SUSHMA BANGUR	840	0.0233	0.0000	840	0.0233	0.0000	0.0000
37	VEENA BANGUR	520	0.0144	0.0000	520	0.0144	0.0000	0.0000
38	MURLI DHAR KHAITAN	300	0.0083	0.0000	300	0.0083	0.0000	0.0000
39	DEVENDRA FINVEST AND HOLDING PVT LTD	220	0.0061	0.0000	220	0.0061	0.0000	0.0000
40	HEMANT BANGUR	200	0.0055	0.0000	200	0.0055	0.0000	0.0000
	TOTAL	2485796	68.9068	0.0000	2485796	68.9068	0.0000	0.0000

ii. Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the company
	At the beginning of the year	2485796	68.9068	2485796	68.9068
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer/ bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	2485796	68.9068	2485796	68.9068

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

Sl. No.	Name	Shareholding at the beginning [01/Apr/21] / end of the year [31/Mar/2022]		Cumulative Shareholding during the year [01/Apr/21] / to 31/Mar/2022]		PAN
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1	HANUMAN SHARE & STOCK BROKERS LIMITED					AAACH4755Q
	01-04-2021	27010	0.7487			
	31-03-2022			27010	0.7487	
2	HINDUSTHAN UDYOG LIMITED *					AAACH6606G
	01-04-2021	26400	0.7318			
	31-03-2022			26400	0.7318	
3	LICI ASM NON PAR					AAACL0582H
	01-04-2021	188180	5.2164			
	07/05/2021 - Transfer	-215	0.0060	187965	5.2104	
	14/05/2021 - Transfer	-175	0.0049	187790	5.2056	
	21/05/2021 - Transfer	-5000	0.1386	182790	5.0670	
	16/07/2021 - Transfer	-5000	0.1386	177790	4.9284	
	23/07/2021 - Transfer	-5	0.0001	177785	4.9282	
	30/07/2021 - Transfer	-70	0.0019	177715	4.9263	
	31-03-2022			177715	4.9263	
4	NATIONAL INSURANCE COMPANY LTD					AAACN9967E
	01-04-2021	60498	1.6770			
	10/09/2021 - Transfer	-8046	0.2230	52452	1.4540	
	08/10/2021 - Transfer	-75	0.0021	52377	1.4519	
	31-03-2022			52377	1.4519	
5	RAMESH CHANDRA TAPURIAH #					ABKPT4204C
	01-04-2021	55000	1.5246			
	14/05/2021 - Transfer	200	0.0055	55200	1.5302	
	13/08/2021 - Transfer	6000	0.1663	61200	1.6965	
	20/08/2021 - Transfer	2500	0.0693	63700	1.7658	

	27/08/2021 - Transfer	10000	0.2772	73700	2.0430	
	03/09/2021 - Transfer	5000	0.1386	78700	2.1816	
	10/09/2021 - Transfer	658	0.0182	79358	2.1998	
	17/09/2021 - Transfer	557	0.0154	79915	2.2153	
	30/09/2021 - Transfer	285	0.0079	80200	2.2232	
	12/11/2021 - Transfer	-80000	2.2176	200	0.0055	
	10/12/2021 - Transfer	3000	0.0832	3200	0.0887	
	24/12/2021 - Transfer	3000	0.0832	6200	0.1719	
	21/01/2022 - Transfer	2500	0.0693	8700	0.2412	
	18/02/2022 - Transfer	2500	0.0693	11200	0.3105	
	04/03/2022 - Transfer	2000	0.0554	13200	0.3659	
	25/03/2022 - Transfer	4000	0.1109	17200	0.4768	
	31-03-2022			17200	0.4768	
6	RAMESH TAPURIA(HUF) *					AADHR1497P
	01-04-2021	0	0.0000			
	12/11/2021 - Transfer	55000	1.5246	55000	1.5246	
	10/12/2021 - Transfer	-2925	0.0811	52075	1.4435	
	17/12/2021 - Transfer	-3000	0.0832	49075	1.3604	
	14/01/2022 - Transfer	-2500	0.0693	46575	1.2911	
	11/02/2022 - Transfer	-2500	0.0693	44075	1.2218	
	25/02/2022 - Transfer	-2000	0.0554	42075	1.1663	
	31-03-2022			42075	1.1663	
7	SANGAMMERCHANTS PVT.LTD.					AAGCS5305M
	01-04-2021	35000	0.9702			
	31-03-2022			35000	0.9702	
8	S R TIE UP PRIVATE LIMITED					AAMCS8164N
	01-04-2021	45000	1.2474			
	31-03-2022			45000	1.2474	
9	SHRISH TAPURIAH #					ABVPT1206F
	01-04-2021	50000	1.3860			
	06/08/2021 - Transfer	-2300	0.0638	47700	1.3223	
	13/08/2021 - Transfer	-5814	0.1612	41886	1.1611	
	20/08/2021 - Transfer	-2500	0.0693	39386	1.0918	
	27/08/2021 - Transfer	-12500	0.3465	26886	0.7453	
	03/09/2021 - Transfer	-1500	0.0416	25386	0.7037	
	30/09/2021 - Transfer	-285	0.0079	25101	0.6958	
	18/03/2022 - Transfer	-20	0.0006	25081	0.6952	
	25/03/2022 - Transfer	-220	0.0061	24861	0.6892	
	31/03/2022 - Transfer	-2000	0.0554	22861	0.6337	
10	SHRI SUDERSHAN PRASAD BAGARIA					ADFPB4376A
	01-04-2021	100000	2.7720			
	31-03-2022			100000	2.7720	
11	SHRIPRIYA DHELIA					AFOPK9181P
	01-04-2021	55000	1.5246			
	12/11/2021 - Transfer	25000	0.6930	80000	2.2176	
	31-03-2022			80000	2.2176	

12	THE NEW INDIA ASSURANCE COMPANY LIMITED					AAACN4165C
	01-04-2021	80511	2.2318			
	09/04/2021 - Transfer	-3100	0.0859	77411	2.1458	
	21/05/2021 - Transfer	-2000	0.0554	75411	2.0904	
	25/06/2021 - Transfer	-500	0.0139	74911	2.0765	
	16/07/2021 - Transfer	-7150	0.1982	67761	1.8783	
	23/07/2021 - Transfer	-643	0.0178	67118	1.8605	
	30/07/2021 - Transfer	-1153	0.0320	65965	1.8286	
	13/08/2021 - Transfer	-6068	0.1682	59897	1.6604	
	20/08/2021 - Transfer	-3932	0.1090	55965	1.5514	
	26/11/2021 - Transfer	-615	0.0170	55350	1.5343	
	14/01/2022 - Transfer	-823	0.0228	54527	1.5115	
	31-03-2022			54527	1.5115	

*Not in the list of Top 10 shareholders as on 01/04/2021 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2022.

Ceased to be in the list of Top 10 shareholders as on 31/03/2022. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2021.

Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning [01/Apr/21] / end of the year [31/Mar/2022]		Cumulative Shareholding during the year [01/Apr/21] / to 31/Mar/2022]		PAN
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1	BINOD KUMAR KHAITAN					AFZPK1039B
	01-04-2021	82400	2.2841			
	31-03-2022			82400	2.2841	
2	HEMANT BANGUR					ADEPB7059D
	01-04-2021	200	0.0055			
	31-03-2022			200	0.0055	
3	SURESH KUMAR BANGUR @					AABTS5223Q
	01-04-2021	43000	1.1920			
	03/12/2021 - Transfer	56100	1.5551	99100	2.7471	
	31-03-2022			99100	2.7471	
4	SURESH KUMAR BANGUR #					AAGHS4671B
	01-04-2021	2000	0.0554			
	31-03-2022			2000	0.0554	
5	SURESH KUMAR BANGUR *					ADFPB4379R
	01-04-2021	60860	1.6871			
	25/03/2022 - Transfer	-34044	0.9437	26816	0.7433	
	31-03-2022			26816	0.7433	
6	AJAY BANGUR					ADRPB5699N
	01-04-2021	7800	0.2162			
	31-03-2022			7800	0.2162	

Smt. Sonali Sen, Shri Dilip P Goculdas and Shri Shankar Banerjee does not hold any shares of the Company.

@ as Trustee, # as Karta of HUF, * in personal capacity

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				
Indebtedness at the beginning of the financial year				
i) Principal Amount	Rs.1555.92	Rs. 106.70	Nil	Rs. 1662.62
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Rs. 3.66	Nil	Nil	Rs. 3.66
Total(i+ii+iii)	Rs.1559.58	Rs.106.70	Nil	Rs.1666.28
Change in Indebtedness during the financial year				
- Addition	Rs. 21302.51 lacs	Rs. 2452.26 lacs	Nil	Rs. 23754.77 lacs
- Reduction	Rs. 21886.85 lacs	Rs. 1968.52 lacs	Nil	Rs. 23855.37 lacs
Net Change	Rs.(584.34)lacs	Rs.483.75 lacs	Nil	(Rs.100.59) lacs
Indebtedness at the end of the financial year				
i) Principal Amount	Rs. 972.25 lacs	Rs. 590.45 lacs	Nil	Rs. 1562.70 lacs
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Rs. 2.99 lacs	Nil	Nil	Rs. 2.99 lacs
Total (i+ii+iii)	Rs. 975.24 lacs	Rs. 590.45 lacs	Nil	Rs. 1565.69 lacs

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :-

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

Sl. No.	Particulars of Remuneration	Name	Total Amount
1	Gross salary	Mr. Suresh Kumar Bangur	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		Rs. 40,96,350/-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961		Rs. 10,44,370/-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961		Nil
2	Stock Option		Nil
3	Sweat Equity		Nil
4	Commission - as % of profit - others, specify...		Nil Nil
5	Others, please specify		Nil
6.	Total (A)		Rs. 51,40,720/-

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Shri D. P. Goculdas	Smt. Sonali Sen	
1	Independent Directors			
	Fee for attending board, committee meetings	Rs. 1,20,000/-	Rs. 1,20,000/-	Rs. 2,40,000/-
	- Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (1)	Rs. 1,20,000/-	Rs. 1,20,000/-	Rs. 2,40,000/-
2	Other Non-Executive Directors	Shri Binod Khaitan	Shri Hemant Bangur	
	Fee for attending Board meetings	Rs. 90,000/-	Rs. 60,000/-	Rs. 1,50,000/-
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (2)	Rs. 90,000/-	Rs. 60,000/-	Rs. 1,50,000/-
	Total (B)=(1+2)			Rs. 3,90,000/-
	Total Managerial Remuneration			Rs. 55,30,720/-
	Otherall Ceiling as per the Act.			Rs. 84,00,000/-

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 7,94,233/-	Rs. 40,96,350/-	Rs. 48,90,583/-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	Rs. 2,28,093/-	Rs. 10,54,341/-	Rs. 12,82,434/-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission			
	- as % of profit	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
6	Total	Rs. 10,22,326/-	Rs. 51,50,691/-	Rs. 61,73,017/-

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

On behalf of the Board of Directors
For **The Phosphate Co. Ltd.**

Kolkata
Dated : 9th August, 2022

(Suresh Kumar Bangur)
Executive Director
DIN:00040862

(Binod Khaitan)
Director
DIN:00128502

Annexure - II

[Pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2021-22 are given below:

Non-Executive Directors	Ratio to Median	Percentage Increase in Remuneration*
A) Independent		
i) Shri Dilip P Goculdas	0.31	(7.69%)
ii) Smt. Sonali Sen	0.31	(7.69%)
B) Non Independent		
i) Shri Binod Khaitan	0.23	0.00%
ii) Shri Hemant Bangur	0.16	(40.00%)
C) Whole-time Director		
i) Shri Suresh Kumar Bangur	13.33	10.21%

Remarks:

* Rate of Remuneration has not changed in the current year compared to last year. However, remuneration to Directors is based on their attendance at meetings.

- The percentage increase in remuneration of the Chief Financial Officer is 10.21% and of the Company Secretary is 13.42%.
- The percentage increase/(decrease) in the median remuneration of employees in the financial year is 5.33%.
- The number of permanent employees on the rolls of the Company as on 31/03/2022 is 47 against 38 as on 31/03/2021.
- The percentage increase/(decrease) in the Average salaries of employees, other than managerial personnel, in the last financial year is 4.34% as against an increase/(decrease) of 10.50% in the Average salary of the managerial personnel as defined under the Act. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against a comparable basket of relevant companies in India.
- It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
- The information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 needs to be provided in the Annexure forming part of the Report. In terms of the 1st proviso to Section 136 of the Act, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.
- There was no woman in the employment of the Company during the financial year 2021-22.

On behalf of the Board of Directors
For **The Phosphate Co. Ltd.**

Kolkata
Dated : 9th August, 2022

(Suresh Kumar Bangur)
Executive Director
DIN:00040862

(Binod Khaitan)
Director
DIN:00128502

INDEPENDENT AUDITOR'S REPORT

To
The Members of
The Phosphate Company Limited

Report on the audit of standalone Ind AS financial statements**Opinion**

We have audited the standalone Ind AS financial statements of **The Phosphate Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of profit and loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income,(changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act,2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act,2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matters	How our audit addressed the key audit matter
<p>Revenue from Sale of Goods</p> <p>The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(b) and as reflected in note 26 of the Ind AS Standalone financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates / incentives.</p> <p>The Company has various incentive schemes for its distributors which are based on volume of sales achieved during the stipulated period. The estimate of sales likely to be achieved by each distributor requires judgment.</p>	<p>Our audit procedure includes the following:</p> <ul style="list-style-type: none"> • Considered the adequacy of the company's revenue recognition policy and its compliance in terms of Ind AS 115 "Revenue from contracts with customers" • Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition. • Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115.

<p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. • Selected Samples of rebates and discounts during the year, compared them with the supporting documents and perform recalculation of those variable considerations as per scheme documents. <p>Assessed the relevant disclosure made in the standalone Ind AS financial statement.</p>
---	--

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report thereon

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

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that gives a true and fair view of the financial position, financial performance, Changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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 operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 35 of the standalone Ind AS financial statements).
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring the amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared and paid dividend during the year.

For **SKAGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

UDIN:22068851AJKFJX1851

Place : Kolkata

Date : May 18, 2022

THE INDEPENDENT AUDITOR'S REPORT

Annexure A - Referred to in Paragraph under "Report on Other Legal and Regulatory Requirements" of our Report of even date

In terms of the information and explanations sought by us and given by The Phosphate Company Limited ("the Company") and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) A The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
B. The Company does not have any intangible asset and hence reporting under clause 3(i)(a)(2) is not applicable.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification of all the Property, Plant and Equipment over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on Property, plant and equipment to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification is commensurate with the size of the Company and no discrepancies of 10% or more in aggregate for each class of inventory were noticed by the Company.
- (b) As disclosed in Note 39 of the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The Company is required to file Financial Follow-up Report I at the end of each quarter which contains profitability statement and Financial Follow-up Report II at each half-year end which contains statement of assets and liabilities. Based on the records examined by us in the normal course of audit of the financial statements, the statements filed by the Company at the end of each half year end with such banks are in agreement with the books of accounts of the Company.
- iii. The Company has not granted any loans, or advance un nature of loan, stood guarantee, or provided security to any other entity. Accordingly, paragraph 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits under the provisions of Sections 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost record under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
 - (b) There are no dues of income tax, duty of customs, service tax, sales tax, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute. Accordingly, the requirement to report on Clause 3(vii)(b) of the order is not applicable to the Company.

Accordingly, the readiurement to report on clause 3(vii)(b) of the order is not applicable to the company

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
 (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 (c) The term loans were applied for the purpose for which they were raised.
 (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 (e) On an overall examination of the financial statements of the Company, the Company has not raised any money from any person or entity on account of or to pay the obligations of its subsidiary.
 (f) The Company has not raised any loans during the year by pledging securities held in their subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
 (b) According to the information and explanations given by the management, during the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of The Companies (Audit and Auditor) Rules, 2014 with the Central Government.
 (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the internal audit system of the Company is commensurate with the size and nature of its business.
 (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. According to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
 (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
 (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
 (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable.

- xvii. The Company has not incurred cash losses during the financial year under audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company does not fulfill any of the 3 eligibility conditions of Corporate Social Responsibility as mentioned in the section 135 of The Companies Act, 2013. Since the Company is exempt from Corporate Social Responsibility reporting under clause 3(xx)(a) and 3(xx)(b) is not applicable.

For **SKAGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

UDIN:22068851AJKFJX1851

Place : Kolkata

Date : May 18, 2022

ANNEXURE `B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **The Phosphate Company Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 **SKAGRAWAL AND CO CHARTERED ACCOUNTANTS LLP**

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

UDIN:22068851AJKFJX1851

Place : Kolkata

Date : May 18, 2022

Balance Sheet as at 31st March, 2022

(Rs. in Lacs)

ASSETS	Notes	As at 31.03.2022	As at 31.03.2021
ASSETS			
I. Non-current assets			
a) Property, Plant and Equipment	3	70,94.56	71,58.89
b) Capital work-in-progress	3	-	7.58
c) Financial Assets			
i) Investments	4	10,24.32	10,24.32
ii) Other Financial assets	5	45.90	45.85
d) Deferred Tax assets (Net)	6	42.51	-
		82,07.29	82,36.64
II. Current assets			
a) Inventories	7	12,83.50	11,64.99
b) Financial Assets			
i) Investments	8	2,25.03	26.17
ii) Trade receivables	9	1,39.56	7,06.98
iii) Cash and cash equivalents	10	4.81	4.05
iv) Other Bank Balances	11	2,01.03	74.19
v) Loans	12	1,00.23	1,00.11
vi) Other Financial Assets	13	24.74	22.57
c) Other Current Assets	14	10,03.30	4,94.06
		29,82.20	25,93.12
Total Assets		111,89.48	108,29.75
EQUITY AND LIABILITIES			
A. Equity			
a) Equity Share Capital	15	3,60.75	3,60.75
b) Other Equity	16	74,55.70	71,89.71
		78,16.45	75,50.46
B. Liabilities			
I. Non-current liabilities			
a) Financial Liabilities			
i) Borrowings	17	10,72.97	3,60.74
ii) Other Financial liabilities	18	1,09.90	1,09.85
b) Provisions	19	44.83	37.42
c) Deferred tax Liabilities (Net)	6	-	10.91
		12,27.69	5,18.92
II. Current liabilities			
a) Financial Liabilities			
i) Borrowings	20	4,00.28	12,12.17
ii) Trade payables	21	9,91.30	9,40.43
a) total outstanding dues of micro and small enterprises; and	21	0.62	3.17
b) total outstanding dues of creditors other than micro and small enterprises	21	9,90.68	9,37.26
iii) Other financial liabilities	22	29.30	13.87
b) Other current liabilities	23	6,02.49	4,94.73
c) Provisions	24	39.22	35.75
d) Current Tax Liabilities (Net)	25	82.75	63.41
		21,45.34	27,60.37
Total Equity and Liabilities		111,89.48	108,29.75
Significant Accounting Policies			
The accompanying notes form an integral part of the Financial Statements			

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP

Chartered Accountants7

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Profit and Loss for the year ended 31st March, 2022

(Rs. in Lacs)

PARTICULARS	Notes	For the Year ended 31.03.2022	For the Year ended 31.03.2021
I Income			
Revenue from operations	26	116,56.99	61,21.03
Other Income	27	17.21	14.11
Total Income		116,74.20	61,35.14
II Expenses			
Cost of Materials Consumed	28	82,08.62	31,79.05
Purchase of Trading Goods		-	12.67
(Increase)/Decrease in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(1,30.96)	(48.17)
Employee benefit expenses	30	3,96.32	3,40.20
Other expenses	31	23,36.71	18,85.02
Total expenses		10,810.69	5,368.77
III Earning before Interest, Depreciation and Tax (EBIDTA)		8,63.51	7,66.37
Finance costs	32	3,35.10	3,02.85
Depreciation and amortisation expense	3	1,04.67	1,05.37
IV Profit before tax		4,23.75	3,58.15
V Tax expense:	33		
(1) Current tax		1,55.61	60.00
(2) (Excess)/Short Provision for Earlier Years		49.24	-
(3) Mat Credit Adjusted		14.71	52.78
(4) Deferred tax		(68.13)	(9.48)
Total Tax Expenses		1,51.43	1,03.30
VI Profit for the Year (IV-V)		2,72.32	2,54.85
VII Other Comprehensive Income			
Items that will not be classified to statement of Profit or Loss			
Remeasurements of the defined benefit liabilities		(6.33)	(12.57)
Total Comprehensive Income for the Year		265.99	242.28
Earnings per equity share			
Basic & Diluted	34	7.55	7.06
Cash		8.97	11.19

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 18, 2022

For and on behalf of the Board of Directors**Suresh Kumar Bangur**

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Cash Flow Statement for the Year ended 31st March, 2022

CIN : L15421WB1980PLC032970

(Rs. in Lacs)

PARTICULARS	For the Year ended 31.03.2022	For the Year ended 31.03.2021
A. Cash Flow from Operating Activities		
Net Profit before Tax	4,23.75	3,58.15
Add: Adjustments for Non Cash & Non Operating Items		
Interest Received	(12.93)	(7.51)
Interest Paid	2,61.60	2,53.42
Depreciation of Property plant & Equipment	1,04.67	1,05.37
Freight Subsidy Claims Written Off	-	61.23
Profit on Redemption of Mutual Fund	(3.79)	(3.21)
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	0.13	0.58
Profit on Sale of property,plant and equipment	(0.55)	(3.92)
Operating Profit before Working Capital Changes	7,72.89	7,64.12
Add: Increase /Decrease in Working Capital		
Increase/(Decrease) in Current Liabilities	1,74.06	21.08
(Increase)/Decrease in Non-Current/Current Financial and other Assets	(6,36.14)	(52.26)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	7.41	6.61
Increase/ (Decrease) in Provision	(2.87)	(16.68)
(Increase)/Decrease in Inventories	(1,18.52)	(7.73)
(Increase)/ Decrease Trade & Other Receivables	5,65.13	8,54.51
Cash generated from Operation	(10.92)	8,05.53
Less: Direct Tax Paid (net of refunds)	(1,85.52)	(29.50)
Net Cash flow from/ (used in) operating Activities	5,76.45	15,40.14
B. Cash Flow from Investing Activities		
Purchase of Property,Plant & Equipment	(33.06)	(11.94)
Proceeds from Sale of Property,Plant & Equipment	0.86	13.19
Interest Received	12.93	7.51
Proceeds from Sale of Mutual Fund	19,99.06	7,87.99
Purchase of Mutual Fund	(21,94.26)	(7,85.98)
Investment in Shares	-	(10,00.00)
Net Cash used in Investing Activities	(2,14.48)	(9,89.23)
C. Cash Flow from Financing Activities		
(Repayment of) / Proceeds from Long Term Borrowings (Net)	7,12.27	(10,83.95)
(Repayment of) / Proceeds from Short Term Borrowings (Net)	(8,11.89)	7,06.65
Less: Interest Paid	(2,61.60)	(2,53.42)
Net Cash used in Financing Activities	(3,61.22)	(630.71)
Net Changes in Cash & Cash Equivalents (A+B+C)	0.75	(79.80)
Cash & Cash Equivalents-Opening Balance	4.05	83.86
Cash & Cash Equivalents-Closing Balance#	4.81	4.05
Cash and cash equivalents consists		
Balances with Bank	0.02	0.42
Cash on Hand	4.79	3.63
Cash and cash equivalents as at year end	4.81	4.05

Fixed deposit having original maturity of over 3 months not included.

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Changes in Equity for the year ended 31.03.2022

A) EQUITY SHARE CAPITAL

(Rs. in Lacs)

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up	
Balance as at 1 April, 2020	3,60.75
Changes in Equity Share Capital during the year 2020-21	-
Balance as at 31 March, 2021	3,60.75
Changes in Equity Share Capital during the year 2021-22	-
Balance as at 31 March, 2022	3,60.75

B) OTHER EQUITY

(Rs. in Lakhs)

Particulars	Reserves & Surplus			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April, 2020	2,62.50	64,90.34	1,94.59	69,47.43
Profit for the year			2,54.85	2,54.85
Amount Transferred to General Reserve			-	-
Remeasurements of Net Defined Benefit Plans			(12.57)	(12.57)
Balance as at 31 March, 2021	2,62.50	64,90.34	4,36.87	71,89.71
Balance as at 1 April, 2021	2,62.50	64,90.34	4,36.87	71,89.71
Profit for the year			2,72.32	2,72.32
Amount Transferred to General Reserve			-	-
Remeasurements of Net Defined Benefit Plans			(6.33)	(6.33)
Balance as at 31 March, 2022	2,62.50	64,90.34	7,02.86	74,55.70

Nature and Purpose of Reserves

- (A) Securities Premium:** This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- (B) General Reserve:** Under the erstwhile Companies Act 1956, General reserve was created through an annual transferr of net income at us specified percentage in accordance with applicable regulation. Consequent to introduction of Companies Act 2013 the requirement to mandatarily transfer a specified percentage of the net profit to general reserve has been withdrawn. It also includes reserve created on fair valuation of land. However the amount previously transferred to general reserve can be utilised only in accordance with the specific requirement of Companies Act, 2013.
- (C) Retained Earnings :** This reserve represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
(Partner)
Membership No. : 068851

Place : Kolkata
Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)

Ajay Bangur
President & CFO

Sonali Sen
Independent Director
(DIN : 00451839)

Shankar Banerjee
Dy. Secretary
(ACS : 45073)

Notes to Financial Statements as at 31st March, 2022

1. Company Overview

The Phosphate Company Limited ("the Company") is a limited company incorporated in India, having its registered office situated at 14, Netaji Subhas Road, Kolkata. The Company has its shares listed on Calcutta Stock Exchange Limited (CSE) and BSE Limited (BSE). The Company is primarily engaged in manufacturing and trading of farm inputs comprising of fertiliser, crop protection, specialty nutrients, acids and organic compost. The manufacturing unit of the Company is located at Rishra, West Bengal.

2. Significant Accounting Policies

a) Basis of Preparation

These accounts have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("Act") read with relevant Rules. These financial statements are prepared in accordance with historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

b) Revenue from Contract with Customer

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made. The specific recognition criteria described below must also be met before revenue is recognised.

(i) Sale of Products

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

(ii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(iii) Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Dividend income is recognized when the company's right to receive dividend is established. Interest income is recognized using the effective interest method. All other income are recognized on accrual basis.

c) Subsidy

Subsidy/Concessions receivable on Company's product are accounted when there is reasonable assurance that the such subsidy will be receivable based on the claims filed with the Department of Fertilizer.

d) Property, Plant & Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of commercial production.

Depreciation is provided on the straight line method except for building which is provided on written down value method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013.

Notes to Financial Statements for the Year ended 31st March, 2022

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other Non-Current Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'. The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit & Loss. The method of depreciation, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Inventories

Inventories are valued at cost or net realisable value whichever is lower. Closing stock has been valued on FIFO basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

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

f) Financial Instruments

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

i. Non derivative financial instruments

1) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

5) Investment in subsidiaries

Investment in subsidiaries is carried at cost.

ii. Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at

Notes to Financial Statements for the Year ended 31st March, 2021

fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

g) Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

i) **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

ii) **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

iii) **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

h) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which

Notes to Financial Statements for the Year ended 31st March, 2022

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

j) Foreign Currency Transactions & Translations

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee.

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

Monetary Assets & Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

k) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

l) Employee Benefits

Defined Contribution Plan

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

"The Company operates a defined benefit gratuity plan in India, comprising of Gratuity fund with an approved trust. The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Company recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

Other long term employee benefits

The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. This benefit is not funded. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

m) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n) Leases

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

Notes to Financial Statements for the Year ended 31st March, 2022

Company as a lessee

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

Right-of-use assets

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

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The company's lease liabilities are included in Interest-bearing loans and borrowings

Short-term leases and leases of low-value assets

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

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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.

o) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly

Notes to Financial Statements for the Year ended 31st March, 2022

in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

p) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

q) Recent Accounting Pronouncements

On March 23, 2022 the Ministry of Corporate Affairs issued, The Companies (Indian Accounting Standards) Amendments Rules, 2022, notifying amendments to the following accounting standards. The amendments would be effective from April 1, 2022.

1. Ind AS 103, Business Combination

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its financial statements.

2. Ind AS 16, Property, Plant And Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statement.

Notes to Financial Statements for the Year ended 31st March, 2022

Note 3 Property, plant and equipment and Capital work-in-progress (Current Year)

(Rs. in Lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021		Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
Property Plant & Equipment										
Freehold land	62,98.27			62,98.27				-	62,98.27	62,98.27
Building	3,87.08	-		3,87.08	1,02.20	17.88		1,20.08	2,67.00	2,84.88
Plant and machinery	8,37.58	37.55		8,75.13	2,85.70	80.30		3,66.00	5,09.13	5,51.88
Computers	4.98	2.37	0.82	6.52	3.00	1.50	0.78	3.72	2.80	1.98
Water & Acid Installation	16.81			16.81	6.10	1.67		7.77	9.04	10.71
Laboratory Equipment	4.67			4.67	3.41	0.28		3.69	0.98	1.26
Furniture & Fittings	5.74	0.73	0.36	6.10	4.29	0.60	0.35	4.54	1.56	1.45
Motor Cars & Trucks	20.28	-	5.05	15.23	11.87	2.44	4.80	9.51	5.72	8.41
Electric Installation	0.10			0.10	0.04	0.00		0.05	0.06	0.06
Total	75,75.50	40.64	6.24	76,09.90	4,16.61	1,04.67	5.92	5,15.35	70,94.56	71,58.89
Capital work-in-progress	7.58	14.45	22.02	-				-	-	7.58
Total	75,83.08	55.09	28.26	76,09.90	4,16.61	1,04.67	5.92	5,15.35	7,094.56	71,66.47

Note 3 Property, plant and equipment and Capital work-in-progress (Previous Year)

(Rs. in Lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2020	Additions	Disposals/ Adjustments	31 March 2021	1 April 2020		Disposals/ Adjustments	31 March 2021	31 March 2021	31 March 2020
Property Plant & Equipment										
Freehold land	62,98.27			62,98.27				-	62,98.27	62,98.27
Building	3,87.08	-		3,87.08	82.90	19.30		1,02.20	2,84.88	3,04.18
Plant and machinery	8,76.57	2.99	41.98	8,37.58	2,39.46	78.96	32.71	2,85.70	5,51.88	6,37.11
Computers	3.82	1.16	-	4.98	2.10	0.90	-	3.00	1.98	1.72
Water & Acid Installation	16.81			16.81	4.44	1.67		6.10	10.71	12.37
Laboratory Equipment	4.67			4.67	3.03	0.38		3.41	1.26	1.64
Furniture & Fittings	5.52	0.21	-	5.74	3.81	0.48	-	4.29	1.45	1.72
Motor Cars & Trucks	20.28	-	-	20.28	8.18	3.69	-	11.87	8.41	12.10
Electric Installation	0.10			0.10	0.04	0.00		0.04	0.06	0.06
Total	76,13.12	4.36	41.98	75,75.50	3,43.95	1,05.37	32.71	4,16.61	71,58.89	72,69.17
Capital work-in-progress	-	21.57	13.99	7.58				-	7.58	-
Total	76,13.12	25.93	55.98	75,83.08	3,43.95	1,05.37	32.71	4,16.61	71,66.47	72,69.17

(Rs. in Lacs)

CWIP	31st March 2022		31st March 2021	
	Amount in CWIP for a period of		Amount in CWIP for a period of	
	Less than 1 Year	Total	Less than 1 Year	Total
Projects in progress	-	-	7.58	7.58

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 4 : Investments - Non Current	As at 31st March 2022	As at 31st March 2021
Investments carried at Cost (Unquoted)		
Investments in Equity Instruments In Subsidiary		
Abhinandan Goods Pvt. Ltd. 2,40,000 Equity Shares of Rs.10/- each		
Investments in Preference Share of Subsidiary	24.06	24.06
Abhinandan Goods Pvt. Ltd. 1,000 9% Compulsourly Reedemable Preference Shares of Rs.100000/- each	10,00.00	10,00.00
Investments carried at Amortised Cost (Unquoted)		
Investments in Government or trust securities		
National Savings Certificate	0.26	0.26
Total	10,24.32	10,24.32
Aggregate amount of Unquoted Investments	10,24.32	10,24.32
Investment carried at Cost	10,24.32	10,24.32

(Rs. in Lacs)

Note 5 : Other Financial Assets	As at 31st March 2022	As at 31st March 2021
Financial assets carried at Amortised Cost (Unsecured, considered good)		
Security deposits	45.90	45.85
Total	45.90	45.85

(Rs. in Lacs)

Note 6 : Deferred Tax Asset/(Liabilities) (Net)	As at 31st March 2022	As at 31st March 2021
Deferred Tax Assets		
Expenses allowable against taxable income in future years	1,09.11	57.99
MAT Credit Entitlement	-	14.71
Deferred Tax Liabilities		
Timing difference in depreciable assets	(66.60)	(83.61)
Total	42.51	(10.91)

(Rs. in Lacs)

Note 7 : Inventories	As at 31st March 2022	As at 31st March 2021
(Valued at lower of cost or net realisable value)		
Raw Materials*	7,34.75	7,42.27
Packing Materials	31.83	35.65
Stores & Spare Parts	98.80	99.90
Finished Goods	4,18.13	2,86.67
Trading Goods	-	0.50
Total	12,83.50	11,64.99
* Includes Stock-In-Transit	-	2,79.96

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 8 : Investments	As at 31st March 2022	As at 31st March 2021
Investment carried at fair value through Profit & Loss		
Investments in Mutual Funds (Unquoted)		
Kotak Banking & PSU Debt Fund (Previous Year 1955.8500 Units)	-	1.01
Kotak Floating Rate Fund (Previous Year 2188.128 Units)	-	25.16
3622.5670 Units Kotak Liquid Growth Fund (Previous Year NIL)	155.01	-
2114.8530 Units SBI Liquid Fund Regular Growth (Previous Year NIL)	70.02	-
Total	225.03	26.17

(Rs. in Lacs)

Note 9 : Trade Receivables	As at 31st March 2022	As at 31st March 2021
(Unsecured)		
Financial Assets carried at amortised cost		
Market Debt		
- Considered Good	42.21	2,52.34
- Considered Doubtful	0.81	34.78
	43.02	2,87.12
Subsidy receivable from Central Government	97.35	4,54.64
Gross Trade Receivable	1,40.37	741.76
Less: Provision for Doubtful Debts	(0.81)	(34.78)
Total	1,39.56	7,06.98
Outstanding for the following periods from due date of transactions		
Particulars		
(i) Undisputed Trade Receivables - Considered Good		
Less than 6 Months	1,35.68	6,84.41
6 Months to 1 Year	-	9.16
1-2 Years	0.01	3.30
2-3 Years	0.00	-
More than 3 Years	3.88	10.10
Sub Total	1,39.56	7,06.98
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		
1-2 Years	-	0.02
2-3 Years	0.00	0.00
More than 3 Years	0.80	34.76
Sub Total	0.80	34.78
Total	1,40.37	7,41.76

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 10 : Cash and cash equivalents	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost		
Balance with banks	0.02	0.42
Cash on hand	4.79	3.63
Total	4.81	4.05

(Rs. in Lacs)

Note 11 : Other Bank Balances	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost		
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)	2,01.03	74.19
Total	2,01.03	74.19

(Rs. in Lacs)

Note 12 : Loans- Current	As at 31st March 2022	As at 31st March 2021
(Unsecured, considered good)		
Financial Assets carried at amortised cost		
Due from Related party against sale of property	1,00.00	1,00.00
Advances to Employees	0.23	0.11
Total	1,00.23	1,00.11

(Rs. in Lacs)

Note 13 : Other Financial Assets- Current	As at 31st March 2022	As at 31st March 2021
(Unsecured, considered good)		
Financial Assets carried at amortised cost		
Interest Receivable		
From Banks	6.64	4.38
Advance recoverable in cash or kind	18.10	18.19
Total	24.74	22.57

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 14 : Other Current Assets	As at 31st March 2022	As at 31st March 2021
(Unsecured, considered good)		
Advance to suppliers	0.35	9.29
Advances against expenses	12.08	30.42
Prepaid expenses	23.02	6.41
	35.44	46.12
Input Tax Receivable	12,09.89	5,45.35
Less: Provision for GST Receivable	2,42.04	97.41
	9,67.86	4,47.94
Total	10,03.30	4,94.06

(Rs. in Lacs)

Note 15 : Equity share capital	As at 31st March 2022	As at 31st March 2021
Authorised capital		
1,00,00,00 (1,00,00,000) equity shares of Rs. 10 each	10,00.00	10,00.00
1,50,000 (1,50,000) Redeemable Preference Shares of Rs. 1000 each	15,00.00	15,00.00
	2,500.00	25,00.00
Issued, subscribed and Paid-up capital		
36,07,480 (36,07,480) equity shares of Rs.10 each (of the above 9,84,360 Equity Shares allotted as fully paid-up by way of Bonus Shares by capitalisation of Share Premium & General Reserve)	3,60.75	3,60.75
	3,60.75	3,60.75

(Rs. in Lacs)

Note 15 : a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares at the beginning of the year	36,07,480	360.75	36,07,480	3,60.75
Add: Share issued during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	360.75	36,07,480	3,60.75

b) Rights/preferences/restrictions attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(Rs. in Lacs)

Note 15 : c) Details of shareholders holding more than 5% shares in the Company	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% holding	No. of Shares	% holding
Madhav Trading Corpn. Ltd.	3,74,880	10.39	3,74,880	10.39
Shrivats Khaitan	2,31,000	6.40	2,31,000	6.40
Life Insurance Corporation of India	1,77,715	4.93	1,88,180	5.22

Notes to Financial Statements for the Year ended 31st March, 2022

Note 15 (Contd.)

d) Details of Shares held by Promoters at the end of the year

Disclosure of Promoter's Shareholding as on March 31, 2022

Sl. No.	Name	No. of Shares as on April 1, 2021	No. of Shares as on March 31, 2022	% of total shares	% Change during the year	No. of Shares as on April 1, 2020	No. of Shares as on March 31, 2021	% of total shares	% Change during the year
1	Shrivats Khaitan	231,000	231,000	6.40	0.00%	231,000	231,000	6.40	0.00%
2	Nikate Khaitan (HUF)	164,740	164,740	4.57	0.00%	164,740	164,740	4.57	0.00%
3	Chandrakala Khaitan	148,280	148,280	4.11	0.00%	148,280	148,280	4.11	0.00%
4	Nikate Khaitan	105,600	105,600	2.93	0.00%	105,600	105,600	2.93	0.00%
5	Suresh Kumar Bangur-Trust	43,000	99,100	2.75	1.56%	43,000	43,000	1.19	0.00%
6	Binod Kumar Khaitan	82,400	82,400	2.28	0.00%	82,400	82,400	2.28	0.00%
7	Bina Bangur	70,900	70,900	1.97	0.00%	70,900	70,900	1.97	0.00%
8	Rajendra Kumar Bangur	56,900	56,900	1.58	0.00%	56,900	56,900	1.58	0.00%
9	Sakate Khaitan	64,760	54,760	1.52	-0.28%	64,760	64,760	1.80	0.00%
10	Gita Bangur	46,200	46,200	1.28	0.00%	46,200	46,200	1.28	0.00%
11	Luxmi Devi	4,000	38,044	1.05	0.94%	4,000	4,000	0.11	0.00%
12	Vijay Kumar Bangur	29,400	29,400	0.81	0.00%	29,400	29,400	0.81	0.00%
13	Ramesh Kumar Bangur	27,206	27,206	0.75	0.00%	27,206	27,206	0.75	0.00%
14	Suresh Kumar Bangur	60,860	26,816	0.74	-0.94%	60,860	60,860	1.69	0.00%
15	Pradyumna Bangur	26,580	26,580	0.74	0.00%	26,580	26,580	0.74	0.00%
16	Sudarshan Bangur	26,300	26,300	0.73	0.00%	26,300	26,300	0.73	0.00%
17	Madan Gopal Bangur	79,500	23,400	0.65	-1.56%	79,500	79,500	2.20	0.00%
18	Anirudh Bangur	15,100	15,100	0.42	0.00%	15,100	15,100	0.42	0.00%
19	Usha Kiran Bangur	13,380	13,380	0.37	0.00%	13,380	13,380	0.37	0.00%
20	Shrimangala Khaitan	-	10,000	0.28	0.28%	-	-	-	-
21	Ajay Bangur	7,800	7,800	0.22	0.00%	7,800	7,800	0.22	0.00%
22	Shree Prakash Bangur	5,400	5,400	0.15	0.00%	5,400	5,400	0.15	0.00%
23	Bimala Devi	5,400	5,400	0.15	0.00%	5,400	5,400	0.15	0.00%
24	Milan Bangur	4,000	4,000	0.11	0.00%	4,000	4,000	0.11	0.00%
25	Ramesh Kumar Bangur	4,000	4,000	0.11	0.00%	4,000	4,000	0.11	0.00%
26	Suresh Kumar Bangur HUF	2,000	2,000	0.06	0.00%	2,000	2,000	0.06	0.00%
27	Sushma Bangur	840	840	0.02	0.00%	840	840	0.02	0.00%
28	Veena Bangur	520	520	0.01	0.00%	520	520	0.01	0.00%
29	Murli Dhar Khaitan	300	300	0.01	0.00%	300	300	0.01	0.00%
30	Hemant Bangur	200	200	0.01	0.00%	200	200	0.01	0.00%
31	Madhav Trading Corporation Limited	374,880	374,880	10.39	0.00%	374,880	374,880	10.39	0.00%
32	Credwyn Holdings India	175,000	175,000	4.85	0.00%	175,000	175,000	4.85	0.00%
33	Gloster Limited	170,000	170,000	4.71	0.00%	170,000	170,000	4.71	0.00%
34	Joonktollee Tea And Industries Ltd.	138,680	138,680	3.84	0.00%	138,680	138,680	3.84	0.00%
35	Amvi Tradecom Private Limited	100,000	100,000	2.77	0.00%	100,000	100,000	2.77	0.00%
36	Raj Packwell Limited	100,000	100,000	2.77	0.00%	100,000	100,000	2.77	0.00%
37	Wind Power Vinimay Pvt. Ltd.	87,840	87,840	2.43	0.00%	87,840	87,840	2.43	0.00%
38	The Oriental Company Limited	9,610	9,610	0.27	0.00%	9,610	9,610	0.27	0.00%
39	Bangur Trafin Pvt. Ltd.	3,000	3,000	0.08	0.00%	3,000	3,000	0.08	0.00%
40	Devendra Finvest and Holding Pvt Ltd	220	220	0.01	0.00%	-	220	0.01	150%
	Total Shares	2,485,796	2,485,796	68.90	0.00%	2,485,576	2,485,796	68.90	0.01%

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 16 : Other Equity	As at 31st March 2022	As at 31st March 2021
Securities Premium		
Opening Balance	2,62.50	2,62.50
Addition during the Year	-	-
	2,62.50	2,62.50
General Reserve		
Opening Balance	64,90.34	64,90.34
Addition during the Year	-	-
	64,90.34	64,90.34
Retained Earnings		
Opening Balance	4,36.87	1,94.59
Add: Profit for the Year	2,72.32	2,54.85
Less: Remeasurements of Net Defined Benefit Plans	(6.33)	(12.57)
	7,02.86	4,36.87
	74,55.70	71,89.71

(Rs. in Lacs)

Note 17 : Borrowings (Non Current)	As at 31st March 2022	As at 31st March 2021
Financial Liabilities carried at amortised cost		
Secured		
a) Term loans from Non Banking financial Institution	3,25.17	3,87.82
b) GECL loans from Banking financial Institution	3,04.00	-
Less: Current maturities of Term Loan (refer note 20)	70.77	62.65
	5,58.39	3,25.17
c) Vehicle loans from banks	11.13	15.29
d) Equipment loans from banks	24.45	42.16
Less: Current maturities of Vehicle & Equipment Loan (refer note 20)	22.00	21.87
	13.58	35.58
Unsecured		
From Limited Companies		
From Related Parties	4,82.00	-
From Other	19.00	-
	5,01.00	-
	10,72.97	3,60.74

Notes to Financial Statements as at 31st March, 2022

(i) Repayment terms and nature of securities given for Secured loans are as follows :

Sl. No.	Name of Bank	Nature of security	Repayment Terms	31-Mar-2022	
a	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No. 47, Rishi Bankim Chandra Road, Rishra Hooghly. Current Interest rate is 12.25%.	Repayable in 84 equal monthly installment of Rs. 8,89,336 commencing from February 2019.	3,25.17	3,87.82
b(i)	State Bank Of India	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 7.40%	Repayable in 36 equal monthly installment commencing from December, 2023	1,71.00	-
b(ii)	Canara Bank	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 1st charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 7.50%	Repayable in 36 equal monthly commencing from December, 2023	1,33.00	-
c (i)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 9.65%.	Repayable in 75 equal monthly installment of Rs. 12,373.85 commencing from December, 2015.	-	1.70
c (ii)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 8.90%.	Repayable in 81 equal monthly installment of Rs. 14,719.19 commencing from May, 2018.	5.15	6.44
c (iii)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 9.00%.	Repayable in 84 equal monthly installment of Rs. 13,980.78 commencing from March, 2019	5.98	7.14
d (i)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	12.22	21.08
d (ii)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	12.22	21.08

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 18 : Other Financial Liabilities - Non Current Liabilities carried at amortised cost	As at 31st March 2022	As at 31st March 2021
Deposit from Dealer	1,09.90	1,09.85
Total	1,09.90	1,09.85

(Rs. in Lacs)

Note 19 : Provisions - Non Current	As at 31st March 2022	As at 31st March 2021
Provisions for Employee Benefits		
Leave Encashment	84.05	73.17
Less: Current Maturities ((refer note 24)	39.22	35.75
Total	44.83	37.42

(Rs. in Lacs)

Note 20 : Borrowing Current - Financial Liabilities carried at amortised cost	As at 31st March 2022	As at 31st March 2021
Secured		
From Banks & NBFC's		
Cash Credit	3,07.51	11,10.65
Current Maturities of Term loans (refer note 17)	70.77	62.65
Current Maturities of Vehicle & Equipment loans (refer note 17)	22.00	21.87
Total	4,00.28	11,95.17
Unsecured		
From Limited Companies		
From Related Parties	-	7.00
From Other	-	10.00
Total	-	17.00
Total	400.28	12,12.17

Cash Credit Loan from Banks are secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by second charge on Factory Land & Building. Current Interest Rate is 9.15-10.00%

(Rs. in Lacs)

Note 21 : Trade Payable - Financial Liabilities carried at amortised cost	As at 31st March 2022	As at 31st March 2021
MSMED [refer note (a) below]	0.62	3.17
Others Trade Payable	9,90.68	9,37.26
Total	9,91.30	9,40.43

Notes to Financial Statements as at 31st March, 2022

Notes :

- (a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006
- i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due to micro and small enterprise Interest due on above;
 - (ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;
 - (iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;
 - (iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and
 - (v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

Outstanding for the following periods from due date of transaction

Particulars

(i) MSME		
Less than 1 Year	0.62	3.17
Sub Total	0.62	3.17
(ii) Others		
Less than 1 Year	9,88.91	9,37.26
1-2 Years	1.77	-
Sub Total	9,90.68	9,37.26
Total	9,91.30	9,40.43

The above disclosures are provided by the company based on the information available with the company in respect of the registration status of its vendors/suppliers under MSME Scheme

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 22 : Other financial liabilities - Current Financial Liabilities carried at amortised cost	As at 31st March 2022	As at 31st March 2021
Interest accrued and due	3.18	3.66
Employee Benefits	26.12	21.92
Financial Liabilities carried at Fair Value through Profit & Loss (Gain)/Loss on Fair Valuation of Forward Contracts	-	(11.72)
Total	29.30	13.87

(Rs. in Lacs)

Note 23 : Other current liabilities	As at 31st March 2022	As at 31st March 2021
Advance from customers	1,50.71	73.22
Statutory & other dues payables	1,37.97	1,20.52
Liability for expenses	3,13.81	3,00.99
Total	6,02.49	4,94.73

(Rs. in Lacs)

Note 24 : Provisions - Current	As at 31st March 2022	As at 31st March 2021
Provisions for Employee Benefits Leave Encashment (refer note No. 19)	39.22	35.75
Total	39.22	35.75

(Rs. in Lacs)

Note 25 : Current Tax Liabilities (Net)	As at 31st March 2022	As at 31st March 2021
Provision for Income Tax (Net of Advance Tax)	82.75	63.41
Total	82.75	63.41

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 26 : Total Revenue from Operations	As at 31st March 2022	As at 31st March 2021
Gross Sales/ Income from Operations	126,38.22	68,07.53
Less: Discounts, Rebates & Taxes	9,96.63	7,38.31
	116,41.59	60,69.22
Other Operating Income		
Insurance Claim	-	51.61
Scrap Sales	15.40	0.20
Total	116,56.99	61,21.03

(Rs. in Lacs)

Note 27 : Other Income	As at 31st March 2022	As at 31st March 2021
Interest income on		
Fixed Deposits		
Others	10.24	4.90
	2.69	2.61
Profit on sales of Property, plant and equipment	0.55	3.92
Profit on Redemption of Mutual Fund	3.79	3.21
Gain/(Loss) on measuring investments at FVTPL	(0.13)	(0.58)
Other Misc Income	0.07	0.06
Total	17.21	14.11

(Rs. in Lacs)

Note 28 : Cost of Material Consumed	As at 31st March 2022	As at 31st March 2021
Raw Materials	79,85.09	30,43.34
Packing Materials	2,23.53	1,35.71
Total	82,08.62	31,79.05

(Rs. in Lacs)

Note 29 : Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	As at 31st March 2022	As at 31st March 2021
Opening Stock:		
Finished Goods	2,86.67	2,36.63
Trading Goods	0.50	2.37
Less: Closing Stock		
Finished Goods	(4,18.13)	(2,86.67)
Trading Goods	-	(0.50)
Total	(1,30.96)	(48.17)

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 30 : Employee benefit expenses	As at 31st March 2022	As at 31st March 2021
Salaries, wages and bonus	3,00.63	2,56.56
Staff welfare	52.87	44.72
Contribution to Provident & other funds	42.82	38.92
	3,96.32	3,40.20

(Rs. in Lacs)

Note 31 : Other expenses	As at 31st March 2022	As at 31st March 2021
Consumption of Stores and Spares	1,61.03	1,41.07
Power and Fuel Expenses	3,35.90	2,16.78
Repair to :		
Building	46.90	46.78
Machinery	75.00	21.02
Others	9.76	15.30
Manufacturing & Supervision Charges	1,77.37	1,43.60
Packing Expenses	71.92	51.39
Freight, Delivery Expenses	11,07.74	9,31.51
Selling Expenses	55.06	4.47
Rent	9.02	2.38
Rates and Taxes	1,56.80	1,08.74
Payment to Auditors :		
Audit Fee	0.60	0.60
Certification Fee	0.35	0.38
Legal & Professional Expenses	27.33	56.44
Freight Subsidy Claims Written Off	-	61.23
Director's Fees :	-	-
Board Meeting Fees	3.10	3.20
Committee Meeting Fees	0.80	1.30
Information & Technology Expenses	1.91	1.12
Insurance Charges	12.07	7.03
Motor Vehicle Expenses	8.58	8.17
Other Maintenance Expenses	30.46	28.39
Charity & Donation	13.35	11.45
Bad Debt	34.15	-
Less: Provision for Bad Debt adjusted	(34.15)	-
Provision for Doubtful Debts	0.18	-
Miscellaneous Expenses	31.48	22.68
	23,36.71	18,85.02

(Rs. in Lacs)

Note 32 : Finance costs	As at 31st March 2022	As at 31st March 2021
Interest	2,61.60	2,53.42
Bank charges	41.55	21.33
Foreign Exchange Rate Fluctuation	31.94	28.10
	3,35.10	3,02.85

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 33 : Effective Tax reconciliation Income Tax Recognised in Statement of Profit & Loss	As at 31st March 2022	As at 31st March 2021
Current Tax	1,55.61	60.00
(Excess)/Short Provision for Earlier Years	49.24	-
Deferred Tax	(68.13)	(9.48)
Total Income tax Expense recognised in the current year	1,36.72	50.52
The income tax expense can be reconciled to the accounting profit as follows:		
Profit before tax	4,23.75	3,58.15
Applicable tax rate	25.17%	27.82%
Computed Tax Expense	106.65	99.64
Add/(Deduct)		
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(24.70)	10.83
(Excess)/Short Provision for Earlier Years	49.24	
Tax effect of certain temporary differences measured at lower rates	-	(62.26)
Others	5.53	2.31
Total Income Tax Expense/(Credit)	1,36.72	50.52

(Rs. in Lacs)

Note 34 : Earnings per equity shares	As at 31st March 2022	As at 31st March 2021
Profit as per Statement of Profit and Loss	2,72.32	2,54.85
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	7.55	7.06

(Rs. in Lacs)

Note 35 : Contingencies and Commitments (to the extent not provided for)	As at 31st March 2022	As at 31st March 2021
I) Guarantees given		
Guarantees given by the Company not acknowledged as debt	2.00	2.00
Total	2.00	2.00
II) Commitments		
Commitment of Capital Expenditure not provided for in the accounts (Estimated)	-	16.00
Total	-	16.00

(Rs. in Lacs)

Note 36 : Employee Benefit Obligations	As at 31st March 2022	As at 31st March 2021
I) Defined Contribution Plan		
Contribution to defined contribution plan, recognized are charged off during the year as follows :		
Employers' Contribution to Provident Fund	21.36	18.75
I) Defined Benefit Plan		
Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		

Notes to Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Particulars	Gratuity Funded		Accumulated Leave Unfunded	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	11.84	9.88	6.34	5.30
Interest cost	(0.76)	(0.31)	4.28	4.02
Actuarial loss/(gain) recognized during the year	-	-	0.26	(4.62)
Amount recognized in the statement of profit and loss	11.09	9.57	10.87	4.70
(ii) Changes in Present Value Obligation				
Present value of defined benefit obligation as at the start of the year	2,28.87	2,02.99	73.17	70.67
Current service cost	11.84	9.88	6.34	5.30
Interest cost	12.66	11.43	4.28	4.02
Actuarial loss/(gain) recognized during the year	(7.78)	14.97	0.26	(4.62)
Benefits paid	(24.85)	(10.41)	-	(2.20)
Present value of Defined Benefit Obligation as at the end of the year	2,20.73	2,28.87	84.04	73.17
(iii) Change in fair value of plan assets				
Fair value of plan assets as at the start of the year	2,29.35	2,03.12	-	-
Return on plan assets	1.45	2.40	-	-
Interest Income	13.42	11.74	-	-
Actuarial loss/(gain)	-	-	-	-
Contribution	17.00	22.50	-	-
Benefits paid	(24.85)	(10.41)	-	(2.20)
Fair value of plan assets as at the end of the year	2,36.37	2,29.35	-	(2.20)
Reconciliation of present value of defined benefit obligation and the fair value of plan assets				
Funded Status	0.07	0.49	-	-
Present value obligation as at the end of the year	2,36.30	2,28.87	84.04	73.17
Fair value of plan assets as at the end of the year	2,36.37	2,29.35	-	-
Net liability/(asset) recognized in balance sheet	0.00	0.00	84.04	73.17
Amount recognised in the statement of Other Comprehensive Income				
Actuarial (Gain)/Loss for the year on Present value of obligation	(0.35)	0.33	-	-
Actuarial (Gain)/Loss for the year on Asset	8.13	14.64	-	-
Return on Plan Asset, Excluding Interest Income	1.45	2.40	-	-
Unrecognised actuarial (Gain)/Loss at the end of the year	6.33	12.57	-	-
Breakup of Actuarial gain/loss:				
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(0.35)	0.33	-	-
Actuarial (gain)/loss on arising from experience adjustment	8.13	14.64	-	-
Assumptions				
Financial Assumptions				
Discount rate p.a.	5.85%	5.78%	5.85%	5.78%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	6 Years	6 Years	5 Years	5 Years

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Notes to Financial Statements as at 31st March, 2022

f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

(Rs. in Lacs)

Sensitivity analysis for Gratuity	As at 31 March, 2022		As at 31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	233.88	238.87	226.28	231.61
%Change Compared to base due to sensitivity	-1.02%	1.09%	-1.13%	1.20%
Salary Growth (-/+ 0.5%)	238.80	233.91	231.54	226.32
%Change Compared to base due to sensitivity	1.06%	-1.01%	1.17%	-1.11%
Attrition Rate (-/+ 0.5%)	236.28	236.31	228.86	228.88
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	236.27	236.33	228.84	228.90
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%

(Rs. in Lacs)

Sensitivity analysis for Accumulated Leave	As at 31 March, 2022		As at 31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	82.13	86.12	71.79	74.62
%Change Compared to base due to sensitivity	-2.28%	2.47%	-1.88%	1.99%
Salary Growth (-/+ 0.5%)	86.06	82.15	74.59	71.82
%Change Compared to base due to sensitivity	2.41%	-2.25%	1.94%	-1.85%
Attrition Rate (-/+ 0.5%)	84.03	84.05	73.15	73.16
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.03%	-0.01%
Mortality Rate (-/+ 10%)	84.02	84.07	73.14	73.17
%Change Compared to base due to sensitivity	-0.03%	0.03%	-0.04%	0.01%

The Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period.

Expected contribution during the next annual reporting period:

Particulars

Gratuity

The Company's best estimate of contribution during the next year

Rs. 3.74 Lacs

Table Showing Allocation of Plan Asset at the end Measurement Period	Allocation of Plan Asset Gratuity (Funded)		Allocation in % of Plan Asset Gratuity (Funded)	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Cash & Cash Equivalents	9.64	25.06	4.08%	10.93%
Special Deposit Scheme	5.20	5.20	2.20%	2.27%
State Government Securities	51.99	74.79	22.00%	32.61%
Government of India Securities	46.51	18.14	19.68%	7.91%
Corporate Bonds	99.49	93.32	42.09%	40.69%
Debt Securities	17.15	7.15	7.26%	3.12%
Other	6.39	5.70	2.70%	2.48%
Total	2,36.37	2,29.35	100.00%	100.00%

Notes to Financial Statements as at 31st March, 2022

Note 37 : Financial instruments and other related disclosures

i. Capital Management

The Company's capital management is driven by its policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the company's capital.

The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short term investments.

The net debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2022, the ratio is 0.1334

(Rs. in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Equity Share Capital	3,60.75	3,60.75
Other Equity	74,55.70	71,89.71
Total Equity (A)	78,16.45	75,50.46
Non-Current Borrowings	10,72.97	3,60.74
Short Term Borrowings	4,00.28	12,12.17
Total Borrowings (Gross Debt) (B)	14,73.25	15,72.92
Less: Investments	(2,25.29)	(26.43)
Less: Cash and Cash Equivalents	(4.81)	(4.05)
Less: Other Bank Balances	(2,01.03)	(74.19)
Net Debt (C)	10,42.12	14,68.25
Net Debt to Equity (C/A)	0.1333	0.1945

Disclosures on Financial Instruments

i) Financial Instruments by Category

As at March 31, 2022

(Rs. in Lacs)

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	0.26	2,25.03	2,25.29	2,25.29
Trade Receivables	1,39.56	-	1,39.56	1,39.56
Cash and Cash Equivalents	4.81	-	4.81	4.81
Other Bank Balances	2,01.03	-	2,01.03	2,01.03
Loans	100.23	-	1,00.23	1,00.23
Other Financial Assets	24.74	-	24.74	24.74
Total Financial Assets	4,70.63	2,25.03	6,95.65	6,95.65
Financial Liabilities				
Borrowings	14,73.25	-	14,73.25	14,73.25
Trade Payables	9,91.30	-	9,91.30	9,91.30
Other Financial Liabilities	29.30	-	29.30	29.30
Total Financial Liabilities	24,93.85	-	24,93.85	24,93.85

Notes to Financial Statements as at 31st March, 2022

Note 37 : Financial Instruments and other related disclosure

(Rs. in Lacs)

As at March 31, 2021

<u>Particulars</u>	<u>Amortised Cost</u>	<u>Fair Value through PL</u>	<u>Total Carrying Value</u>	<u>Total Fair Value</u>
Financial Assets				
Investments	0.26	26.17	26.43	26.43
Trade Receivables	7,06.98	-	7,06.98	7,06.98
Cash and Cash Equivalents	4.05	-	4.05	4.05
Other Bank Balances	74.19	-	74.19	74.19
Loans	1,00.11	-	1,00.11	1,00.11
Other Financial Assets	22.57	-	22.57	22.57
Total Financial Assets	9,08.16	26.17	9,34.33	9,34.33
Financial Liabilities				
Borrowings	15,72.92	-	15,72.92	15,72.92
Trade Payables	9,40.43	-	9,40.43	9,40.43
Other Financial Liabilities	25.59	(11.72)	13.87	13.87
Total Financial Liabilities	25,38.94	(11.72)	25,27.22	25,27.22

(ii) Fair value hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Future Contracts, which have been fair valued.

Level 1 — Quoted (adjusted) market prices in active markets for identical assets or liabilities.

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

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

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

<u>Particulars</u>	<u>Fair Value Hierarchy Level</u>	<u>31 March, 2022</u>	<u>31 March, 2021</u>
Financial Assets			
Current Investments	Level 1	2,25.03	26.17
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	-	(11.72)

(iii) Financial risk management objectives and policies

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, liquidity risk & credit risk which may adversely impact the fair value of its financial instruments. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(A) Market risk

Market risk comprises interest rate risk & foreign currency risk. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

Notes to Financial Statements as at 31st March, 2022

(a) Interest rate risk

The Company is exposed to interest rate risk because the Company borrow funds both at fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates.

(b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange rate risk exposure is primarily due to trade payables denominated in foreign currency. The Company is restricting its exposure of risk in change in exchange rates by way of Forward/Future Contracts.

(Rs. in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Foreign Currency Payable (Amount in USD)	10.61	9.87

(B) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital facilities from various banks. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry low market risk.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

(Rs. in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
One Year or less		
Borrowings	4,00.28	12,12.17
Trade Payables	9,91.30	9,40.43
Other Financial Liabilites	29.30	
More than One Year		
Borrowings	10,72.97	3,60.74
Other Financial Liabilites	1,09.90	1,09.85

(C) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Company. None of the financial instruments of the Company result in material concentration of credit risk.

The Company has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Notes to Financial Statements as at 31st March, 2022

Note 38 : Related Party Disclosures:

List of Related Parties :

1. <u>Subsidiary</u>	<u>Relation</u>	<u>Extent of Holding</u>
Abhinandan Goods Pvt. Ltd.	Subsidiary	100%
2. <u>Key Management Personnel</u>		
Shri Suresh Kumar Bangur	Executive Director & CEO	
Shri Ajay Bangur	President & CFO	
Shri Shankar Banerjee	Company Secretary & Compliance Officer	
3. <u>Other Directors</u>		
Shri Binod Khaitan	Non-Executive Director	
Shri Hemant Bangur	Non-Executive Director	
Shri Dilip P Goculdas	Independent Director	
Smt Sonali Sen	Independent Director	
4. <u>Entities over which Director, Key Managerial Personnel and their relatives have significant influence with whom transaction have taken place during the year</u>		
Adelina Investments Pvt. Ltd.		
Art Finance & Trade Pvt. Ltd.		
Chintamani Holdings Pvt. Ltd		
Credwyn Holdings India Pvt. Ltd.		
Devendra Finvest & Holding Pvt Ltd		
Gloster Limited		
Kanchan Udyog Ltd.		
Kherapati Vanijya Ltd.		
Mani Invest Brokers Private Limited		
Mangal Builders & Enterprises Ltd		
Maxworth Industrial Services Ltd		
Noshirvan & Company Private Ltd		
Shreyans Paperplast Pvt. Ltd.		

The following table summarises related-party transactions included in the financial statements for the year ended March 31, 2022 & March 31, 2021 and details of outstanding balances as on March 31, 2022 & March 31, 2021

(Rs. in Lacs)

Nature of Transactions	Subsidiary (1)	Key Managerial Personnel & Other Directors (2+3)	Entities where Director, KMP and relatives have significant influence (4)	Total
Salary and Other Benefits	-	71.59	-	71.59
	-	78.62	-	78.62
Contribution to Provident Fund & Superannuation Policy	-	18.28	-	18.28
	-	18.23	-	18.23
Other Perquisites	-	23.27	-	23.27
	-	25.53	-	25.53
Meeting Fees	-	3.90	-	3.90
	-	4.50	-	4.50
Interest on Loan	-	-	1,63.76	1,63.76
	-	-	1,62.45	1,62.45
Loan Taken	-	-	22,34.00	22,34.00
	-	-	6,96.00	6,96.00
Loan Repaid	-	-	17,52.00	17,52.00
	-	-	20,31.00	20,31.00
Outstanding Receivable	1,00.00	-	-	1,00.00
	1,00.00	-	-	1,00.00

Notes to Financial Statements as at 31st March, 2022

Note 39 :

The company is required to file Financial Follow-up Report-1 at the end of each quarter which contains profitability statement and Financial Follow-up Report- II at each half year end which contains statement of assets and liabilities with State Bank of India and Canara Bank. Below is the reconciliation of the statements filed by the Company at each half year end with such banks and the books of accounts of the Company.

Half Year Ended	Particulars of Security Provided	Amount as per Books of Account	Amount as reported in the Return	Amount of Difference
March'22	Inventory	12,83.50	12,83.50	-
	Trade Receivables	1,39.56	1,39.56	-
	Trade Payables	9,91.30	9,91.30	-
September'21	Inventory	31,42.49	31,42.49	-
	Trade Receivables	19,97.93	19,97.93	-
	Trade Payables	31,53.11	31,53.11	-

Note 40: Additional Regulatory Information

Ratios (Rs. in Lacs)

S. No.	Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% Change from 31st March 2021 to 31st March 2022	Reason for Various
1)	Current Ratio	Current Assets	Current Liabilities	1.39	0.94	47.97%	Reduction in borrowing
2)	Debt-Equity Ratio	Debt (Borrowing)	Total Equity	0.19	0.21	-9.52%	
3)	Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Debt (Borrowing)	0.59	0.49	20.30%	
4)	Return on Equity Ratio	Net Profit after Tax for the period/year Less Preference Dividend	Average Equity	3.54%	3.43%	3.32%	
5)	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	25.94	14.97	73.32%	Increase in Raw Material Cost
6)	Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	27.54	6.13	349.27%	Receivable collection was better
7)	Trade Payables Turnover Ratio	Purchases	Average Trade Payables	9.99	3.51	177.95%	Increase in Raw Material Cost
8)	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	13.93	(36.60)	138.06%	Reduction in borrowing
9)	Net Profit Ratio	Net Profit after Tax for the year	Revenue from Operations	2.34%	4.16%	-43.89%	Increase in Raw Material Cost
10)	Return on Capital Employed	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Equity + Debt (Borrowings)	9.30%	8.40%	10.66%	
11)	Return on Investment	Interest Income on fixed deposits, bonds and debentures + Dividend Income + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL	Current investments + Non current Investments + Other bank balances	1.08%	1.18%	-8.23%	

Notes to Financial Statements as at 31st March, 2022

Elements of Ratios

(Rs. in Lacs)

S. No.	Ratio	Numerator	Denominator	31 March 2022		31 March 2021	
				Numerator	Denominator	Numerator	Denominator
1)	Current Ratio	Current Assets	Current Liabilities	29,82.20	21,45.34	25,93.12	27,60.37
2)	Debt-Equity Ratio	Debt (Borrowing)	Total Equity	14,73.25	78,16.45	15,72.92	75,50.46
3)	Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Debt (Borrowing)	8,63.51	14,73.25	7,66.37	15,72.92
4)	Return of Equity Ratio	Net Profit after Tax for the period/year Less Preference Dividend	Average Equity	2,72.32	76,83.45	2,54.85	74,29.00
5)	Inventory Turnover Ratio	Cost of Goods Sold	Average Finished Goods	91,42.79	3,52.40	39,16.62	2,61.64
6)	Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	116,56.99	4,23.27	61,21.03	9,98.53
7)	Trade Payable Turnover Ratio	Purchases	Average Trade Payables	81,96.78	8,20.66	31,45.31	8,75.30
8)	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	116,56.99	8,36.86	61,21.03	(1,67.25)
9)	Net Profit Ratio	Net Profit after Tax for the year	Revenue from Operations	2,72.32	116,56.99	2,54.85	61,21.03
10)	Return on Capital Employed	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Equity + Debt (Borrowings)	8,63.51	92,89.70	7,66.37	91,23.38
11)	Return on Investment	Interest Income on fixed deposits, bonds and debentures + Dividend Income + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL	Current investments + Non current Investments + Other bank balances	13.90	12,87.53	7.52	6,39.48

Note 41: Other Statutory Information

- (i) The Company do not have any Benami Property, where any proceedings has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies):
- (a) -Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries) or
- (b) -Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) -Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or
- (b) -Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.

Notes to Financial Statements as at 31st March, 2022

- (vii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (viii) The Company has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with the Companies(Restriction on Number of Layers) Rules,2017.
- (ix) There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.
- (x) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Company has no Core Investment Company as part of the Group.

Note 42 : Impact of COVID-19 (Global Pandemic)

The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statement including the recoverability of carrying amounts of financial and non-financial assets. The Company has , at the date of approval of the financial statement used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of the same.

Note 43

A Part of Land and Building thereon has been sold to the company's wholly owned subsidiary M/S Abhinandan Goods Pvt Ltd. Execution of conveyance Deed is pending for necessary compliance.

Note 44

Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

As per our report of even date attached.
 For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP
 Chartered Accountants
 Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
 (Partner)
 Membership No. : 068851
 Place : Kolkata
 Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur
 Executive Director
 (DIN : 00040862)

Ajay Bangur
 President & CFO

Sonali Sen
 Independent Director
 (DIN : 00451839)

Shankar Banerjee
 Dy. Secretary
 (ACS : 45073)

INDEPENDENT AUDITOR'S REPORT

To
The Members of
The Phosphate Company Limited

Report on the audit of Consolidated Ind AS financial statements**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of The Phosphate Company Limited ("the Company") and its subsidiary Company (the Company and its subsidiary Company together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2022, and consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key Audit Matters	How our audit addressed the key audit matter
<p>Revenue from Sale of Goods</p> <p>The Group recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(b) and as reflected in Note 27 of the Ind AS Consolidated financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates / incentives.</p> <p>The Group has various incentive schemes for its distributors which are based on volume of sales achieved during the stipulated period. The estimate of sales likely to be achieved by each distributor requires judgment.</p>	<p>Our audit procedure includes the following:</p> <ul style="list-style-type: none"> • Considered the adequacy of the Groups revenue recognition policy and its compliance in terms of Ind AS 115 "Revenue from contracts with customers" • Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition. • Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115.

<p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. • Selected Samples of rebates and discounts during the year, compared them with the supporting documents and perform recalculation of those variable considerations as per scheme documents. <p>Assessed the relevant disclosure made in the Consolidated Ind AS financial statement.</p>
---	--

We have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibility of the Management and those charge with governance for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS 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 the 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 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.

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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated Ind AS financial statements. We are also responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

We did not audit the financial statement/financial information of one subsidiary, whose financial statements/financial information reflect total assets of Rs.1122.35 Lakhs as at 31st March 2022, total revenue (including other Income) of Rs. 6 lakhs and net profit/(loss) after tax amounting to Rs. 3.07 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statement / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit of separate financial statements and the other financial information of the Subsidiary company, incorporated in India, as noted in the 'Other Matter' paragraph, we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 36 of the Consolidated Ind AS financial statements).
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv
 - a) The respective managements of the Holding Company and its Subsidiary Company which is company incorporated in India whose financial statements have been audited under the Act has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its Subsidiary Company which is company incorporated in India whose financial statements have been audited under the Act has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the, representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v) The Holding Company has not declared and paid dividend during the year.

For **SKAGRAWAL AND CO**
CHARTERED ACCOUNTANTS LLP
 Chartered Accountants
 Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia
 (Partner)
 Membership No. 068851
 UDIN:22068851AJKFKC2668

Place: Kolkata
 Dated: May 18, 2022

ANNEXURE - 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of **The Phosphate Company Limited** ("the Holding Company") and its subsidiary Company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 internal financial controls system over financial reporting of the Holding Company and subsidiary companies, which is companies incorporated in India.

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 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 Holding Company and its subsidiary Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, 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 **SKAGRAWAL AND CO**
CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No.-306033E/E300272

Hemant Kumar Lakhota
(Partner)
Membership No. 068851
UDIN:22068851AJKFKC2668

Place: Kolkata

Dated: May 18, 2022

Consolidated Balance Sheet as at 31st March, 2022

(Rs. in Lacs)

ASSETS	Notes	As at 31.03.2022	As at 31.03.2021
ASSETS			
I. Non-current assets			
a) Property, Plant and Equipment	3	70,94.57	79,73.91
b) Capital Work-in-Progress	3	-	2,86.36
c) Investment Property	4	10,93.78	-
d) Financial Assets			
i) Investments	5	0.26	0.26
ii) Other Financial Assets	6	45.90	45.85
e) Deferred Tax Assets (Net)	7	44.85	-
		82,79.36	83,06.37
II. Current assets			
a) Inventories	8	12,83.50	1,164.99
b) Financial Assets			
i) Investments	9	2,25.03	26.17
ii) Trade Receivables	10	1,65.03	7,32.44
iii) Cash and Cash Equivalents	11	5.56	6.16
iv) Other Bank Balances	12	2,01.03	77.22
v) Loans	13	0.23	0.11
vi) Other Financial Assets	14	24.74	22.57
c) Other Current Assets	15	1,003.30	4,94.06
		29,08.41	25,23.72
Total Assets		1,11,87.77	1,08,30.09
EQUITY AND LIABILITIES			
A. Equity			
a) Equity Share Capital	16	3,60.75	3,60.75
b) Other Equity	17	74,53.70	71,84.64
		78,14.45	75,45.39
B. Liabilities			
I. Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	18	10,72.97	3,60.74
ii) Other Financial Liabilities	19	1,09.90	1,09.85
b) Provisions	20	44.83	37.42
c) Deferred Tax Liabilities (Net)	7	-	7.23
		12,27.69	5,15.24
II. Current liabilities			
a) Financial Liabilities			
i) Borrowings	21	4,00.28	12,21.17
ii) Trade Payables			
a) total outstanding dues of micro enterprises and small enterprises; and	22	9,91.30	9,40.43
b) total outstanding dues of creditors other	22	0.62	3.17
b) total outstanding dues of creditors other	22	9,90.68	9,37.26
iii) Other Financial Liabilities	23	29.30	13.87
b) Other Current Liabilities	24	6,02.63	4,94.82
c) Provisions	25	39.22	35.75
d) Current Tax Liabilities (Net)	26	82.90	63.41
		21,45.63	27,69.46
Total Equity and Liabilities		1,11,87.77	1,08,30.09

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 18, 2022

For and on behalf of the Board of Directors**Suresh Kumar Bangur**

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Consolidated Profit & Loss for the year ended 31st March 2022

(Rs. in Lacs)

PARTICULARS	Notes	For the Year ended 31.03.2022	For the Year ended 31.03.2021
I Income			
Revenue from Operations	27	116,56.99	61,21.03
Other Income	28	17.21	14.14
Total income		116,74.21	61,35.16
II. Expenses			
Cost of Material Consumed	29	82,08.62	31,79.05
Purchase of Stock in Trade			12.67
Increase/(Decrease) in value of Inventories of Finished Goods / Stock-in-Trade and Work-in-Progress	30	(1,30.96)	-48.17
Employee Benefit Expenses	31	3,96.32	3,40.20
Other Expenses	32	23,31.14	18,93.41
Total expenses	II	1,08,05.12	53,77.16
III. Earning before Interest, Depreciation and Tax (EBIDTA) (I - II)		8,69.08	7,58.01
Finance Costs	33	3,35.51	3,02.88
Depreciation and Amortisation Expense	3	1,04.67	1,05.37
IV. Profit/(loss) before tax		4,28.91	3,49.76
V. Tax expense:	34		
Current tax		1,56.36	60.00
(Excess)/Short Provision for Earlier Years		49.24	-
MAT Credit Entitlement/Utilized		14.71	52.78
Deferred tax		(66.78)	(11.66)
Total Tax Expenses		1,53.53	1,01.12
VI. Profit/(loss) for the period		2,75.39	2,48.64
VII. Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans Tax impact on above		(6.33) -	(12.57) -
VIII. Total Comprehensive Income for the Year		2,69.06	2,36.07
IX. Earnings per equity share			
Basic & Diluted	35	7.63	6.89
Cash		9.09	10.95

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
(Partner)
Membership No. : 068851

Place : Kolkata
Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)

Ajay Bangur
President & CFO

Sonali Sen
Independent Director
(DIN : 00451839)

Shankar Banerjee
Dy. Secretary
(ACS : 45073)

Consolidated Cash Flow Statement for the year ended 31 March, 2022

(Rs. in Lacs)

PARTICULARS	For the Year ended 31.03.2022	For the Year ended 31.03.2021
A. Cash Flow from Operating Activities		
Net Profit before Tax	4,28.91	3,49.76
Add: Adjustments for Non Cash & Non Operating Items		
Interest Received	(12.93)	(7.54)
Interest Paid	2,62.00	2,53.42
Depreciation of Property plant & Equipment	1,04.67	1,05.37
Freight Subsidy Claims Written Off	-	61.23
Profit on Redemption of Mutual Fund	(3.79)	(3.21)
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	0.13	0.58
Profit on Sale of property, plant and equipment	(0.55)	(3.92)
Operating Profit before Working Capital Changes	7,78.44	7,55.70
Add: Increase /Decrease in Working Capital		
Increase/(Decrease) in Current Liabilities	1,74.12	19.17
(Increase)/Decrease in Non-Current/Current Financial and other Assets	(6,33.11)	(55.29)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	7.41	6.61
Increase/ (Decrease) in Provision	(2.87)	(16.68)
(Increase)/Decrease in Inventories	(1,18.52)	(7.73)
(Increase)/ Decrease Trade & Other Receivables	5,65.12	5,35.16
	(7.84)	4,81.24
Cash generated from Operation	7,70.60	12,36.93
Less: Direct Tax Paid	(1,86.12)	(29.50)
Net Cash flow from Operating Activities	5,84.49	12,07.43
B. Cash Flow from Investing Activities		
Purchase of Property, plant and Equipment/Capital Work in Progress	(33.06)	(47.08)
Proceeds from sale of Property, plant and equipment	0.86	13.19
Interest Received	12.93	7.54
Proceeds from Sale of Mutual Fund	19,99.06	7,87.99
Purchase of Mutual Fund	(21,94.26)	(7,85.98)
Net Cash used in Investing Activities	(214.48)	(24.34)
C. Cash Flow from Financing Activities		
(Repayment of)/ Proceeds from Long Term Borrowings (Net)	7,12.27	(10,83.95)
(Repayment of)/ Proceeds from Short Term Borrowings (Net)	(8,20.89)	75.49
Less: Interest Paid	(2,62.00)	(2,53.42)
Net Cash used in Financing Activities	(3,70.62)	(12,61.87)
Net Changes in Cash & Cash Equivalents (A+B+C)	(0.60)	(78.78)
Cash & Cash Equivalents-Opening Balance	6.16	84.94
Cash & Cash Equivalents-Closing Balance#	5.56	6.16
Cash and cash equivalents consists		
Balances with Bank	0.50	2.26
Cash on Hand	5.06	3.90
Cash and cash equivalents as at year end	5.56	6.16

Fixed deposit having original maturity of over 3 months not included.

Note: Previous year's figures have been rearranged and regrouped wherever necessary.

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 18, 2022

For and on behalf of the Board of Directors**Suresh Kumar Bangur**

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Changes in Equity for the year ended 31.03.2022

A) EQUITY SHARE CAPITAL

(Rs. in Lacs)

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up	
Balance as at 1 April, 2020	3,60.75
Changes in Equity Share Capital during the year 2020-21	-
Balance as at 31 March, 2021	3,60.75
Changes in Equity Share Capital during the year 2021-22	-
Balance as at 31 March, 2022	3,60.75

B) OTHER EQUITY

Particulars	Reserves & Surplus			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April, 2020	2,62.50	64,90.28	1,95.79	69,48.57
Profit for the year	-	-	2,48.64	2,48.64
Amount Transferred to General Reserve	-	-	-	-
Remeasurements of Net Defined Benefit Plans	-	-	(12.57)	(12.57)
Balance as at 31 March, 2021	2,62.50	64,90.28	4,31.86	71,84.64
Balance as at 1 April, 2021	2,62.50	64,90.28	4,31.86	71,84.64
Profit for the year	-	-	2,75.39	275.39
Amount Transferred to General Reserve	-	-	-	-
Remeasurements of Net Defined Benefit Plans	-	-	(6.33)	(6.33)
Balance as at 31 March, 2022	2,62.50	64,90.28	7,00.92	74,53.70

Nature and Purpose of Reserves

- (A) Securities Premium:** This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.
- (B) General Reserve:** Under the erstwhile Companies Act 1956, General reserve was created through an annual transferr of net income at us specified percentage in accordance with applicable regulation. Consequent to introduction of Companies Act 2013 the requirement to mandatarily transfer a specified percentage of the net profit to general reserve has been withdrawn. It also includes reserve created on fair valuation of land. However the amount previously transferred to general reserve can be utilised only in accordance with the specific requirement of Companies Act, 2013
- (C) Retained Earnings :** This reserve represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
(Partner)
Membership No. : 068851
Place : Kolkata
Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)
Ajay Bangur
President & CFO

Sonali Sen
Independent Director
(DIN : 00451839)
Shankar Banerjee
Dy. Secretary
(ACS : 45073)

Notes to Consolidated Financial Statements as at 31st March, 2022

1. Group Overview

The consolidated financial statements comprise financial statements of The Phosphate Company Limited ("the Company") and its subsidiary (collectively, "the Group") for the year ended March 31, 2022.

The Phosphate Company Limited ("the Company") is a limited company incorporated in India, having its registered office situated at 14, Netaji Subhas Road, Kolkata. The Company has its shares listed on Calcutta Stock Exchange Limited (CSE) & BSE Limited (BSE). The Company is primarily engaged in the business of farm inputs comprising of fertiliser, crop protection, specialty nutrients and organic compost. The manufacturing unit of the Company is located at Rishra, West Bengal.

List of Subsidiary included in the Consolidated Financial Statements are as under:

<u>Name of Subsidiary Company</u>	<u>Extent of Holding</u>
Abhinandan Goods Pvt. Ltd.	100%

2. Significant Accounting Policies

a) Basis of Preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

b) Basis of Consolidation

The consolidated financial statements comprise financial statements of the Company and its Subsidiary and have been prepared in accordance with Indian Accounting Standard for Consolidated Financial Statements (IND AS 110), prescribed under section 133 of the Companies Act, 2013 ('Act'). The Consolidated Financial Statements have been prepared on the following basis:

- i) The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.
- ii) The difference between the cost of investment in the subsidiary over its proportionate share in the net assets value at the time of acquisition of stake in subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against Goodwill. Changes in parents ownership interest in subsidiary that do not result in the parent losing control of the subsidiary are recognised directly in equity.
- iii) Non controlling interest in net profit/loss of the subsidiary for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders' of the company. Non controlling interest in net assets of the subsidiary is identified and presented separately in Consolidated Financial Statements.
- iv) As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's financial statements.
- v) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the company.

c) Revenue from Contract with Customer

Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, outgoing sales taxes and goods and service tax. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made. The specific recognition criteria described below must also be met before revenue is recognised.

(i) Sale of Products

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, volume rebates, and goods and service tax. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognised.

(ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due)

(iii) Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

Dividend income is recognized when the Group's right to receive dividend is established. Interest income is recognized using the effective interest method. All other income are recognized on accrual basis.

d) Subsidy

Subsidy/Concessions receivable on Group's product are accounted when there is reasonable assurance that the such subsidy will be receivable based on the claims filed with the Department of Fertilizer.

e) Property, Plant & Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost of Property, Plant & Equipment comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of commercial production.

Depreciation is provided on the straight line method over the estimated useful lives of assets and are in line with the requirements of Part C of Schedule II of the Companies Act, 2013.

Furniture & Fixtures 5 - 10 Years

Vehicles 8 Years

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as Capital Advances under other Non-Current Assets and the cost of assets not put to use before such date are disclosed under 'Capital Work in Progress'.

The cost and related accumulated depreciation are eliminated from the Financial Statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit & Loss. The method of depreciation, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Inventories

Inventories are valued at cost or net realisable value whichever is lower. Closing stock has been valued on FIFO basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

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

g) Financial Instruments

Initial recognition and measurement

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

i. Non derivative financial instruments

1) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to

hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

4) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii. Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

h) Fair Value Measurement

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) **Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) **Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) **Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

i) Impairment

Impairment is recognized based on the following principles:

Financial Assets

The Group recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at life time ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are

tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating unit) Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

k) Foreign Currency Transactions & Translations

The functional currency of the Group is Indian Rupee. These Financial Statements are presented in Indian Rupee. Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss. Monetary Assets & Liabilities in foreign currency that are outstanding at the year end are translated at the year end exchange rates and the resultant gain/loss is accounted for in the Statement of Profit & Loss.

l) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m) Employee Benefits

Defined Contribution Plan

The Group makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees, where the Group has no further obligations. Both the employees and the Group make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

Defined Benefit Plan

The Group operates a defined benefit gratuity plan in India, comprising of Gratuity fund with an approved trust. The Group's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits.

The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The Group recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past- service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss.

Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.

Other Long Term Employee Benefits

The Group treats accumulated leaves expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the end of each financial year. This benefit is not funded. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

n) Leases

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

Group as a lessee

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

Right-of-use assets

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

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The company's lease liabilities are included in Interest-bearing loans and borrowings

Short-term leases and leases of low-value assets

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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.

o) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

p) Income Taxes

Income tax expense is recognized in the Statement of Profit & Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Provision for current tax is made at the current tax rates based on assessable income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

q) Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

r) Recent Accounting Pronouncements

On March 23, 2022 the Ministry of Corporate Affairs issued, The Companies (Indian Accounting Standards) Amendments Rules, 2022, notifying amendments to the following accounting standards. The amendments would be effective from April 1, 2022.

1. Ind AS 103, Business Combination

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its financial statements

2. Ind AS 16, Property, Plant And Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statement

Notes to Consolidated Financial Statements as at 31st March, 2022

Note 3 Property, plant and equipment (Current year)

(Rs. in Lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
Property Plant & Equipment										
Freehold land	71,13.27	2,78.78	10,93.78	62,98.27	-	-	-	-	62,98.27	71,13.27
Building	3,87.08	-	-	3,87.08	1,02.20	17.88	-	1,20.08	2,67.00	2,84.88
Plant and machinery	8,37.71	37.55	-	8,75.26	2,85.82	80.30	-	3,66.12	5,09.14	5,51.89
Computers	4.98	2.37	0.82	6.52	3.00	1.50	0.78	3.72	2.80	1.98
Water & Acid Installation	16.81	-	-	16.81	6.10	1.67	-	7.77	9.04	10.71
Laboratory Equipment:	4.67	-	-	4.67	3.41	0.28	-	3.69	0.98	1.26
Furniture & Fittings	5.74	0.73	0.36	6.10	4.29	0.60	0.35	4.54	1.56	1.45
Motor Cars & Trucks	20.28	-	5.05	15.23	11.87	2.44	4.80	9.51	5.72	8.41
Electric Installation:	0.10	-	-	0.10	0.04	0.00	-	0.05	0.06	0.06
Total	83,90.63	3,19.42	11,00.02	76,10.04	4,16.73	1,04.67	5.92	5,15.47	70,94.57	79,73.91
Capital work-in-progress	286.36	14.45	3,00.80	-	-	-	-	-	-	2,86.36
Total	86,76.99	3,33.87	14,00.82	76,10.04	4,16.73	1,04.67	5.92	5,15.47	70,94.57	82,60.26

Note 3 Property, plant and equipment (Previous year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2020	Additions	Disposals/ Adjustments	31 March 2021	1 April 2020	Additions	Disposals/ Adjustments	31 March 2021	31 March 2021	31 March 2020
Property Plant & Equipment										
Freehold land	71,13.27	-	-	71,13.27	-	-	-	-	71,13.27	71,13.27
Building	3,87.08	-	-	3,87.08	82.90	19.30	-	1,02.20	2,84.88	3,04.18
Plant and machinery	8,76.70	2.99	41.98	8,37.71	2,39.58	78.96	32.71	2,85.82	5,51.89	6,37.13
Computers	3.82	1.16	-	4.98	2.10	0.90	-	3.00	1.98	1.72
Water & Acid Installation	16.81	-	-	16.81	4.44	1.67	-	6.10	10.71	12.37
Laboratory Equipment	4.67	-	-	4.67	3.03	0.38	-	3.41	1.26	1.64
Furniture & Fittings	5.52	0.21	-	5.74	3.81	0.48	-	4.29	1.45	1.72
Motor Cars & Trucks	20.28	-	-	20.28	8.18	3.69	-	11.87	8.41	12.10
Electric Installation:	0.10	-	-	0.10	0.04	0.00	-	0.04	0.06	0.06
Total	84,28.25	4.36	41.98	83,90.63	3,44.07	1,05.37	32.71	4,16.73	79,73.91	80,84.19
Capital work-in-progress	2,43.64	56.71	13.99	2,86.36	-	-	-	-	2,86.36	1,72.44
Total	86,71.89	61.07	55.98	86,76.99	3,44.07	1,05.37	32.71	4,16.73	82,60.26	82,56.63

(a) Capital Work-in-Progress

Capital Work-in-Progress ageing Schedule

CWIP	31st March 2022		31st March 2021	
	Amount in CWIP for a period of		Amount in CWIP for a period of	
	Less than 1 Year	Total	Less than 1 Year	Total
Projects in progress	-	-	2,86.36	2,86.36

Note 4 Investment Property (Current Year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
Capital Work-in-Progress	-	1,094	-	1,094	-	-	-	-	1,094	-

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 5 : Investments - Non Current	As at 31st March 2022	As at 31st March 2021
Investments in Government or trust securities		
Investments carried at Amortised Cost (Unquoted)		
National Savings Certificate	0.26	0.26
Total	0.26	0.26
Aggregate amount of Unquoted Investments	0.26	0.26

(Rs. in Lacs)

Note 6 : Other Financial Assets	As at 31st March 2022	As at 31st March 2021
Financial assets carried at Amortised Cost (Unsecured, considered good)		
Security deposits	45.90	45.85
Total	45.90	45.85

(Rs. in Lacs)

Note 7 : Deferred Tax Asset/(Liabilities)	As at 31st March 2022	As at 31st March 2021
Deferred Tax Assets		
Expenses allowable against taxable income in future years	1,11.45	61.67
MAT Credit Entitlement	-	14.71
Deferred Tax Liabilities		
Timing difference in depreciable assets	(66.60)	(83.61)
Total	44.85	(7.23)

(Rs. in Lacs)

Note 8 : Inventories	As at 31st March 2022	As at 31st March 2021
(Valued at lower of cost or net realisable value)		
Raw Materials*	7,34.75	7,42.27
Packing Materials	31.83	35.65
Stores & Spare Parts	98.80	99.90
Finished Goods (including W.I.P.)	4,18.13	2,86.67
Trading Goods	-	0.50
Total	12,83.50	11,64.99
* Includes Stock-In-Transit	-	2,79.96

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 9 : Investments - Current	As at 31st March 2022	As at 31st March 2021
Investment carried at fair value through Profit & Loss		
Investments in Mutual Funds (Unquoted)		
3622.5670 Units Kotak Liquid Growth Fund (Previous Year NIL)	1,55.01	-
2114.8530 Units SBI Short Term Debt Growth Fund (Previous Year NIL)	70.02	-
Kotak Banking & PSU Debt (Previous Year 1955.8500 Units)	-	1.01
Kotak Floating Rate Fund (Previous Year 2188.128 Units)	-	25.16
Total	2,25.03	26.17

(Rs. in Lacs)

Note 10 : Trade Receivables	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost		
(Unsecured, Considered goods)		
- Considered Good	67.67	2,77.80
- Considered Doubtful	0.81	34.78
	68.48	3,12.58
Subsidy receivable from Central Government	97.35	4,54.64
Gross Trade Receivable	1,65.84	7,67.22
Less: Provision for Doubtful Debts	(0.81)	(34.78)
Total	1,65.03	7,32.44
Outstanding for the following periods from due date of transactions		
Particulars		
(i) Undisputed Trade Receivables - Considered Good		
Less than 6 Months	1,35.68	6,84.41
6 Months to 1 Year	-	9.16
1-2 Years	0.01	3.30
2-3 Years	0.00	-
More than 3 Years	29.34	35.57
Sub Total	1,65.03	7,32.44
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		
1-2 Years	-	0.02
2-3 Years	0.00	0.00
More than 3 Years	0.80	34.76
Sub Total	0.80	34.78
Total	1,65.84	7,67.22

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 11 : Cash and cash equivalents	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost		
Balance with banks	0.50	2.26
Cash on hand	5.06	3.90
Total	5.56	6.16

(Rs. in Lacs)

Note 12 : Other Bank Balances	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost		
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)	2,01.03	77.22
Total	2,01.03	77.22

(Rs. in Lacs)

Note 13 : Loans- Current	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost (Unsecured, considered good)		
Advances to Employees	0.23	0.11
Total	0.23	0.11

(Rs. in Lacs)

Note 14 : Other Financial Assets- Current	As at 31st March 2022	As at 31st March 2021
Financial Assets carried at amortised cost (Unsecured, considered good)		
Interest Receivable		
From Banks	6.64	4.38
Advance recoverable in cash or kind	18.10	18.19
Total	24.74	22.57

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 15 : Other Current Assets	As at 31st March 2022	As at 31st March 2021
(Unsecured, considered good)		
Advance to suppliers	0.35	9.29
Advances against expenses	12.08	30.42
Prepaid expenses	23.02	6.41
	35.44	46.12
Input Tax Receivable	12,09.89	5,45.35
Less: Provision for GST Receivable	2,42.04	97.41
Input tax receivable	9,67.86	4,47.95
Total	10,03.30	4,94.06

(Rs. in Lacs)

Note 16 : Equity share capital	As at 31st March 2022	As at 31st March 2021
Authorised capital		
1,00,00,00 (1,00,00,000) equity shares of Rs. 10 each	10,00.00	10,00.00
1,50,000 (1,50,000) Redeemable Preference Shares of Rs. 1000 each	15,00.00	15,00.00
	25,00.00	25,00.00
Issued, subscribed and Paid-up capital		
36,07,480 equity shares of Rs.10 each	3,60.75	3,60.75
	3,60.75	3,60.75

(Rs. in Lacs)

Note 16 : a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares at the beginning of the year	36,07,480	360.75	36,07,480	360.75
Add: Share issued during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	360.75	36,07,480	360.75

b) Rights/preferences/restrictions attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(Rs. in Lacs)

Note 16 : c) Details of shareholders holding more than 5% shares in the Company	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% holding	No. of Shares	% holding
Madhav Trading Corpn. Ltd.	3,74,880	10.39	3,74,880	10.39
Shrivats Khaitan	2,31,000	6.40	2,31,000	6.40
Life Insurance Corporation of India	1,77,715	4.93	1,88,180	5.22

Notes to Consolidated Financial Statements as at 31st March, 2022

Note 16 (Contd.)

d) Details of Shares held by Promoters at the end of the year

Disclosure of Promoter's Shareholding

Sl. No.	Name	No. of Shares as on April 1, 2021	No. of Shares as on March 31, 2022	% of total shares	% Change during the year	No. of Shares as on April 1, 2020	No. of Shares as on March 31, 2021	% of total shares	% Change during the year
1	Shrivats Khaitan	231,000	231,000	6.40	0.00%	231,000	231,000	6.40	0.00%
2	Nikate Khaitan (HUF)	164,740	164,740	4.57	0.00%	164,740	164,740	4.57	0.00%
3	Chandrakala Khaitan	148,280	148,280	4.11	0.00%	148,280	148,280	4.11	0.00%
4	Nikate Khaitan	105,600	105,600	2.93	0.00%	105,600	105,600	2.93	0.00%
5	Suresh Kumar Bangur-Trust	43,000	99,100	2.75	1.56%	43,000	43,000	1.19	0.00%
6	Binod Kumar Khaitan	82,400	82,400	2.28	0.00%	82,400	82,400	2.28	0.00%
7	Bina Bangur	70,900	70,900	1.97	0.00%	70,900	70,900	1.97	0.00%
8	Rajendra Kumar Bangur	56,900	56,900	1.58	0.00%	56,900	56,900	1.58	0.00%
9	Sakate Khaitan	64,760	54,760	1.52	-0.28%	64,760	64,760	1.80	0.00%
10	Gita Bangur	46,200	46,200	1.28	0.00%	46,200	46,200	1.28	0.00%
11	Luxmi Devi	4,000	38,044	1.05	0.94%	4,000	4,000	0.11	0.00%
12	Vijay Kumar Bangur	29,400	29,400	0.81	0.00%	29,400	29,400	0.81	0.00%
13	Ramesh Kumar Bangur	27,206	27,206	0.75	0.00%	27,206	27,206	0.75	0.00%
14	Suresh Kumar Bangur	60,860	26,816	0.74	-0.94%	60,860	60,860	1.69	0.00%
15	Pradyumna Bangur	26,580	26,580	0.74	0.00%	26,580	26,580	0.74	0.00%
16	Sudarshan Bangur	26,300	26,300	0.73	0.00%	26,300	26,300	0.73	0.00%
17	Madan Gopal Bangur	79,500	23,400	0.65	-1.56%	79,500	79,500	2.20	0.00%
18	Anirudh Bangur	15,100	15,100	0.42	0.00%	15,100	15,100	0.42	0.00%
19	Usha Kiran Bangur	13,380	13,380	0.37	0.00%	13,380	13,380	0.37	0.00%
20	Shrimangala Khaitan	-	10,000	0.28	0.28%	-	-	-	0.00%
21	Ajay Bangur	7,800	7,800	0.22	0.00%	7,800	7,800	0.22	0.00%
22	Shree Prakash Bangur	5,400	5,400	0.15	0.00%	5,400	5,400	0.15	0.00%
23	Bimala Devi	5,400	5,400	0.15	0.00%	5,400	5,400	0.15	0.00%
24	Milan Bangur	4,000	4,000	0.11	0.00%	4,000	4,000	0.11	0.00%
25	Ramesh Kumar Bangur	4,000	4,000	0.11	0.00%	4,000	4,000	0.11	0.00%
26	Suresh Kumar Bangur HUF	2,000	2,000	0.06	0.00%	2,000	2,000	0.06	0.00%
27	Sushma Bangur	840	840	0.02	0.00%	840	840	0.02	0.00%
28	Veena Bangur	520	520	0.01	0.00%	520	520	0.01	0.00%
29	Murli Dhar Khaitan	300	300	0.01	0.00%	300	300	0.01	0.00%
30	Hemant Bangur	200	200	0.01	0.00%	200	200	0.01	0.00%
31	Madhav Trading Corporation Limited	374,880	374,880	10.39	0.00%	374,880	374,880	10.39	0.00%
32	Credwyn Holdings India	175,000	175,000	4.85	0.00%	175,000	175,000	4.85	0.00%
33	Gloster Limited	170,000	170,000	4.71	0.00%	170,000	170,000	4.71	0.00%
34	Joonktollie Tea And Industries Ltd.	138,680	138,680	3.84	0.00%	138,680	138,680	3.84	0.00%
35	Amvi Tradecom Private Limited	100,000	100,000	2.77	0.00%	100,000	100,000	2.77	0.00%
36	Raj Packwell Limited	100,000	100,000	2.77	0.00%	100,000	100,000	2.77	0.00%
37	Wind Power Vinimay Pvt. Ltd.	87,840	87,840	2.43	0.00%	87,840	87,840	2.43	0.00%
38	The Oriental Company Limited	9,610	9,610	0.27	0.00%	9,610	9,610	0.27	0.00%
39	Bangur Trafin Pvt. Ltd.	3,000	3,000	0.08	0.00%	3,000	3,000	0.08	0.00%
40	Devendra Finvest and Holding Pvt Ltd	220	220	0.01	0.00%	-	220	0.01	0.01%
	Total Shares	24,85,796	24,85,796	68.90	0.00%	24,85,576	24,85,796	68.90	0.01%

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 17 : Other Equity	As at 31st March 2022	As at 31st March 2021
Securities Premium		
Opening Balance	2,62.50	2,62.50
Addition during the Year	-	-
	2,62.50	2,62.50
General Reserve		
Opening Balance	64,90.28	64,90.28
Addition during the Year	-	-
	64,90.28	64,90.28
Retained Earnings		
As per last Balance Sheet	4,31.86	1,95.79
Profit for the Year	2,75.39	2,48.64
Remeasurements of Net Defined Benefit Plan	(6.33)	(12.57)
Balance as at the end of the year	7,00.92	4,31.86
Total	74,53.70	71,84.64

(Rs. in Lacs)

Note 18 : Borrowings (Non Current)	As at 31st March 2022	As at 31st March 2021
Financial Liabilities carried at amortised cost		
Secured		
a) Term loans from Non Banking financial Institution	3,25.17	3,87.82
b) GECL loans from Banking financial Institution	3,04.00	-
Less: Current maturities of Term Loan (refer note 20)	70.77	62.65
	5,58.39	3,25.17
c) Term loans from banks		
(i) Vehicle loans from banks	11.13	15.29
(ii) Equipment loans from banks	24.45	42.16
Less: Current maturities of Vehicle & Equipment Loan (refer note 20)	22.00	21.87
	13.58	35.58
Unsecured		
From Limited Companies		
From Related Parties	4,82.00	-
From Other Body Corporates	19.00	-
	5,01.00	-
Total	10,72.97	3,60.74

Notes to Consolidated Financial Statements as at 31st March, 2022

(i) Repayment terms and nature of securities given for Secured loans are as follows :

Sl. No.	Name of Bank	Nature of security	Repayment Terms	31-Mar-2022	31-Mar-2021
a	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No. 47, Rishi Bankim Chandra Road, Rishra Hooghly. Current Interest rate is 12.25%.	Repayable in 84 equal monthly installment of Rs. 8,89,336 commencing from February 2019.	3,25.17	3,87.82
b(i)	State Bank Of India	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 7.40%	Repayable in 36 equal monthly installment commencing from December, 2023	1,71.00	-
b(ii)	Canara Bank	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 1st charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 7.50%	Repayable in 36 equal monthly installment commencing from December, 2023	1,33.00	-
c (i)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 9.65%.	Repayable in 75 equal monthly installment of Rs. 12,373.85 commencing from December, 2015.	-	1.70
c (ii)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 8.90%.	Repayable in 81 equal monthly installment of Rs. 14,719.19 commencing from May, 2018.	5.15	6.44
c (iii)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 9.00%.	Repayable in 84 equal monthly installment of Rs. 13,980.78 commencing from March, 2019	5.98	7.14
d (i)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	12.22	21.08
d (ii)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	12.22	21.08

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 19- Other financial liabilities - Non Current	As at 31st March 2022	As at 31st March 2021
Financial Liabilities carried at amortised cost		
Deposit from Dealer	1,09.90	1,09.85
Total	1,09.90	1,09.85

(Rs. in Lacs)

Note 20- Provisions - Non Current	As at 31st March 2022	As at 31st March 2021
Provisions for Employee Benefits		
Leave Encashment	84.05	73.17
Less: Current Liability (refer note 25)	39.22	35.75
Total	44.83	37.42

(Rs. in Lacs)

Note 21- Borrowings - Current	As at 31st March 2022	As at 31st March 2021
Financial Liabilities carried at amortised cost		
Secured		
From Banks		
Cash Credit	3,07.51	11,10.65
Unsecured		
From Limited Companies		
From Related Parties	-	16.00
From Other Body Corporates	-	10.00
Current Maturities of Term loans from Non Banking financial Institution (refer note 18)	70.77	62.65
Current Maturities of Equipment & Vehicle loans from Banks (refer note 18)	22.00	21.87
Total	4,00.28	12,21.17

Cash Credit Loan from Banks are secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by second charge on entire fixed Assets of the Company. Current Interest Rate is 9.15-10.00%

(Rs. in Lacs)

Note 22 : Trade payables	As at 31st March 2022	As at 31st March 2021
Financial Liabilities carried at amortised cost		
MSMED [refer note (a) below]	0.62	3.17
Others Trade Payable	9,90.68	9,37.26
Total	9,91.30	9,40.43

Notes to Consolidated Financial Statements as at 31st March, 2022

Notes :

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due to micro and small enterprise Interest due on above	0.62 3.17
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	- -
(iii)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	- -
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	- -
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	- -

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

Outstanding for the following periods from due date of transaction

Particulars

(i) MSME		
	Less than 1 Year	0.62 3.17
	Sub Total	0.62 3.17
(ii) Others		
	Less than 1 Year	9,88.91 9,37.26
	1-2 Years	1.77 -
	Sub Total	9,90.68 9,37.26
	Total	9,91.30 9,40.43

The above disclosures are provided by the company based on the information available with the company in respect of the registration status of its vendors/suppliers under MSME Scheme

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 23 : Other financial liabilities - Current	As at 31st March 2022	As at 31st March 2021
Financial Liabilities carried at amortised cost		
Interest accrued and due	3.18	3.66
Employee Benefits	26.12	21.92
Financial Liabilities carried at Fair Value through Profit & Loss		
Foreign Currency Forward Contracts Payable/(Receivable)	-	(11.72)
Total	29.30	13.87

(Rs. in Lacs)

Note 24 : Other current liabilities	As at 31st March 2022	As at 31st March 2021
Advance from customers	1,50.71	73.22
Statutory & other dues payables	1,37.98	1,20.52
Liability for expenses	3,13.81	3,01.08
Total	6,02.63	4,94.82

(Rs. in Lacs)

Note 25 : Provisions - Current	As at 31st March 2022	As at 31st March 2021
Provisions for Employee Benefits		
Leave Encashment (refer note No. 20)	39.22	35.75
Total	39.22	35.75

(Rs. in Lacs)

Note 26 : Current Tax Liabilities (Net)	As at 31st March 2022	As at 31st March 2021
Provision for Income Tax (Net of Advance Tax)	82.90	63.41
Total	82.90	63.41

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 27 : Revenue from Operations	As at 31st March 2022	As at 31st March 2021
Gross Sales/ Income from Operations	126,38.22	68,07.53
Less: Discounts, Rebates & Taxes	9,96.63	7,38.31
Revenue from Operations	116,41.59	60,69.22
Other Operating Income		
Insurance Claim	-	51.61
Scrap Sales	15.40	0.20
Total	116,56.99	61,21.03

(Rs. in Lacs)

Note 28 : Other Income	As at 31st March 2022	As at 31st March 2021
Interest income on		
Fixed Deposits	10.24	4.93
Others	2.69	2.61
Profit on sales of Property, plant and equipment	0.55	3.92
Profit on Redemption of Mutual Fund	3.79	3.21
Gain on measuring investments at FVTPL	(0.13)	(0.58)
Other Income	0.08	0.06
Total	17.21	14.14

(Rs. in Lacs)

Note 29 : Cost of Material Consumed	As at 31st March 2022	As at 31st March 2021
Raw Materials	79,85.09	30,43.34
Packing Materials	2,23.53	1,35.71
Total	82,08.62	31,79.05

Rs. in Lacs

Note 30- Increase/(Decrease) in value of Inventories of Finished Goods / Stock-in-Trade and Work-in-Progress	As at 31st March 2022	As at 31st March 2021
Opening Stock:		
Finished Goods	2,86.67	2,36.63
Trading Goods	0.50	2.37
Less: Closing Stock		
Finished Goods	(4,18.13)	(2,86.67)
Trading Goods	-	(0.50)
Total	(1,30.96)	(48.17)

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 31 : Employee benefit expenses	As at 31st March 2022	As at 31st March 2021
Salaries, wages and bonus	3,00.63	2,56.56
Contribution to Provident & other funds	52.87	44.72
Staff Welfare	42.82	38.92
Total	3,96.32	3,40.20

(Rs. in Lacs)

Note 32 : Other expenses	As at 31st March 2022	As at 31st March 2021
Consumption of Stores and Spares	1,61.03	1,41.07
Power and Fuel Expenses	3,35.90	2,16.78
Repair to :	-	-
Building	46.90	46.78
Machinery	75.00	21.02
Others	9.76	15.30
Manufacturing & Supervision Charges	1,77.37	1,43.60
Storage & Handling Expenses	-	-
Packing Expenses	71.92	51.39
Freight, Delivery Expenses	11,07.74	9,31.51
Selling Expenses	55.06	4.47
Rent	3.02	2.38
Rates and Taxes	1,56.85	1,08.79
Payment to Auditors :	-	-
Audit Fee	0.69	0.69
Certification Fee	0.59	1.22
Legal & Consultancy Expenses	27.33	55.61
Freight Subsidy Claims Written Off	-	61.23
Director's Fees :-	-	-
Board Meeting Fees	3.10	3.20
Committee Meeting Fees	0.80	1.30
Information & Technology Expenses	1.91	1.12
Insurance Charges	12.07	7.03
Motor Vehicle Expenses	8.58	8.17
Other Maintenance Expenses	30.47	28.39
Bad Debts	34.15	-
Less: Provision for Bad Debt adjusted	(34.15)	-
Provision for Doubtful Debts	0.18	-
Charity & Donation	13.35	11.45
Miscellaneous Expenses	31.54	30.91
Total	23,31.14	18,93.41

(Rs. in Lacs)

Note 33 : Finance costs	As at 31st March 2022	As at 31st March 2021
Interest	2,62.00	2,53.42
Bank charges	41.57	21.36
Foreign Exchange Rate Fluctuation	31.94	28.10
Total	3,35.51	3,02.88

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Note 34 : Effective tax reconciliation Income Tax Recognised in Statement of Profit & Loss	As at 31st March 2022	As at 31st March 2021
Current Tax	1,56.36	60.00
(Excess)/Short Provision for Earlier Years	49.24	-
Deferred Tax	(66.78)	(11.66)
Total Income tax Expense recognised in the current year	1,38.82	48.34
The income tax expense can be reconciled to the accounting profit as follows:		
Profit before tax	4,28.91	3,49.76
Applicable tax rate	0.25	0.28
Computed Tax Expense	1,07.95	97.30
Add/(Deduct)		
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(23.90)	13.16
(Excess)/Short Provision for Earlier Years	49.24	-
Tax effect of certain temporary differences measured at lower rates	-	(64.43)
Others	5.53	2.31
Total Income Tax Expense/(Credit)	1,38.82	48.34

(Rs. in Lacs)

Note 35 : Earnings per equity shares	As at 31st March 2022	As at 31st March 2021
Profit as per Statement of Profit and Loss	2,75.39	2,48.64
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	7.63	6.89

(Rs. in Lacs)

Note 36 : Contingencies and Commitments (to the extent not provided for)	As at 31st March 2022	As at 31st March 2021
I) Contingent Liabilities		
I) Guarantees given		
Guarantees given by the Company not acknowledged as debt	2.00	2.00
Total	2.00	2.00
II) Commitments		
Commitment of Capital Expenditure not provided for in the accounts (Estimated)	-	16.00
Total	-	16.00

(Rs. in Lacs)

Note 37 : Employee Benefit Obligations	As at 31st March 2022	As at 31st March 2021
I) Defined Contribution Plan		
Contribution to defined contribution plan, recognized are charged off during the year as follows :		
Employers' Contribution to Provident Fund	21.36	18.75
I) Defined Benefit Plan		
Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		

Notes to Consolidated Financial Statements as at 31st March, 2022

(Rs. in Lacs)

Particulars	Gratuity Funded		Accumulated Leave Unfunded	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	11.84	9.88	6.34	5.30
Interest cost	(0.76)	(0.31)	4.28	4.02
Actuarial loss/(gain) recognized during the year	-	-	0.26	(4.62)
Amount recognized in the statement of profit and loss	11.09	9.57	10.87	4.70
(ii) Changes in Present Value Obligation				
Present value of defined benefit obligation as at the start of the year	2,28.87	2,02.99	73.17	70.67
Current service cost	11.84	9.88	6.34	5.30
Interest cost	12.66	11.43	4.28	4.02
Actuarial loss/(gain) recognized during the year	(7.78)	14.97	0.26	(4.62)
Benefits paid	(24.85)	(10.41)	-	(2.20)
Present value of Defined Benefit Obligation as at the end of the year	2,20.73	2,28.87	84.04	73.17
(iii) Change in fair value of plan assets				
Fair value of plan assets as at the start of the year	2,29.35	2,03.12	-	-
Return on plan assets	1.45	2.40	-	-
Interest Income	13.42	11.74	-	-
Actuarial loss/(gain)	-	-	-	-
Contribution	17.00	22.50	-	-
Benefits paid	(24.85)	(10.41)	-	(2.20)
Fair value of plan assets as at the end of the year	2,36.37	2,29.35	-	(2.20)
Reconciliation of present value of defined benefit obligation and the fair value of plan assets				
Funded Status	0.07	0.49	-	-
Present value obligation as at the end of the year	2,36.30	2,28.87	84.04	73.17
Fair value of plan assets as at the end of the year	2,36.37	2,29.35	-	-
Net liability/(asset) recognized in balance sheet	0.00	0.00	84.04	73.17
Amount recognised in the statement of Other Comprehensive Income				
Actuarial (Gain)/Loss for the year on Present value of obligation	(0.35)	0.33	-	-
Actuarial (Gain)/Loss for the year on Asset	8.13	14.64	-	-
Return on Plan Asset, Excluding Interest Income	1.45	2.40	-	-
Unrecognised actuarial (Gain)/Loss at the end of the year	6.33	12.57	-	-
Breakup of Actuarial gain/loss:				
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(0.35)	0.33	-	-
Actuarial (gain)/loss on arising from experience adjustment	8.13	14.64	-	-

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Financial Assumptions				
Discount rate p.a.	5.85%	5.78%	5.85%	5.78%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	6 Years	6 Years	5 Years	5 Years

Notes to Consolidated Financial Statements as at 31st March, 2022

f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

(Rs. in Lacs)

Sensitivity analysis for Gratuity	As at 31 March, 2022		As at 31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	233.88	238.87	226.28	231.61
%Change Compared to base due to sensitivity	-1.02%	1.09%	-1.13%	1.20%
Salary Growth (-/+ 0.5%)	238.80	233.91	231.54	226.32
%Change Compared to base due to sensitivity	1.06%	-1.01%	1.17%	-1.11%
Attrition Rate (-/+ 0.5%)	236.28	236.31	228.86	228.88
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	236.27	236.33	228.84	228.90
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%

(Rs. in Lacs)

Sensitivity analysis for Accumulated Leave	As at 31 March, 2022		As at 31 March, 2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	82.13	86.12	71.79	74.62
%Change Compared to base due to sensitivity	-2.28%	2.47%	-1.88%	1.99%
Salary Growth (-/+ 0.5%)	86.06	82.15	74.59	71.82
%Change Compared to base due to sensitivity	2.41%	-2.25%	1.94%	-1.85%
Attrition Rate (-/+ 0.5%)	84.03	84.05	73.15	73.16
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.03%	-0.01%
Mortality Rate (-/+ 10%)	84.02	84.07	73.14	73.17
%Change Compared to base due to sensitivity	-0.03%	0.03%	-0.04%	0.01%

The Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period.

Expected contribution during the next annual reporting period:

Particulars

Gratuity

The Company's best estimate of contribution during the next year

Rs. 3.74 Lacs

Table Showing Allocation of Plan Asset at the end Measurement Period	Allocation of Plan Asset Gratuity (Funded)		Allocation in % of Plan Asset Gratuity (Funded)	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Cash & Cash Equivalents	9.64	25.06	4.08%	10.93%
Special Deposit Scheme	5.20	5.20	2.20%	2.27%
State Government Securities	51.99	74.79	22.00%	32.61%
Government of India Securities	46.51	18.14	19.68%	7.91%
Corporate Bonds	99.49	93.32	42.09%	40.69%
Debt Securities	17.15	7.15	7.26%	3.12%
Other	6.39	5.70	2.70%	2.48%
Total	2,36.37	2,29.35	100.00%	100.00%

Notes to Consolidated Financial Statements as at 31st March, 2022

Note 38 : Financial instruments and other related disclosures

i. Capital Management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through cash generated from operations and short term bank borrowings.

The net debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2022, the ratio is 0.133

(Rs. in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Equity Share Capital	3,60.75	3,60.75
Other Equity	74,53.70	71,84.64
Total Equity (A)	78,14.45	75,45.39
Non-Current Borrowings	10,72.97	3,60.74
Short Term Borrowings	4,00.28	12,21.17
Total Borrowings (Gross Debt) (B)	14,73.25	15,81.92
Less: Investments	(2,25.29)	(26.43)
Less: Cash and Cash Equivalents	(5.56)	(6.16)
Less: Other Bank Balances	(2,01.03)	(77.22)
Net Debt (C)	1041.37	14,72.10
Net Debt to Equity (C/A)	0.133	0.195

Disclosures on Financial Instruments

l) Financial Instruments by Category

As at March 31, 2022

(Rs. in Lacs)

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	0.26	2,25.03	2,25.29	2,25.29
Trade Receivables	1,65.03	-	1,65.03	1,65.03
Cash and Cash Equivalents	5.56	-	5.56	5.56
Other Bank Balances	2,01.03	-	2,01.03	2,01.03
Loans	0.23	-	0.23	0.23
Other Financial Assets	24.74	-	24.74	24.74
Total Financial Assets	3,96.84	2,25.03	6,21.87	6,21.87
Financial Liabilities				
Borrowings	14,73.25	-	14,73.25	14,73.25
Trade Payables	9,91.30	-	9,91.30	9,91.30
Other Financial Liabilities	1,39.19	-	1,39.19	1,39.19
Total Financial Liabilities	26,03.75	-	26,03.75	26,03.75

Notes to Consolidated Financial Statements as at 31st March, 2022

Note 37 : Financial Instruments and other related disclosure

(Rs. in Lacs)

As at March 31, 2021

<u>Particulars</u>	<u>Amortised Cost</u>	<u>Fair Value through PL</u>	<u>Total Carrying Value</u>	<u>Total Fair Value</u>
Financial Assets				
Investments	0.26	26.17	26.43	26.43
Trade Receivables	7,32.44	-	7,32.44	7,32.44
Cash and Cash Equivalents	6.16	-	6.16	6.16
Other Bank Balances	77.22	-	77.22	77.22
Loans	45.85	-	45.85	45.85
Other Financial Assets	22.57	-	22.57	22.57
Total Financial Assets	<u>8,84.50</u>	<u>26.17</u>	<u>9,10.67</u>	<u>9,10.67</u>
Financial Liabilities				
Borrowings	15,81.92	-	15,81.92	15,81.92
Trade Payables	9,40.43	-	9,40.43	9,40.43
Other Financial Liabilities	1,35.44	(11.72)	1,23.72	1,23.72
Total Financial Liabilities	<u>26,57.79</u>	<u>(11.72)</u>	<u>26,46.07</u>	<u>26,46.07</u>

(ii) Fair value hierarchy

All Financial Assets & Financial Liabilities are carried at amortised cost except Current Investments and Foreign Currency Future Contracts, which have been fair valued.

Level 1 — Quoted (adjusted) market prices in active markets for identical assets or liabilities.

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

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

The following table represents the fair value hierarchy of Financial Assets and Financial Liabilities measured at Fair Value on a recurring basis :

(Rs. in Lacs)

<u>Particulars</u>	<u>Fair Value Hierarchy Level</u>	<u>31 March, 2022</u>	<u>31 March, 2021</u>
Financial Assets			
Current Investments	Level 1	2,25.03	26.17
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	-	(11.72)

(iii) Financial risk management objectives and policies

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, liquidity risk & credit risk which may adversely impact the fair value of its financial instruments. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(A) Market risk

Market risk comprises interest rate risk & foreign currency risk. Financial instruments affected by market risk include loans and borrowings in foreign currencies.

Notes to Consolidated Financial Statements as at 31st March, 2022

(a) Interest rate risk

The Group is exposed to interest rate risk because the Group borrow funds at both at fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of Interest rate swap contracts. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates.

(b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exchange rate risk exposure is primarily due to trade payables denominated in foreign currency. The Group's is restricting its exposure of risk in change in exchange rates by way of Forward/Future Contracts.

(Rs. in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Foreign Currency Payable (Amount in USD)	10.61	9.87

(B) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital facilities from various banks. The Group invests its surplus funds in bank fixed deposit and mutual funds, which carry low market risk.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments

(Rs. in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
One Year or less		
Borrowings	4,00.28	12,21.17
Trade Payables	9,91.30	9,40.43
Other Financial Liabilites	29.30	13.87
More than One Year		
Borrowings	10,72.97	3,60.74
Other Financial Liabilites	1,09.90	1,09.85

(C) Credit risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Financial instruments that are subject to credit risk principally consist of Trade Receivables, Loans Receivables, Investments, Cash and Cash Equivalents and Financial Guarantees provided by the Group. None of the financial instruments of the Group result in material concentration of credit risk.

The Group has a policy of dealing only with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The Group manages risks through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Notes to Consolidated Financial Statements as at 31st March, 2022

Note 39 : Related Party Disclosures:

List of Related Parties :

1. **Key Management Personnel**

Shri Suresh Kumar Bangur	Executive Director & CEO
Shri Ajay Bangur	President & CFO
Shri Shankar Banerjee	Company Secretary & Compliance Officer
2. **Other Directors**

Shri Binod Khaitan	Non-Executive Director
Shri Hemant Bangur	Non-Executive Director
Shri Dilip P Goculdas	Independent Director
Smt Sonali Sen	Independent Director
3. **Entities over which Director, Key Managerial Personnel and their relatives have significant influence with whom transaction have taken place during the year**
 - Adelina Investments Pvt. Ltd.
 - Art Finance & Trade Pvt. Ltd.
 - Chintamani Holdings Pvt. Ltd
 - Credwyn Holdings India Pvt. Ltd.
 - Devendra Finvest & Holding Pvt Ltd
 - Gloster Limited
 - Kanchan Udyog Ltd.
 - Kherapati Vanijya Ltd.
 - Mani Invest Brokers Private Limited
 - Mangal Builders & Enterprises Ltd
 - Maxworth Industrial Services Ltd
 - Noshirvan & Company Private Ltd
 - Shreyans Paperplast Pvt. Ltd.

The following table summarises related-party transactions included in the financial statements for the year ended March 31, 2022 & March 31, 2021 and details of outstanding balances as on March 31, 2022 & March 31, 2021

(Rs. in Lacs)

Nature of Transactions	Key Managerial Personnel & Other Directors (1+2)	Entities where Director, KMP and relatives have significant influence (3)	Total
Salary and Other Benefits	71.59	-	71.59
	64.83	-	64.83
Contribution to Provident Fund & Superannuation Policy	18.28	-	18.28
	16.55	-	16.55
Other Perquisites	23.27	-	23.27
	21.09	-	21.09
Meeting Fees	3.90	-	3.90
	4.50	-	4.50
Interest Payment	-	1,64.11	1,64.11
	-	1,93.19	1,93.19
Loan Taken	-	22,34.00	22,34.00
	-	10,66.00	10,66.00
Loan Repaid	-	17,61.00	17,61.00
	-	23,15.30	23,15.30
Outstanding Payable	-	-	-
	-	9.00	9.00

Notes to Consolidated Financial Statements as at 31st March, 2022

Note 40 : Additional Information

Financial Year 2021-22

(Rs. in Lacs)

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	Rs. in Lacs	As a % of Cons. Figure	Rs. in Lacs	As a % of Cons. Figure	Rs. in Lacs	As a % of Cons. Figure	Rs. in Lacs
Parent :								
The Phosphate Company Limited	100.03%	7,816.45	98.89%	2,72.32	100.00%	(6.33)	98.86%	265.99
Subsidiary :								
Abhinandan Goods Private Limited	0.28%	22.06	1.11%	3.07	0.00%	-	1.14%	3.07
Less: Inter-Company Elimination and Consolidation Adjustments	-0.31%	(24.06)	-	-	-	-	-	-
Total :	100%	7,814.45	100%	275.39	100%	(6.33)	100%	269.06

Financial Year 2020-21

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	Rs. in Lacs	As a % of Cons. Figure	Rs. in Lacs	As a % of Cons. Figure	Rs. in Lacs	As a % of Cons. Figure	Rs. in Lacs
Parent :								
The Phosphate Company Limited	100.07%	75,50.46	102.50%	2,54.85	100.00%	(12.57)	102.63%	2,42.28
Subsidiary :								
Abhinandan Goods Private Limited	0.25%	18.99	-2.50%	(6.21)	-	-	-2.63%	(6.21)
Less: Inter-Company Elimination and Consolidation Adjustments	-0.32%	(24.06)	-	-	-	-	-	-
Total :	100.00%	75,45.39	100.00%	2,48.64	100.00%	(12.57)	100.00%	2,36.07

Note 41: Other Statutory Information

- (i) The Group do not have any Benami Property, where any proceedings has been initiated or pending against the Company for holding any Benami property.
- (ii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies):
 - (a) -Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group(Ultimate Beneficiaries) or
 - (b) -Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) -Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party(Ultimate Beneficiaries) or
 - (b) -Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes to Consolidated Financial Statements as at 31st March, 2022

- (vi) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vii) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (viii) The Group has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with the Companies(Restriction on Number of Layers) Rules, 2017.
- (ix) There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.
- (x) The Group is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Company has no Core Investment Company as part of the Group.

Note 42: Impact of COVID-19 (Global Pandemic)

The Group has considered the possible effects that may result from COVID-19 in the preparation of these financial statement including the recoverability of carrying amounts of financial and non-financial assets. The Company has , at the date of approval of the financial statement used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of the same.

Note 43:

Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform necessary to the current year presentation.

As per our report of even date attached.

For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 18, 2022

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

If undelivered please return to :

THE PHOSPHATE COMPANY LIMITED

14, Netaji Subhas Road, 3rd Floor

Kolkata - 700 001