Coromandel
FUTURE POSITIVE

Coromandel International Limited
'Coromandel House', 1-2-10, Sardar Patel Road,
Secunderabad - 500 003, Telangana, India.
Tel: 91-40-6699 7300 / 6699 7500 Fax: 91-40-2784 4117
E-mail: mail@coromandel.murugappa.com
CIN: L24120TG1961PLC000892
Website: www.coromandel.biz

Ref. No.: 2022-23/33 **July 5, 2022**

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Scrip Code: COROMANDEL

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Scrip Code: 506395

Dear Sir(s),

Subject : Notice of the 60th Annual General Meeting and Integrated Annual Report for the Financial Year 2021-22 pursuant to Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is further to our letter dated April 28, 2022, informing about the 60th Annual General Meeting ('AGM') of the Company, which is scheduled to be held on Wednesday, July 27, 2022 at 3.30 PM (IST) by means of Video Conferencing/ Other Audio-Visual Means. In this regard, we enclose herewith the Integrated Annual Report for the Financial Year 2021-22 including the Notice of the 60th AGM ('Annual Report') as required pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Annual Report has been sent through electronic mode today, i.e., July 5, 2022, to all the members whose email address is registered with the Depository Participants/ Company's Registrars and Share Transfer Agent, i.e., KFin Technologies Limited.

The Annual Report is also available on the website of the Company, i.e., www.coromandel.biz and on the website of the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.

We request you to take this on record.

Thanking you.

Yours sincerely,
For **Coromandel International Limited**

Rajesh Mukhija
Sr. Vice President – Legal &
Company Secretary
Encl. as above

murugappa

Nurturing A Sustainable Tomorrow

Coromandel
FUTURE POSITIVE

Coromandel International Limited

INTEGRATED REPORT FY 2021-22

Nurturing A Sustainable Tomorrow

We are nurturing a sustainable tomorrow for our farmers, country, and the planet through future-ready smart agricultural solutions. Led by our technology edge, we are innovating green products that deliver higher yields while protecting nature's resources and the environment. As a sustainability-led business, we consider it our duty to foster the integration of responsible practices across our value chain and the farming ecosystem.

Contents

1. About The Report

We provide high-quality farm inputs for nourishing the soil and nurturing the crops, agricultural advisory services, and a wide network of farmer touchpoints to meet their needs in real-time.

As an organisation, we have always led with responsible business practices. Our principles mandate sharing a transparent and objective view of our performance and challenges with our stakeholders on time. We also seek stakeholder insights to identify emerging opportunities, risks, and performance improvement recommendations.

We released our first Sustainability Report in FY 2020-21 that highlighted our environmental, social, and economic performance in accordance with the 'core' criteria of the Global Reporting Initiative (GRI) Standards.[1] We are pleased to release our first Integrated Report for FY 2021-22.[2] This report will expand the scope of our non-financial reporting to include the principles and requirements of the International Integrated Reporting Council's (IIRC) Integrated Reporting <IR> Framework in addition to GRI standards. [3] It will establish a more transparent linkage between our operational performance and contributions to the United Nations Sustainable Development Goals (UN SDGs).

Reporting scope and boundary

The report covers all the facilities owned by Coromandel supporting our lines of businesses, including fertilisers, SSP, Bioproducts, and Crop protection.[4]

Data Management

The Company has internal mechanisms to ensure that this report presents valid and accurate information. Its efforts include an examination of conversion factors and assumptions made and periodic reviews and audit trails.

Approach to Materiality

The report focuses on material issues that can impact our ability to continue to create value for our stakeholders and meet our strategic goals. The issues were identified through internal and external stakeholder engagement and drawn from ESG indices like DJSI, MSCI, and SASB.

Responsibility and feedback statement

The report has been prepared under the supervision of the Board of Directors in accordance with the 'core' standards of GRI and the IIRC's <IR> framework and stipulated regulations of the Government of India.

We look forward to feedback and/or queries from our stakeholders. Please get in touch with Jayashree Satagopan, Chief Financial Officer, Coromandel International Limited at:

Coromandel House, Sardar Patel Road, Secunderabad 500 003, Telangana, India

E-mail: investorsgrievance@coromandel.murugappa.com

Phone no.:
+91 40 66997000/ 7300 / 7500[5]

[1] GRI 102-51
[2] GRI 102-50, GRI 102-52
[3] GRI 102-54
[4] GRI 102-46
[5] GRI 102-53

2. About Coromandel International Limited

2.1 About Coromandel and Its Service Offerings

Coromandel International Limited (Coromandel) is India's pioneering agricultural solutions provider committed to bettering the lives of farmers and the entire ecosystem while creating value for its stakeholders.[6] We are a part of the INR 547 billion conglomerate, the Murugappa group. As one of the country's most trusted agricultural brands, we aim to nurture a sustainable tomorrow for our farmers and the planet by bringing Agri products and solutions to foster responsible farming.

Despite the pandemic-linked challenges of the last two years, the agricultural sector in India has displayed resilience and grown. Coromandel's journey during this period has mirrored this positivity. We are well-positioned to enable our farmer partners to enhance productivity through balanced and customised crop solutions, direct farmer connect, and technology process.

India's largest private sector Phosphatic Fertiliser company

World's largest Neem based Bio pesticide manufacturer

No. 1 Organic Fertiliser player in India

Pioneers & market leaders in Speciality Nutrients

India's largest Single Super Phosphate (SSP) company

6th largest Crop Protection Indian company

Largest Agri Retail chain in India with ~750 stores

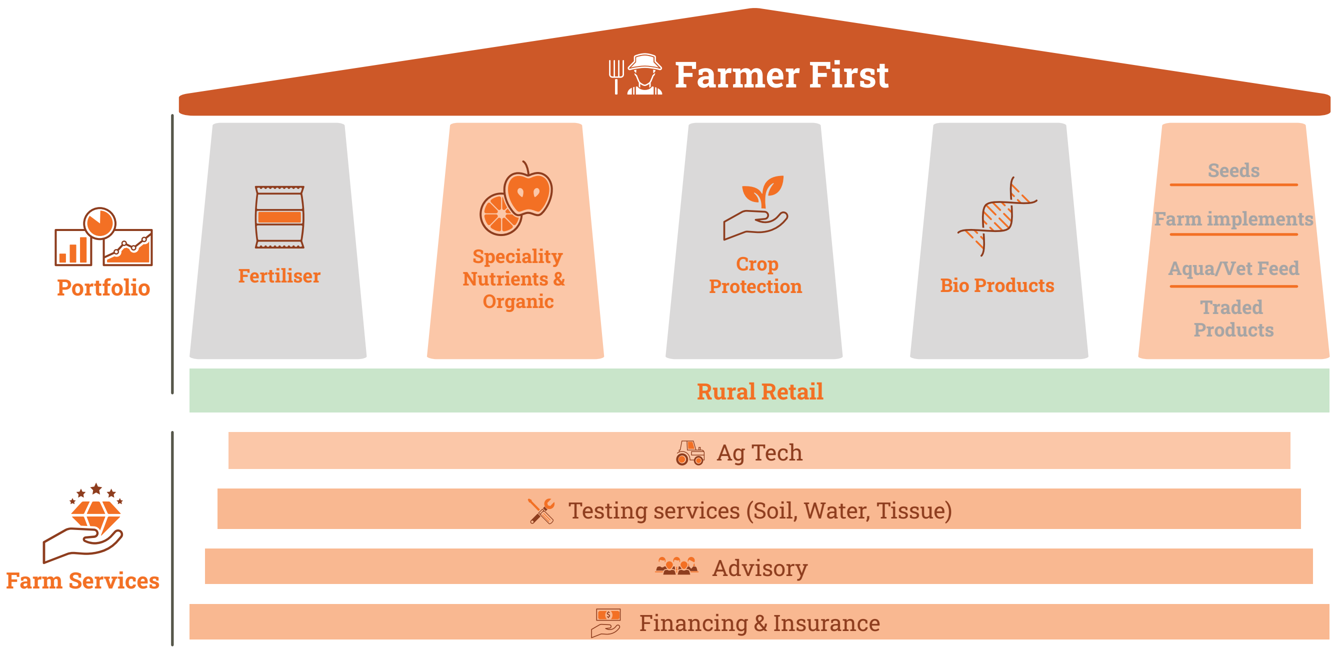
Coromandel is one of India's largest agri input manufacturers producing high-quality primary, secondary, micro-nutrients, bio and crop care solutions. Our business consists of two major segments: Nutrient and Crop Protection. We are the leading marketer of organic fertilisers in India and offer a rich portfolio of biopesticide solutions. We continue to raise the bar for sustainable agriculture with our products and value-added solutions while opening fresh vistas for growth with our investments in Research and Development (R&D) and new technologies.

Our activities are in line with the sustainable development goals (SDGs) of the United Nations. Coromandel proudly participates in several of the goals recommended by the UN, including health, education, gender equality, sanitation, and clean energy.

6 GRI 102-1

A 'Farmer First' Company

We believe farmers are critical for the sustenance of humankind and lead with a 'Farmer First' approach. We continually innovate and broaden our product portfolio to create sustainable growth for the farmers and other stakeholders. Our close connection with farmers on the ground gives us insights into their evolving requirements according to changing weather, cropping and soil patterns. We use these inputs to develop newer solutions to our portfolio to meet the farmer needs. Our focus on sustainability has resulted in promoting integrated crop management practices including balanced nutrition and pest management practices.



A 'Farmer First' winning business model

A broad spectrum of offerings

We have built our verticals to positively impact the troika of soil, crops, and farmers through products that ensure plant nutrition, plant protection and soil rejuvenation, supported by our rural retail and agronomist teams. Our range of products covers the entire lifecycle from sowing to harvesting, while the farm advisory services provide valuable inputs to drive farm productivity. We are aggressively adopting technology and digitisation to enhance the efficiencies of our manufacturing processes, value chain and customer service.[7]

[7] GRI 102-2

Plant Nutrition

Fertilisers

Our Fertiliser range including unique and micro nutrient enriched products ensures that the balanced nutrition needs of crops are met

Speciality nutrients

Our speciality nutrients solutions addresses soil deficiencies and improves nutrient use efficiency, besides offering primary, secondary and micro nutrients

Organic fertilisers

We use the organic elements of urban waste and plant residues to produce organic solutions and address soil health

Plant Health

Crop protection

Insects, diseases, and weeds are responsible for most of the crop loss, and our product range ensures that crops stay healthy

Bioproducts

We promote integrated pest management by promoting bio products and are the leading neem based players globally

Rural Retail

More than **3 million farmers** are in direct touch with us through our **750+ rural retail outlets** across three states of Southern India. These outlets are managed by more than **1000 crop advisors** who counsel the farmers regarding the best agri-inputs for their soil type and crop cycle. Apart from our entire range of products and advisory services, these outlets also provide soil testing, crop diagnostics, and farm mechanisation services.

Market-leading products

Fertilisers

No. 1 Private sector Phosphatic Player in India

16.7% consumption-based market share

No.1 Single Super Phosphate (SSP) player in India

16.1% consumption-based market share

4.4 million Tons Annual Capacity (NPK+SSP)

34% sales from **unique products**

Speciality nutrients

Amongst the market leaders in Speciality nutrients including **Water Soluble Fertiliser and sulphur segment**

Largest Organic fertiliser marketer in India with **annual sales of 2.2 lakh tons**

Crop Protection

6th Largest Indian Agro Chemical Player

Global presence across **80+ Countries**

90,000+ tons manufacturing capacity per annum

60+ brand based Product portfolio

Bio Products

Largest **neem based Azadirachtin** manufacturing globally

Significant presence in the **US, Canada and Europe**

Retail

India's largest **Agri retail chain**

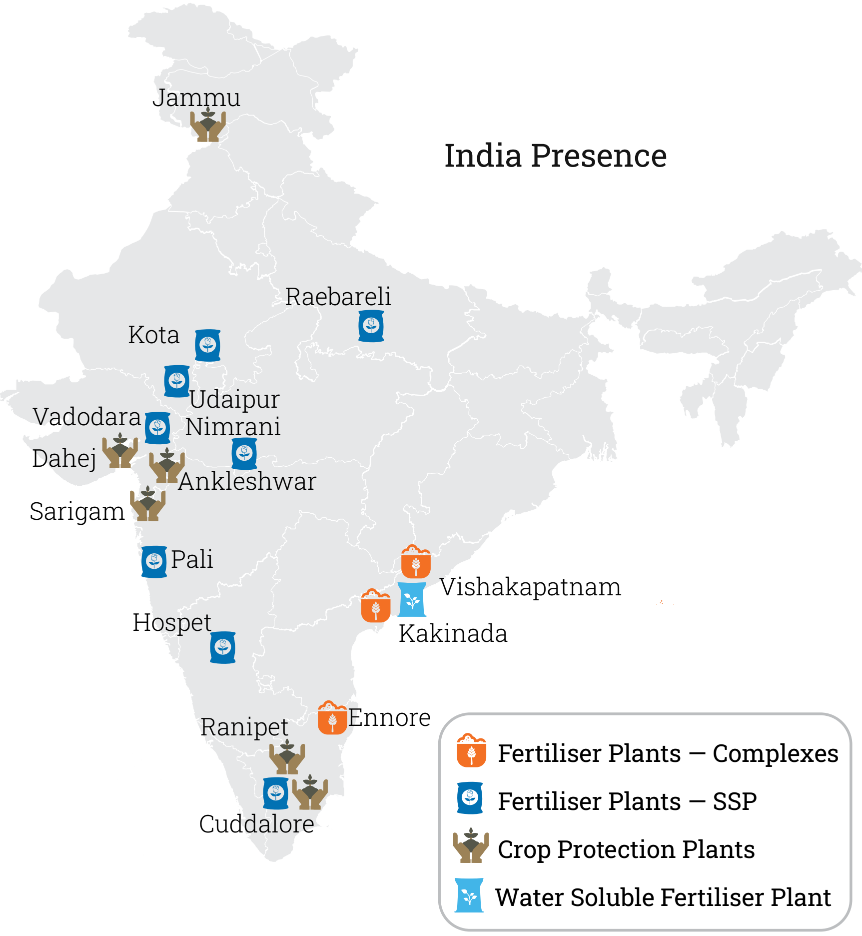
Wide network of **750+ stores**

One-stop-shop for Agri requirements

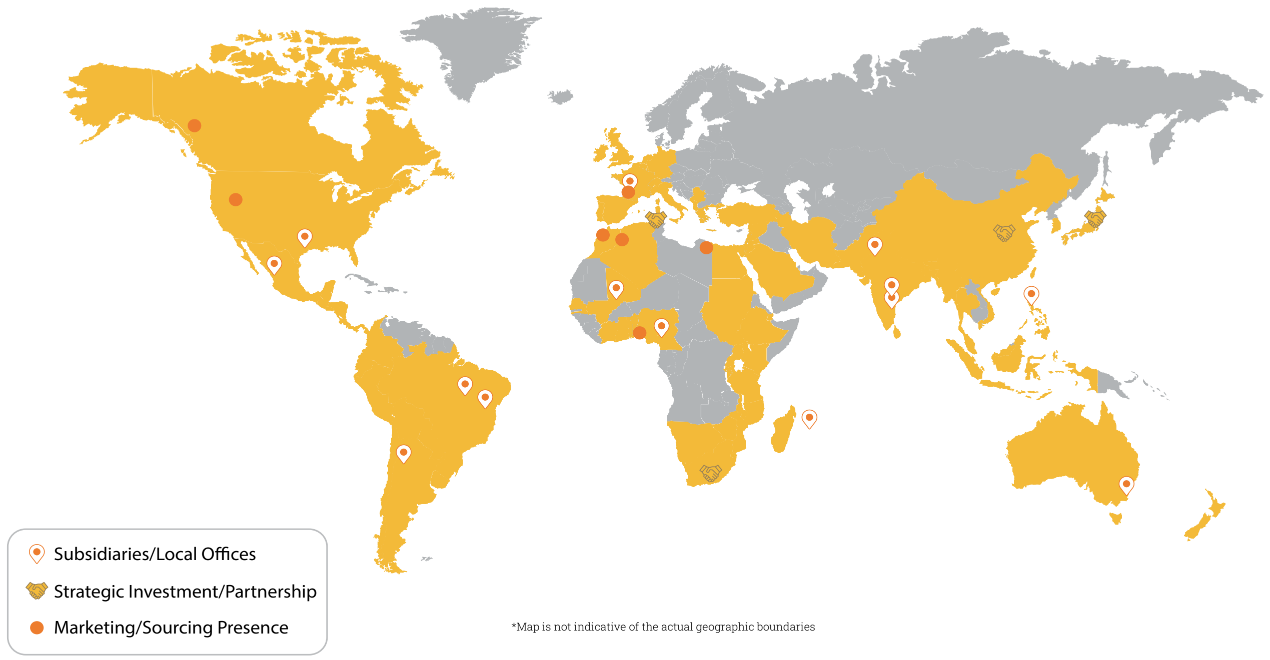
3 million+ farmers direct connect

2.2 Our Presence

We are headquartered in Secunderabad, Telangana[8] and have divisional offices in Bangalore, Vijayawada, Pune, Indore, Noida and Kolkata. Our products are sold in more than 80 countries. We have 20000+ dealers across India and also provide farm advisory and services to 2 crore+ farmers annually through 2000+ marketing and agronomist teams. To expand the reach and leverage collective expertise, we partner with leading organisations globally in technology, research, sourcing and farm mechanisation. We have subsidiaries, strategic investments/ JVs and global offices in multiple geographies. Our global subsidiaries and regional offices export more than USD 100 million worth of Crop Protection solutions, including Biopesticides and Crop Nutrition products.[9]



Global presence



[8] GRI 102-3
[9] GRI 102-6, GRI 102-7

Joint ventures and partnerships

At Coromandel, we believe in collaborating with other entities who have complementary strengths to reduce the time to go to market and augment capacity. Our joint ventures and strategic collaborations enable us to strengthen our value chain as we expand. Our collaborative efforts span partnerships for accelerating our technology, research, sourcing, and farm mechanisation goals. We also have several marketing tie-ups to increase the reach of our products. We will continue to explore synergies with prospective partners who share our vision.

2.3 Manufacturing Excellence

With a stringent focus on sustainable growth and commitment to minimising our environmental footprint, we have set up cutting-edge manufacturing facilities that are safe and promote efficient and responsible production. We have 16 manufacturing locations in India covering South, West, Central and North India and deliver high quality agri inputs to the farming community.

Our plants can be used to manufacture multiple products with little variations, given their fungible character. Backward integrated operations help us maximise value generation and customisation. Our fertiliser manufacturing units located at Vizag, Kakinada, and Ennore have the flexibility to operate with multiple rock and acid combinations and produce 14 products. Seven Single Super Phosphate (SSP) plants, three complex fertiliser plants, and six crop protection and bioproducts plants spread across the country help us diversify market access and strengthen the product portfolio. Coromandel is the sixth largest Crop protection player in the country, having three technical and two formulation manufacturing facilities across India. As a leading producer of biopesticides, we have set up the largest Azadirachtin manufacturing facility in the world in Cuddalore, Tamil Nadu.

In keeping with our commitment to sustainable growth, Coromandel is counted among the greenest companies in fertiliser, with robust practices to minimise wastage and maximise the reduction, recycling, and reuse of resources.[10]

Manufacturing facilities
16

Manufacturing capacity per annum for fertilisers
4.4 million Tons

Manufacturing capacity per annum for crop protection
90,000+ Tons

State-of-the-art R&D Laboratories
7

[10] GRI 102-4

2.4 Financial Highlights (Standalone) - 10 Years Performance

(₹ Crores, unless stated)

Particulars	FY12-13	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Total Income	8,627	9,442	11,341	11,690	10,239	11,168	13,240	13,155	14,231	19,231
EBITDA (incl Other income)	802	787	905	856	1,036	1,305	1,450	1,764	2,044	2,179
Net Fixed Assets	1,170	1,238	1,412	1,357	1,346	1,372	1,497	2,088	2,096	2,224
Net Worth	2,176	2,233	2,165	2,503	2,812	2,927	3,434	4,389	5,213	6,298
PAT	444	345	403	358	477	685	714	1,059	1,313	1,412
EBITDA Margin%	9%	8%	8%	7%	10%	12%	11%	13%	14%	11%
PAT%	5%	4%	4%	3%	5%	6%	5%	8%	9%	7%
Debt - Equity Ratio	1.04	0.68	1.05	1.07	0.79	0.93	0.86	0.37	0.00	0.00
Book Value per Share(₹)	77	79	74	86	96	100	117	150	178	215
Earning per Share(₹)	16	12	14	12	16	23	24	36	45	48

Notes:

1. Financials from 2012-13 and till 2014-15 are presented as per Revised Schedule VI
2. Financials from 2015-16 are presented as per Indian Accounting Standards (Ind AS)
3. Financials from 2013-14 include erstwhile Liberty Phosphate Limited and erstwhile Liberty Urvarak Limited which merged with Coromandel effective April 01, 2013
4. Financials for 2014-15 include erstwhile Sabero Organics Gujarat Limited which merged with Coromandel effective April 01, 2014
5. Financials from 2017-18 include Bio-Pesticide operations
6. Financials for FY20-21 & FY21-22 include Liberty Pesticides and Fertilisers Limited (LPFL) and Coromandel SQM (India) Private Limited (CSQM) which merged with Coromandel effective April 01, 2021

2.5 Awards and Recognitions

Through the year, we were recognised by several organisations for our community facing engagements, safety related interventions and business achievements

CSR

- **Golden Peacock Award by Institute of Directors (IOD):** Achieved the Golden Peacock Award for the year 2021 for our CSR activities from the Institute Of Directors (IOD)
- **Inspiring People Practices Award by Confederation of Indian Industry (CII):** Achieved Inspiring People Practices Award – 2022 organised by Confederation of Indian Industry (CII) under Wellbeing and CSR category for our flagship program Coromandel Girl Child Scholarship Scheme. The award was presented on 2nd March, by Mr. K.T. Rama Rao, Minister for Municipal Administration and Urban Development, Government of Telangana
- **Mahatma Award:** Mahatma Award for Social Good for initiatives in the field of Women Empowerment on 2nd October 2021
- **CSR Times Award:** For recognition of extensive work on COVID relief activities on 17th December 2021

Coromandel on winning 'Inspiring People Practices of CII' under CSR category

Best Company Award IHS Markit

Environment Health and Safety

- **Industry Stewardship Champion Gold Award** from the International Fertilizer Association (IFA) in Dubai in October 2021. This Industry Stewardship Champions label is awarded to fertiliser companies that have participated in all of IFA's most recent Safety Performance, Environmental Performance, and Energy Efficiency & CO_2 Emissions benchmarks. They must also be certified as IFA Protect & Sustain, the de facto product stewardship standard for fertiliser companies, or have valid international certifications that are the building blocks of the same (ISO, OHSAS, Responsible Care).
- The Kakinada Unit won a Gold Award & Sectorial Topper Award from CII-SR EHS Excellence Award 2021
- The Ennore Unit won a Bronze Award from CII-SR EHS 2021 Excellence Award
- The Ankleshwar unit received two gold medals and two Distinguished awards from QCFI Gujarat Chapter for "Safe Bromine handling" & "Hazardous waste management & Handling" projects

Business

- Recognised as the '**Best Company - Emerging Region**' from IHS–Markit Crop Science Forum and Awards 2021

Winner of "Golden Peacock Award for Corporate Social Responsibility"

3. Leadership Messages

3.1. Chairman's message[11]

> Coromandel is looking forward to unlocking its growth potential in its adjacencies with a growth-focused team to deliver on the emerging opportunities.

Dear Shareholders,

The past year 2021-22 was a period of recovery and new uncertainties in equal measure for both the Indian and the global economies. The period saw a broad-based uptick in investments and demand revival followed by the vagaries of a global commodity shock due to war in Europe and supply chain disruptions in China. These supply-side bottlenecks and a stronger-than-anticipated rebound of demand have resulted in major commodities experiencing a significant price surge during the year. While the demand revival was in part supported by strong fiscal stimulus measures across the world, it remains to be seen how the governments respond to the resultant increase in inflationary pressures. As we look forward, the monetary tightening due to inflation pressures, geopolitical uncertainty, covid-19 flare-ups, and high commodity prices can impact the speed of a global economic recovery in the coming year, with the World Bank forecasting the developing economies to grow at a modest 2.9% and India to grow at 7.5% in 2022.

A fourth consecutive year of normal monsoon should hold Indian agri-sector and Coromandel in good stead

The year 2021-22 witnessed normal monsoons, leading to increased acreage under sowing for the period. Despite the heatwave in central and north Indian regions dampening the harvest, food grain output was expected to grow by 1% to 315 million tonnes over the previous year. Forecasts of a well-distributed and normal monsoon for the upcoming Kharif season has enabled the government of India to set a new record target of 328 million tonnes of food grain production for the year 2022-23, a 4% increase over the estimated output of 315 million tonnes in 2021-22. Despite the fact that the global geopolitical instability has put pressure on the availability and price of key raw materials catering to the agri-inputs sector, the government has assured of taking sufficient steps to ensure availability of agri-inputs for the upcoming season.

As far as the fertiliser industry was concerned, 2021-22 was a challenging year as a surge in raw material prices and constrained supply chain impacted fertiliser availability and led to a sharp increase in prices of finished products. As per IMF, the fertiliser price index rose by 114% during the year. Many countries increased their self-sufficiency efforts in the second half of the year and placed restrictions on trade of agricultural inputs. In 2022-23, Fertiliser affordability and availability, geo-political situation and Government subsidy support are likely to have significant influence on the demand and supply dynamics of fertilisers. However, higher agri commodity prices, focused approach from the government to increase farm output and a normal monsoon coupled with sufficient reservoir levels present an year of positive outlook for Indian agriculture.

[10] GRI 102-14

Coromandel is poised to tap into the emerging growth opportunities

Coromandel recorded strong growth numbers despite the market uncertainties. The Company registered revenue of INR 19,111 Crores for the year 2021-22, a significant growth of 35% over the previous year. The Company's EBITDA was at 2,154 Crores, a growth of 8% over the previous year. On the strategic front, the fertiliser business had successfully completed a significant backward integration deal recently in addition to ramping up its manufacturing capacities through sustained de-bottlenecking efforts. The crop protection business has significantly invested in revamping its infrastructure and organisational capabilities during the past year. This shall reflect in the upcoming new product launches and new geography expansions in the coming years. Despite the challenging environment on the sourcing front, Coromandel's speciality nutrients and bio businesses too have managed to grow during the past year. With renewed growth aspirations in place, we expect these relatively smaller businesses to be the face of Coromandel's growth story over the next few years. In addition to these business specific growth prospects, Coromandel is also looking forward to unlocking its growth potential in its adjacencies with a growth-focused team to deliver on the emerging opportunities.

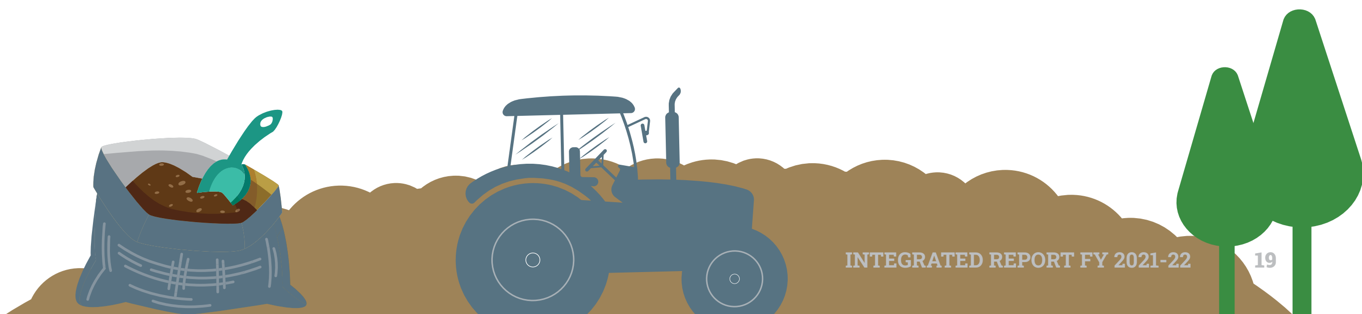
Welcoming the new members to Coromandel Board

I would like to welcome Mr. Sudarshan Venu to the Board of Coromandel, he joined us during the past year. With his diversified expertise set including manufacturing, technology and financial services, Mr. Sudarshan would be a great asset to the Coromandel Board.

Thank you all...

I would like to thank the Members of the Board for their continued support and guidance throughout the year. On behalf of the Board of Directors, I would like to thank all our stakeholders, including our customers, shareholders, banking partners, channel partners, and the government for supporting us in our journey. I would like to wholeheartedly thank my fellow colleagues at the factories and offices of Coromandel for ensuring yet another year of successful business operations. With all your continued support and the blessings of the almighty, I eagerly look forward to the upcoming year.

A. Vellayan
Chairman



3. Leadership Messages

3.2. Executive Vice-Chairman's message

The year gone by: Sustained growth despite tough externalities is a testament to the company's resilience.

Coromandel's healthy performance during the fiscal year 2021-22 underlines the strong business fundamentals the company has built over the years. It would be fair to say that the year gone by was one of the toughest years in terms of externalities for not just Coromandel, but for the entire agri-inputs sector. Despite a significant improvement from FY 2020-21's covid-related business constraints, the rising commodity prices, geopolitical uncertainty, pockets of covid-19 surges, and monetary tightening by several governments across the globe were serious impediments to business sentiments in the agri-inputs sector. Amongst the challenges, the highly volatile raw material prices combined with timely availability were a cause of concern for the industry.

During the year, Coromandel registered revenue growth of 35% driven by both nutrient and crop protection businesses to reach INR 19,111 crores, EBITDA grew by 8% to reach 2,154 crores, and net profit improved by 15% to reach Rs. 1,528 crores for the year.

Coromandel ensured that agri inputs are made available to the farmers in its key operating markets and promoted the use of balanced nutrition including organic fertilizer to help rejuvenate the soil and farm productivity. The nutrient and allied business segment revenue increased by 36% during the full year. Company's thrust to provide specialized fertilizers and greener solutions to the farmers is gaining further momentum in the markets. We launched three new products in this segment during the year, which have received positive feedback from the market.

Nutrition business delivered a strong performance with a focus on strengthening the upstream supply chain

Business' strategic procurement initiatives ahead of time and past investments in backward integration for key input materials helped the business partially tackle the critical issue on raw material front. In continuing with our efforts to strengthen the backend supply chain, the company has also pursued strategic investments in Senegal rock phosphate mines during the year in addition to initiating a new sulphuric acid plant and debottlenecking the existing phosphoric acid plants. The Senegal mine is expected to provide upto one-third of Coromandel's rock phosphate requirements in due course of time, while the new sulphuric acid plant will help Coromandel augment the capacity of Sulfuric Acid production at Vizag from 1800 MTPD to 3300 MTPD.

On the new product launch front, business introduced 'Groshakti Plus', a zinc fortified NPK product offering improved nutrient availability.

Company's fertiliser plants operated at 84% capacity and produced 28.8 lakh tons of DAP and Complex Fertilisers. The company's consumption market share improved from 15.7% previous year to 16.7% in FY2022. Integrated nutrient marketing structure supported by agronomist team and Nutriclinics continued to support the business in promoting its balanced nutrition approach and market development initiatives. The SSP product segment within fertiliser, an economical source of Phosphate providing multiple nutrients like Sulphur and Calcium, registered 55% consumption growth and maintained its leadership position with a market share of 16.1% compared to 12.8% during the previous year.

Company's Speciality Nutrients Division (SND) business had a great year as well achieving highest ever sales and profitability. The SND division is a key enabler towards ensuring a balanced nutrition approach of Coromandel and Coromandel intends to focus on growing this business both organically and inorganically in the near future.

Crop protection business holds potential for unlocking significant long-term value for Coromandel

The crop protection business was faced with margin pressures owing to increased input costs. However, the business has taken steps to correct the same through improved price realisations in key markets during the year. In a significant step, the business launched 6 new products which are doing well vis-a-vis plans. The business also focused on strengthening its manufacturing infrastructure and organization structure to make itself future ready.

Coromandel views its crop protection business as a key enabler for the future growth of the company. Coromandel's Crop Protection business registered its highest ever turnover during the year gone by, growing by 20% to INR 2,511 crores. The crop protection business has committed itself to a long-term transformation journey that should help the business achieve its true growth potential over the next few years through both organic and inorganic means.

On the new product launch front, the crop protection business introduced six new products (including two novel combinations) spanning herbicides, insecticides, and fungicides. The new launches have received encouraging responses from the market. Looking forward, with the shift in the market towards differentiated combinations, the business is making significant efforts in upgrading its portfolio from old generics to patented combinations.

Coromandel's people first approach

Coromandel remains committed towards employee safety and well-being both at work and at home. Our company believes that our people are the most important contributor to the long term success of the organisation. During the year, Coromandel celebrated its 'Energy Hour', an annual event to celebrate the pause, step back and celebrate the togetherness of one Coromandel family. The past year's Energy Hour theme – "reflect, refresh and reimagine" reinforced the management's commitment to recognise the impact of our employees and also identify potential opportunities to upskill and elevate the capabilities of our people.

Looking ahead: trends shaping the agriculture sector

As we try and build Coromandel towards being a significant agri-ecosystem-player, it is important to keep a tab on the trends shaping the sector. A few of the megatrends in agriculture that we had identified and outlined in our past year's annual report still hold good. We continue to keep a tab on them to align the internal strategies of our company. These include, (i) Growing demand for high-performance complex agri-input solutions to meet the demand of a growing population and spike in healthy, high-calorie diets, (ii) Need for precision farming techniques coupled with improvised, highly efficient delivery mechanisms, (iii) Increasing trend of contract farming and shared supply chain infrastructure, (iv) Rural innovation including access to high speed internet, agri-focused credit products, availability of affordable digital tools for soil health measurement, pest advisory, weather information, demand forecasting, livestock management, (v) Biotech and advanced breeding techniques.

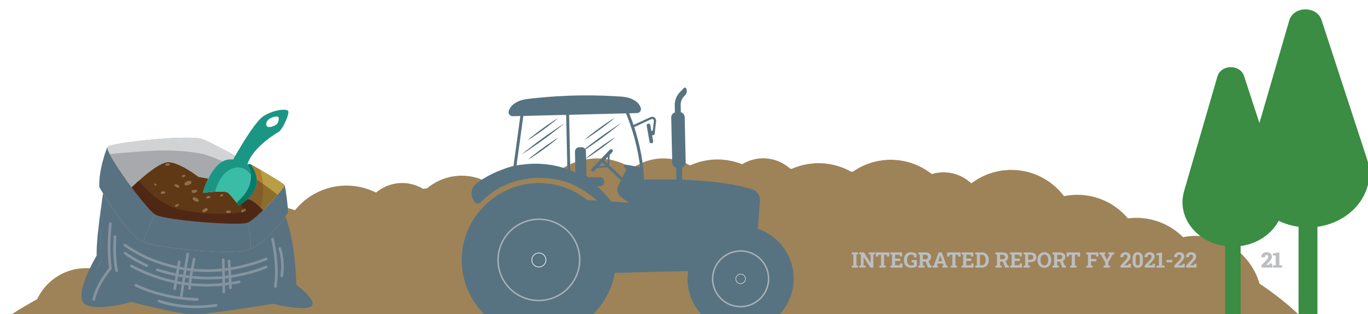
Coromandel continues to invest in its growth story

As the ecosystem around us evolves, Coromandel has committed itself to a multitude of transformational initiatives, which we strongly believe would help us "win" in the coming years. While some of these initiatives might yield immediate results, several would help the company create a strategic moat in the long run. Some of these long term initiatives include – (i) Strengthening our backend supply chain across businesses – recent investment in Senegal towards sourcing high quality rock phosphate is one of the several measures which came to completion during the past few months, (ii) An overhaul of the IT infrastructure and ramping up of the digital and analytics capabilities through a digital transformation program, (iii) building a growth momentum within the company by demarking and setting up of a dedicated office in Chennai to embark upon growth opportunities (iv) strengthening the projects teams across businesses to deliver on the high capital expenditure targets envisioned for the company over the next few years, (v) investing in emerging business model startups in the agri-tech ecosystem , (vi) Organisational re-alignment to give greater control, responsibility and independent decision making ability at the Strategic Business Unit level. We are fully confident that these measures will help us deliver on our short-term and long-term targets in the most effective manner.

Thank you all...

I would like to take this opportunity to thank all my fellow colleagues at Coromandel for their continued contribution. I would also like to thank our customers, shareholders, bankers and business partners for their continued support of our company over the years. Further, I would like to thank the Board and our Chairman Mr. A. Vellayan for their guidance and support.

Arun Alagappan
Executive Vice Chairman



3. Leadership Messages

3.3. Managing Director's message

How has been the Indian agriculture sector and company's performance in FY2021-22?

The Indian Agriculture sector continued to perform well with record food grain and horticulture production. Agri-exports reached a record USD 50 billion, a 20% increase over last year. This was helped by a 3rd consecutive year of good monsoons leading to high crop sowings during the year. The Agricultural Gross Value Added (GVA) is expected to grow by 3.0% during the year.

Government continued with its support of agricultural activities throughout the year with Direct income transfers to the farmers, record procurement under MSP program, credit and other reforms. In addition, timely nutrient-based subsidy disbursements addressed the working capital needs of the industry. The Government with regular interaction with the industry ensured that fertiliser was made available to the farmers, despite the international supply side constraints.

Coromandel registered a strong performance in FY2021-22, with a top line growth of 35% and PAT growth of 15% at a consolidated level. This was despite a challenging business environment affected by record raw material price surge, Covid-19 uncertainties and logistics and supply chain disruptions. The all-round performance was driven by improvements in sourcing, manufacturing efficiency, consumer connect, digital initiatives and product development.

The Company ensured the timely availability of critical agri-inputs including Fertilizer and Crop Protection despite the tight raw material situation, leveraging its long-term contracts with the suppliers and through backward integration. The Retail outlets continued to service the farming community by following strict Covid protocols.

The Company continued to strengthen its consumer connect with the help of its All-India dealer network, Nutri-clinics and rural Retail centres, offering diversified portfolio of Phosphatic Fertilizer, Single Super Phosphate, Crop Protection, Bio Pesticide, Specialized Nutrition including Organic fertiliser to promote balanced nutrition and integrated pest management.

Nine new products were introduced during the year. Research & Development team is working on a rich product pipeline, and we will continue to develop differentiated solutions for the farming community.

As its response to Covid-19, the Company prioritized safety of its employees and their families and ensured a safe working environment. We optimized production and ensured distribution to meet the critical and timely agri input requirements of the farming community. Several measures including vaccination to employees and their families, extended insurance coverage, health helpline support, medical care access, isolation facilities and awareness sessions were undertaken. Coromandel put up seven oxygen generating units in Government hospitals to augment and support the health infrastructure and local administration across states. Several awareness campaigns were conducted and Covid kits were distributed to the communities around the Plants. Awareness was created to the rural communities using the Company's vast infrastructure.

I would like to thank our Employees who have stayed strong and agile in a volatile business environment and delivering a record performance for the Company. I thank our stakeholders including Shareholders, Customers, Business Partners for their contribution and support. I would also like to compliment the resilience and sacrifices of the Indian farmers, who during this period delivered record food grain output contributing towards an 'Atma Nirbhar' Bharat and the global food security.

What are the key focus areas for the Company, going forward?

Coromandel is focusing on the key strategic levers – deepening understanding of its consumer, building power brands, investing in R&D and data analytics, becoming a player of scale, creating new markets and strengthening its efficiency and quality across the value chain.

Farmers remain centric to the Company's business approach and its activities are guided by the intent of improving the farmer's welfare. The Company is strengthening its farmer engagement and advisory initiatives through its Agronomists, Nutri clinics and Retail centers. The Company is introducing novel products and agri-tech solutions to help improve farm efficiency.

Coromandel has embarked upon a Company-wide digital transformation journey which will overhaul the Company's IT infrastructure and help improve efficiency by real-time data and analytics in decision making.

The Company continues to strengthen its Supply Chain, Manufacturing excellence, R&D, New product development, Digital marketing & Branding capabilities. The Company is investing in the backend supply chain to ensure availability of critical raw material to support its expansion plans. It has initiated Sulphuric acid brownfield expansion project at its Visakhapatnam plant, which is expected to be completed in first half of 2023. For the first time, the Company has invested in rock phosphate mine project in Senegal. It is entering into long term contracts with diverse supply sources to mitigate business risk and ensure continuity.

The Company is also looking at various growth opportunities in adjacent areas that can complement the existing businesses and create new prospects for the organization. It has set up a separate structure for looking at investment in new start-ups and ag-tech ventures.

We are investing in strong leadership within the Coromandel ecosystem with strong entrepreneurship and execution capabilities.

With the growing consumer focus towards sustainability, how does Coromandel view the Environment, Social and Governance (ESG) aspects?

As a responsible corporate, ESG forms the core of our overall business philosophy and is closely integrated with our operational strategy. The agriculture sector is critical for feeding a growing population, taking care of its healthy dietary needs and is also used as a source of green energy. At the same time, given the limited natural resources like land and water, it places pressure on the planetary boundaries. Coromandel is cognizant of the opportunities, risks and environmental related responsibilities and is working towards developing solutions to enable sustainable agriculture.

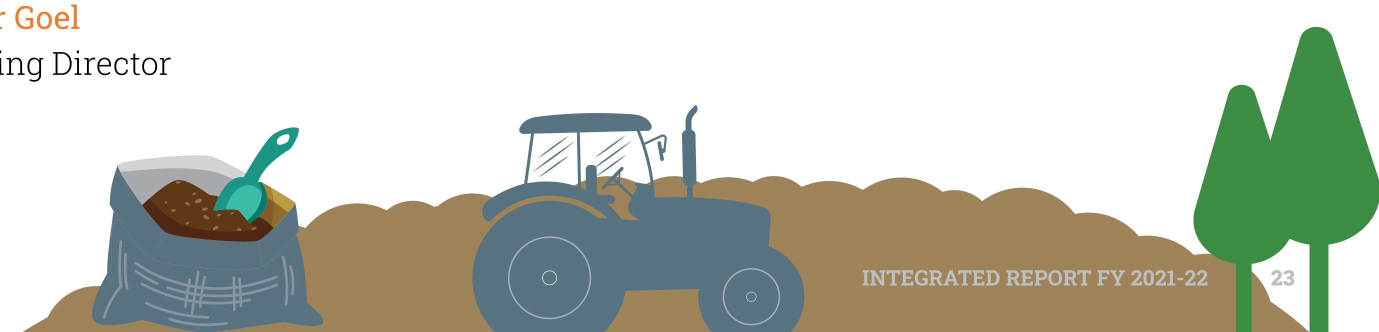
The Company promotes a balanced nutrient approach customized to sustainable farming and provides solutions based on crop and soil needs including usage of organic, primary, secondary, and micro-nutrients. Considering the resource constraints of Indian farms, it is continuously improving the use efficiency of nutrients and water through technology and research interventions. Coromandel is amongst India's largest water-soluble fertiliser and organic fertiliser player. It follows an integrated pest management approach to improve crop yields with the use of biological pesticides. The Company is globally the largest neem based biopesticide manufacturer and is continuously upgrading its product portfolio towards greener chemistries. It is introducing superior delivery mechanisms to improve product efficacy and application efficiency.

Coromandel conducts its operations in an environmentally responsible manner. ~44% of its Plant area is covered under green belt. The Company continues to upgrade its infrastructure to reduce emissions and has installed the Online Continuous Emission Monitoring System (OCEMS) to record real time data across its major plants. It has also obtained the unified registration for plastic waste management from CPCB. The Company has completed the plantation of around 2,25,000 saplings under the flagship program of the Government of Andhra Pradesh known as "Green Visakha". The Company has adopted TERI's Mycorrhiza technology for land bioremediation and is following "Miyawaki Plantation" Methodology. During the year, the International Fertilizer Association awarded us Industry Stewardship Champion Gold Award. The initiative of developing a Birds' Paradise within the Plant premises at Kakinada has been recognized by global agencies like the UNDP and Discovery.

The Company's social commitments span in the areas of education, health and community development. During FY21-22, it touched upon ~7.2 lakh lives through its various initiatives, positively impacting the UN Sustainable Development Goals.

The Company's Corporate Governance practices are based on transparency and accountability. Its commitment to ethical and lawful conduct of business is shared by all members across the organization. The Company's Board, comprising more than 50% independent members, drives highest standards of corporate behaviour and oversees the short and long-term interests of shareholders and other stakeholders. During the year, the company made steady progress towards its ESG goals and is releasing its first Integrated Report.

Sameer Goel
Managing Director



4. Highlights of the year

Economic Highlights

Total Income (standalone): Rs 19,231 Crore (+35%)

PAT (standalone): Rs 1,412 Crore (+8%)

Zero Debt Company

Market Capitalization: (as on 31 Mar 2022) Rs 23,472 Crore

Upgrade in Credit ratings: 'CRISIL AA+ (positive)', 'IND AA+ (positive)'

Operational Highlights

Improved Market share (consumption based)

Phosphatic fertilisers: 16.7% (LY: 15.7%)

Single Super Phosphate: 16.1% (LY: 12.8%)

Agri-technologies in progress – Nano products, Tree Injections, Micro emulsion formulations, Microbials, Drones, Sensors

9 new product introductions

Digital Data Centre implementation

Environment & Social

Lives impacted thru CSR activities: 7.25 lakh

Coverage under Green Belt: 44%

Adopted TERI's bioremediation Mycorrhiza technology and "Miyawaki Plantation" Methodology to improve Green Belt coverage

Employee Well Being

Total Recordable Injury Rate: 0.6

Average training hours per employee: 34.05

5. Corporate Governance

Transparent corporate governance principles that hold us accountable and guide us to be fair, responsible, and inclusive in the way we run our business are ingrained within our DNA. Our governance framework is designed on the pillars of our 5 Lights or values - Integrity, Passion, Quality, Respect, and Responsibility. They are brought to life by our independent and diversified Board that leads our Company ethically, with compassion and discipline to deliver on our goals of creating sustained value for our stakeholders. These principles and the governance framework are embedded within our business strategy and operations. All our internal stakeholders, including senior management, functional heads, employees, and partners across the value chain, adhere to the framework and the principles in everything they do for the Company. We have instituted robust internal controls and Systems to build adequate checks and balances across all operational, functional, and other processes. The framework incorporates risk management systems and internal controls with oversight by an Audit Committee to ensure compliance across the organisation.[12]

The 7 Pillars of Coromandel's Corporate Governance

- Transparency
- Internal controls
- Risk management
- Internal and external communications
- High standards for safety, health, and environment
- Accounting fidelity
- Product and service quality

Governance at Coromandel is monitored by six Board Committees, all of which work in unison to create long-term and consistent stakeholder value. The committees have a clear and well-defined role and responsibilities geared to meet the Company's sustainable growth goals.[13]

[12] GRI 102-26, GRI 103-1
[13] GRI 102-18

5.1 Board of Directors

Mr. A Vellayan
Chairman

Mr. A Vellayan is the Chairman of the Company. He holds a Bachelor's Degree in Commerce from Shri Ram College of Commerce, New Delhi, Diploma in Industrial Administration from Aston University, UK and Masters in Business Studies from University of Warwick Business School, UK. He has been conferred Doctor of Science (Honoris Causa) by Aston University, UK

Mr. Vellayan is the Chairman of Indian Institute of Management, Kozhikode and Roca Bathroom Products Private Limited. He also holds directorship in Ambadi Investments Limited, AMM Foundation and Kanoria Chemicals & Industries Limited. He held various positions in the Murugappa Group in the past.

Mr. Vellayan has vast experience in Fertilisers Business, General Management and Financial Planning.

Mr. Arun Alagappan
Executive Vice Chairman

Mr. Arun Alagappan is the Executive Vice Chairman of the Company. He has done his Graduation in Commerce from the University of Madras and completed the 'Owner President/Management Program' from Harvard Business School at Boston, USA

Mr. Alagappan started his career with GE Capital Services India in 1997. After a two year stint with GE, he joined the Murugappa Group in 1999 in Parryware, part of E.I.D Parry (India) Limited. Between 2005 to 2017, he served in Tube Investments of India Limited heading various divisions and functions before eventually becoming the President & Business Head of TI Cycles. In August 2017, Mr. Alagappan was appointed as Executive Director of Cholamandalam Investment and Finance Company Limited and subsequently as the Managing Director in November 2019. He held this position until February 14, 2021, prior to joining Coromandel International Limited. He holds directorship in various other companies such as Lakshmi Machine Works Limited and Roca Bathroom Products Limited.

Mr. Alagappan is acknowledged as a thought leader in the Bicycle Industry and the NBFC Industry.

Mr. Sameer Goel
Managing Director

Mr. Sameer Goel is the Managing Director of the Company. He holds a Post Graduate Diploma in Management from IIM, Ahmedabad, and a Bachelor's Degree in Economics from St. Stephens College, New Delhi.

He started his career in 1987 with GlaxoSmithKline Consumer Healthcare (GSK) as Area Sales Manager and rose from ranks in a career spanning more than 26 years. He held various positions in GSK in India, Middle East, Africa and London. Prior to joining Coromandel, he had a brief stint in Cipla Limited as Country Head – India.

He has been the Managing Director of Coromandel International Ltd since October 2015. Under his leadership, Coromandel has shown all round growth in performance and employee engagement. The Company has become debt free and it has been rewarding to all stakeholders. He is on the board of International Fertilizer Association, representing South Asia, and on the board of Fertiliser Association of India. He also holds directorship in Tunisian Indian Fertilizers SA, Tunisia. He has been elected as the Chairman of the Confederation of Indian Industry for Telangana state for the year 2021-22 and is a member of the several national committees on agriculture.

Mr. M M Venkatachalam
Director

Mr. M M Venkatachalam is a Director of the Company. He is a graduate from the University of Agricultural Sciences in Bangalore and holds a Master's Degree in Business Administration from George Washington University, USA.

Mr. Venkatchalam has held senior positions in the Murugappa Group of Companies spanning a period of two and a half decades. He is presently the Chairman of Parry Agro Industries Limited. He also serves on the Boards of Ramco Cements Limited, Ramco Systems Limited, Coromandel Engineering Company and E.I.D. Parry (India) Limited.

Mr. Sumit Bose

Independent Director

Mr. Sumit Bose is an Independent Director of the Company. He holds a Masters Degree in Social Policy and Planning from London School of Economics and Masters of Arts from St. Stephen's College, Delhi.

Having joined Indian Administrative Service in 1976, Mr. Bose has served in various positions with the Government of Madhya Pradesh and the Government of India, before retiring as the Union Finance Secretary, Government of India. In the Finance Ministry he served as Secretary (Department of Revenue), Secretary (Expenditure) and Secretary (Disinvestment) as well as Secretary in the Thirteenth Finance Commission. Post retirement, he was a member of the Expenditure Management Commission and the Committee to Review the Fiscal Responsibility legislation. He also chaired a number of committees of the Ministry of Rural Development and the Ministry of Defence of Government of India. He also served on the Board of Oil and Natural Gas Corporation Limited. Mr. Bose is currently on the Boards of HDFC Pension Management Company Limited, HDFC Life Insurance Company Limited, TATA AIG General Insurance Company Limited, BSE Limited, and other companies. He also serves on the Boards of non-profit organisations such as Vidhi Centre for Legal Policy, WaterAid India, Parivaar and Foundation to Educate Girls Globally.

Ms. Aruna B. Advan

Independent Director

Ms. Aruna B. Advani is an Independent Director of the Company. She is a Science Graduate (Hons) from University of Sussex and has also done Owners Management Programme from Harvard Business School and Strategic Financial Planning from IIM Ahmedabad.

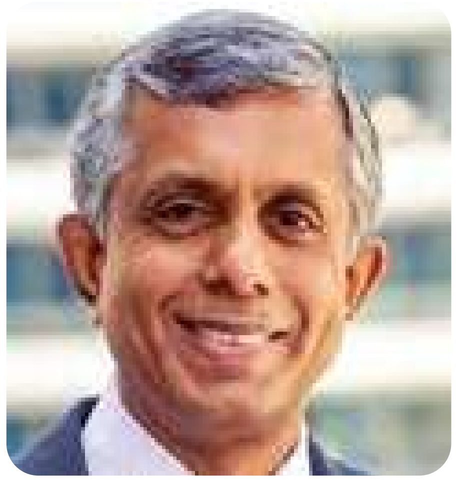
Ms. Advani is the former Executive Chairman of Ador Welding Limited (AWL). She also served on the Board of several associate companies of AWL. She has been associated with AWL for over 40 years. She is currently on the Board of Metro Brands Limited. Ms. Advani has vast experience in the area of General Management and Strategic Financial Planning.

Dr. R Nagarajan

Independent Director

Dr. R Nagarajan is an Independent Director of the Company. He holds a B.Tech. degree in Chemical Engineering from IIT Madras, and a Ph.D. in the same field from Yale University (New Haven, CT, USA).

Dr. Nagarajan is currently working as Professor and Head at the Department of Chemical Engineering, IIT Madras. He recently stepped down as the Dean of International & Alumni Relations after two terms. His teaching and research activities at IIT, Madras are focused on cleanroom processes, nano-technology and ultrasonic process-intensification. In April 2018, he was named as an "Institute Chair Professor" by IIT Madras. He also served as Research Faculty in the Department of Mechanical & Aerospace Engineering at West Virginia University, Morgantown, WV. He was also a Senior Technical Staff Member with IBM Storage Systems' Development Laboratory in San Jose, CA.



Mr. K V Parameshwar

Independent Director

Mr. K V Parameshwar is an Independent Director of the Company. He is a Chartered Accountant and holds a Post Graduate Diploma in Management from IIM, Ahmedabad. Mr. Parameshwar started his career in Asian Paints Limited and, thereafter, worked with Citigroup for twenty years in multiple roles in India, Australia, South Korea, UAE and the UK. His last role in Citigroup was as the Regional Chief Financial Officer for the Europe and Middle East divisions for the Consumer Bank. He then worked as the Chief Financial Officer of a start-up financial services entity- Dunia Group – in the UAE from 2010 till early 2018. He is currently the head of Administration and Finance at of the Wildlife Conservation Society – India and an Independent Director of IIFL Trustees Limited.

Mr. Parameshwar has more than 30 years of experience and expertise in Business and Financial Management including Control, Reporting, Taxation, Treasury and Legal.

Mr. Sudarshan Venu

Independent Director

Mr. Sudarshan Venu is an Independent Director of the Company. Mr. Sudarshan Venu holds B.S. in Mechanical Engineering from the School of Engineering and Applied Sciences and B.S. in Economics from the Wharton School. He has also completed M.Sc. in International Technology Management from the Warwick Manufacturing Group attached to University of Warwick in U.K.

Mr. Sudarshan Venu is the Managing Director of TVS Motor Company Limited, Non-Executive Director in Sundaram-Clayton Ltd and TVS Credit Services Ltd. With Mr. Venu's active intervention, TVS Motor has already seen a turnaround in its Market Share and has been the Most Awarded Two – Wheeler Company. It is a testimony to Mr. Venu's focus, that TVS Motor has been voted No. 1 in Customer Satisfaction for four years in a row by the prestigious J. D. Power Awards. He also has been instrumental in setting up and in the success of Emerald Haven Realty Ltd, TVS Credit Services – a non-deposit Non-Banking Finance Company and TVS Digital, a subsidiary of TVSM incorporated in Singapore, focused on providing technology solutions for digital transformation. He is also a Director of Swiss E-Mobility Group (Holding) AG, Switzerland, dealing with branded e-bikes.

Committees	Chairperson	Member
Audit Committee	●	○
Nomination and Remuneration Committee	●	○
Stakeholder Relationship Committee	●	○
Risk Management Committee	●	○
Corporate Social Responsibility (CSR) Committee	●	○
Banking and Borrowing Committee	●	○

5.2 Board Committees

Audit Committee

The Audit Committee ensures that our financial reporting process is transparent and timely and all disclosures follow the Company's financial reporting parameters and regulatory norms. The Committee is responsible for the appointment and reappointment of statutory auditors and their fees. The Committee conducts financial statement reviews before its submission for Board oversight. Additionally, the Committee reviews the adequacy of internal control systems, whistleblower mechanisms and internal audit findings and participates in critical financial decisions of the Company. The Internal Audit Department and the Audit Committee are responsible to ensure the organisation's operations are led by strong ethics and values at all times. The Committee guides the Company to adapt to dynamic business and regulatory changes.

Nomination and Remuneration Committee

This Committee discharges multiple responsibilities right from setting criteria for appointment of Directors and Senior Management to deciding on the remuneration and commissions to be paid to them. In addition, overseeing the Employee Stock Option Plan(s), advising the Board on diversity and evaluating the performance of Board members also fall within the ambit of the Committee.

Stakeholder Relationship Committee

Timely redressal of investors' grievances drafting policies to service them and ensuring investors' satisfaction are the responsibilities of the Stakeholders Relationship Committee. Besides, they also discharge other functions that the Board may delegate to them from time to time.

Risk Management Committee

Business is dynamic by its very nature and faces various risks. Such risks must be identified in time, evaluated for impact, and measures have to be designed to mitigate the same. The Board's Risk Management Committee is responsible for assessing and reviewing all business risks, including environmental and cyber security risks. It formulates plans for efficiently managing risks and modifies policies, operational models and other changes that may be needed.

Corporate Social Responsibility (CSR) Committee

The CSR committee designs CSR policies or amends existing ones, identifies programmes that can positively impact the communities and surroundings and approves related expenditures. The Committee also oversees the progress of ongoing programmes and reviews project spending. It also updates the Board on the progress of CSR activities.

Banking and Borrowing Committee

This Committee is responsible for banking and borrowing functions for the organisation and is authorised to review and approve borrowings up to Rs. 500 crores.

5.3 Our Policies and Guiding Principles

In addition to the sound governance practices undertaken by the various Board Committees, we are led by well-established principles and policies to operate ethically and transparently.

5 Lights

We are guided by the 5 lights of Integrity, Passion, Quality, Respect and Responsibility. These are the Murugappa Group values. They underpin all the actions, engagements and conduct of every employee in the organisation.

Code of Conduct

Our Code of Conduct, aligned with our organisation's Values and Beliefs, is the key doctrine that guides us in positive actions and all management decisions. Our steadfast commitment to ethical and lawful business conduct is shared by all across the organisation.

Environment, Quality, Occupational Health and Safety Policy

The health and safety of our employees and associates are of paramount importance, as is minimising the environmental impact of our operations. We, therefore, give the highest priority to Safety, Health and Environment (SHE) at all our plants. Coromandel's comprehensive Quality and SHE policy ensures the highest operational standards and regularly monitors the impact of our business on the environment, striking a balance between profitability and the wellbeing of our people and the planet.

Human Resources (HR) Policy

This policy is concerned with the wellbeing of our workforce. We value our employee's contribution to crafting our success. They are our most important resource. Coromandel's comprehensive HR policy is oriented towards their personal development, professional growth, and their physical and mental wellness across all locations. We are open and transparent with our employees. We have several holistic betterment initiatives to take care of their emotional health and their families through engagement activities and overriding duty of care.

Communication Policy

This policy outlines the regulations and standards covering corporate communications and product information. All employees have to abide by the rules so that Coromandel presents a consistent point of view.

Prevention of Sexual Harassment Policy

Our Policy of Prevention of Sexual Harassment (POSH) is stringent in scope and ensures the workplace for employees is free of harassment. We have a zero-tolerance policy to deal with harassment of any kind. Information on sexual harassment is regularly given to employees online and through other communication channels. Coromandel has an Internal Complaints Committee (ICC) to look into complaints raised by women employees. This is in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal Act) under a designated independent Chairperson who looks into the complaints. All harassment cases are dealt with as per the Company's zero-tolerance policy.

Whistle Blower Policy and Vigil Mechanism

Under this policy, Directors, employees, customers, and vendors can register concerns and violations of Coromandel's ethical, moral, and legal business conduct standards. The whistleblower policy reflects our commitment to open communication free of the fear of reprisals.

Training Policy

This policy ensures that all our employees have access to necessary learning opportunities without discrimination or bias. We believe continuous upskilling and competency development are central to employees' career growth.

5S Policy

This policy ensures that Coromandel promotes a safe, efficient and clean working environment. This is done by aligning to and monitoring our performance under 5S.

CSR Policy

We are mindful of our social responsibility toward the communities around us. It guides us to empower the communities around us through quality education, healthcare and societal development.

Remuneration Policy

This policy brings to life the philosophy and principles of the Murugappa group pertaining to remuneration for members, including our Board of Directors, Key Managerial Personnel, Senior Management and other employees. The Policy guides the remuneration approach that is the best in the industry. Our remuneration standards are benchmarked with the conditions of employment vis-à-vis that of our peers and competitors.

Business Ethics[14]

We are committed to conducting business ethically and lawfully with customers, external business associates, governments, communities, shareholders and other stakeholders. The Coromandel Guide to Business Conduct (CGBC) is guided by Murugappa Group's philosophy, exemplified in the 5 Lights. Further, our Code of Conduct (CoC) necessitates that all business transactions be conducted transparently with clear ownership. We are committed to creating sustainable value for all stakeholders and encourage our employees to conduct business with integrity, commitment and accountability.

The Code provides all internal stakeholders with avenues to register concerns of violations of ethical business conduct and standards through the Whistle Blower Policy and Vigil Mechanism. We take a serious view of violations of dignity and privacy against individuals and groups. All employees can register complaints of discrimination or violation of human rights. We inform and educate our employees, including new joiners, of our policies through online and other channels, refresher sessions and other means.

In FY 2021-22, Coromandel registered and resolved the following complaints under its key policies:

Policy	No. of complaints registered	No. of complaints resolved
Whistle Blower and Vigil Mechanism	5	5
Prevention of Sexual Harassment Policy	1	1

[14] GRI 205-1, GRI 205-2

6. Values, Mission, & Coromandel Strategy

Vision

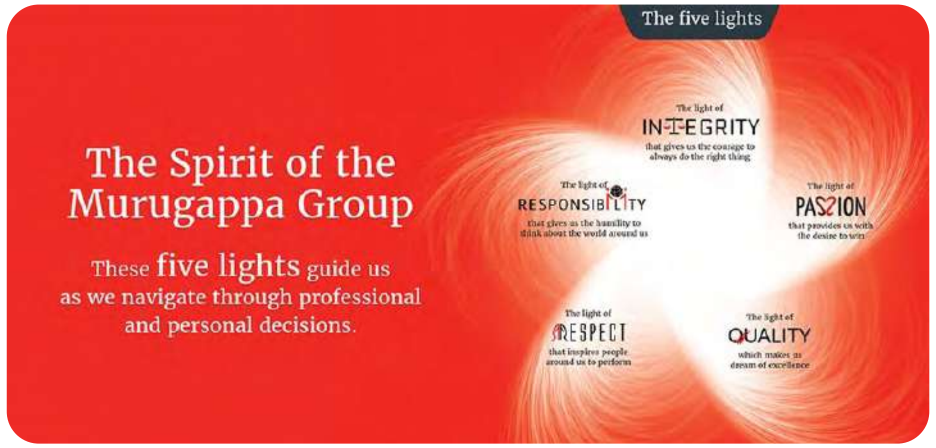
To be the leader in farm solutions business in the geography of choice and consistently deliver superior value to stakeholders through highly engaged employees, with a strong commitment towards sustainability and our values.

Mission

To enhance the prosperity of farmers through quality farm solutions with sustainable value for all stakeholders.

Our Values

Coromandel's commitment to leading with integrity and ethics and abiding by the highest standards of governance is inspired by the founding philosophy of the Murugappa Group. The philosophy drawn from the ancient Indian treatise, Arthashastra, states - "The fundamental principle of economic activity is that if no man you transact with shall lose, then you shall not". The following 5 Lights guide our work and decisions.[15]



[15] GRI 102-16

Coromandel's Integrated Strategy of Growth

The rising consumption and resource exhaustion for factors like land, labour and water emphasizes the importance of improving agri productivity to meet the global food demand. Further, with the key trends like dietary shifts, sustainability focus, digital penetration, tech advancements and Government's support, agriculture is expected to grow at a good pace, going forward. The evolving environment indicates newer ways of agriculture that holds the potential to shape the farming landscape and Coromandel is taking progressive steps to meet the expectations.

Our integrated strategy to tap the growing opportunity of agriculture is built on eight pillars. It seeks to strengthen our business potential through sustainable practices, product innovation, robust processes and sound governance.

We continue to expand our market presence and leadership by enhancing our capabilities and capacities. Our network of dealers and retail outlets play a critical role in taking our products and services to the farthest corners of India and other countries, embracing our 'Farmer-First' principle.

We remain farmer-centric in our approach, led by our commitment to ensuring holistic growth and broadening their socio-economic opportunities.

Our capability enhancement engagements and advisory initiatives led by our agronomists, nutriclinics, and retail centres strengthen our relationship with our farmers. We are introducing new agri-technology solutions in crop diagnostics, spraying and delivery mechanisms to enhance farmer productivity and crop yields.

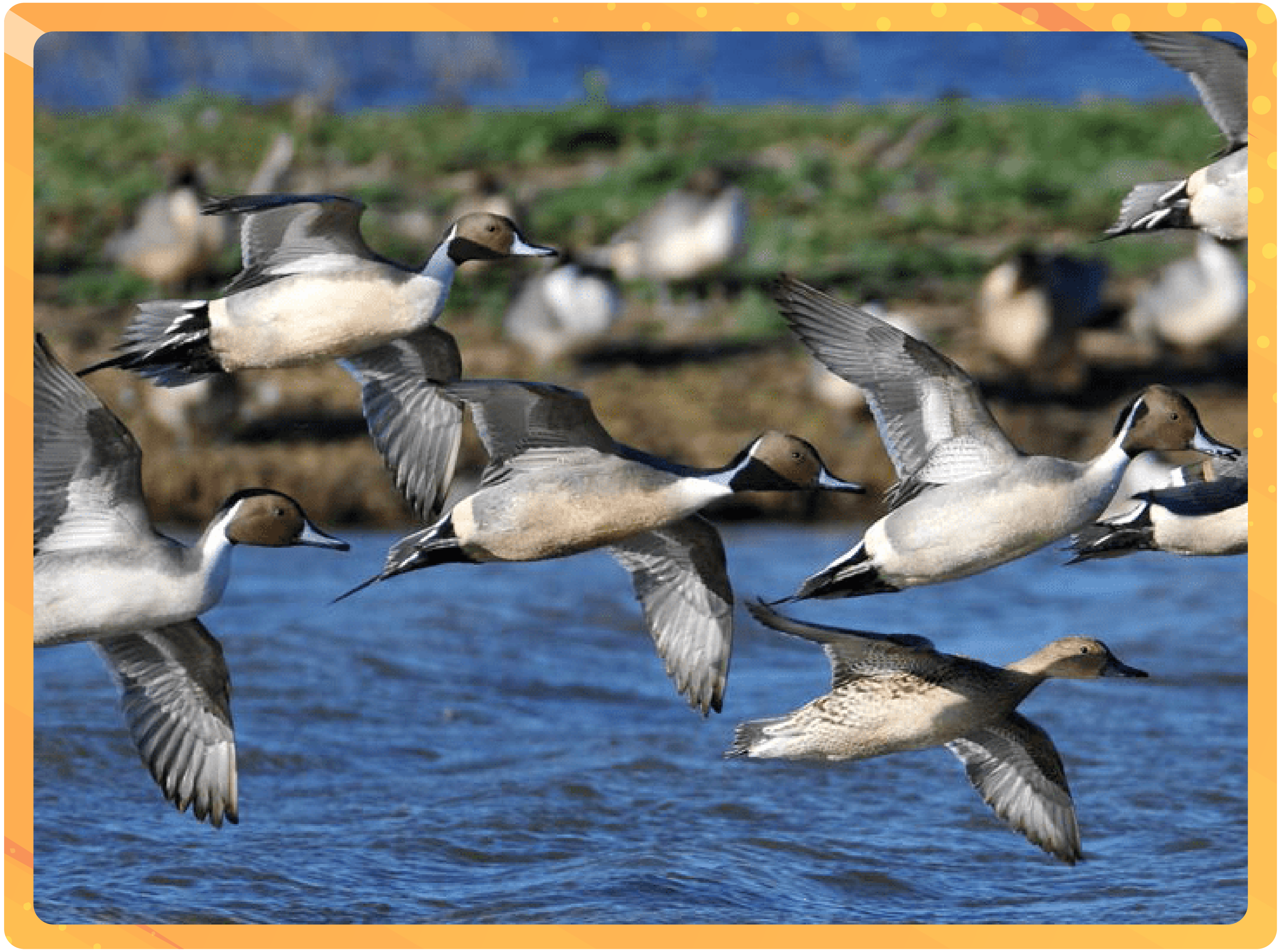
We continue to invest in our supply chain, manufacturing excellence, Research and Development, product portfolio, brand visibility and digital marketing to grow business led by our sustainability goals.

Various growth opportunities are also being explored in complementary business areas to broaden growth potential and create new prospects for the organisation.

Eight key elements of our Strategy to capture the India agricultural opportunity & deliver consistent value


Neem plantation

7. Sustainability At Coromandel International Limited



As one of India's leading agro-solutions providers, we are committed to nurturing a sustainable tomorrow by promoting balanced agricultural practices and products.

Over the years, we have been diversifying our operations to offer farmers Seed-to-Harvest solutions with a focus on improving the farm productivity and resource use efficiency. We are providing safe and environmentally friendly solutions to farmers who work hard day in and day out to feed the nation. We promote balanced nutrient application approach customized to crop and soil needs including organic, primary, secondary, and micro-nutrients and follow integrated pest management practice to improve crop yields by combining the use of biological, cultural and chemical practices to control pests.. Our scientists are undertaking cutting edge R&D activities to develop stable chemistries to innovate products that are more effective and safer for our farmers and the soil.

To effectively transform the agriculture sector, we are continuously enhancing the sustainability of our entire value chain and ecosystem. Beyond our farmers, we engage with our communities and vendors to make them a part of our sustainability-led journey and deepen the impact of our endeavours. We encourage our partners to adopt responsible practices and lead with ethics and transparency aligned to our values.

It is only through the active participation of our employees that we can realise our aspirations to nurture a sustainable tomorrow. Our employees embrace our values and sustainability principles to accelerate our holistic value creation journey and create a long-term positive impact for our stakeholders.

We will continue to invest proactively in our systems, processes and technologies to enhance our performance while minimising any negative impacts on the environment and society. The 5 lights of the Murugappa Group - Responsibility, Quality, Passion, Integrity and Respect - show us how to lead with ethics and transparency. They collectively act as the cornerstone around which our ESG framework has been developed, and it permeates every dimension of our business as well.

7.1 ESG Strategy

Our ESG framework built on three pillars forms the foundation of our approach to nurturing a sustainable tomorrow. These pillars encapsulate our value creation potential and form the foundation for our strategic responses.

The three strategic pillars include:

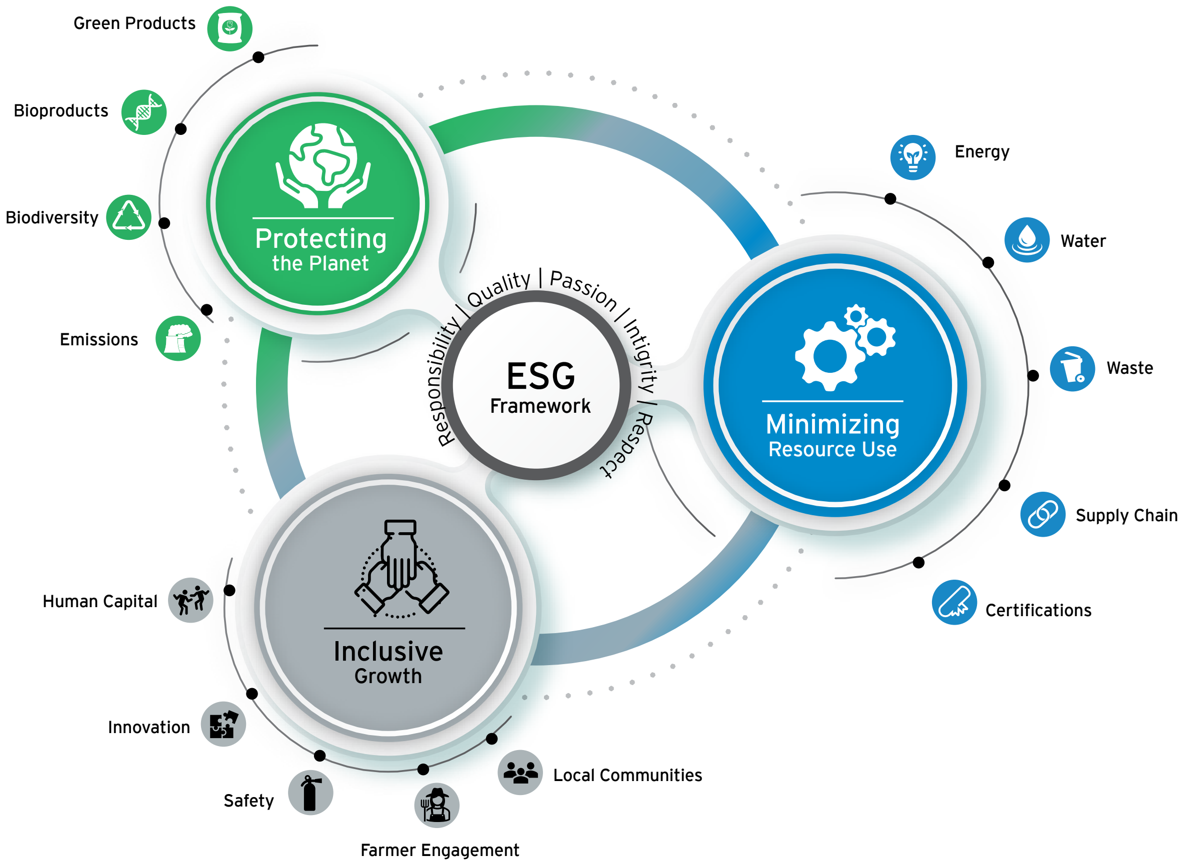
- Protecting the Planet
- Minimising Resource Use
- Inclusive Growth

Our strategic and tactical interventions are designed to foster responsible growth for farmers and empower communities while enhancing the quality of crops and soil.

We are committed to minimising resource use and conserving our planet's scarce resources. Our ESG strategic focus areas are embedded within our operational initiatives to enhance the sustainability of our operations and value chain.

7.2 Pillars, Themes, and Interventions

From fertilisers and nutrients to crop protection and retail, we serve the entire crop life cycle from seed-to-harvest stages. The three pillars of our ESG Framework are interlinked and take forward our commitment to minimise the adverse impact of our operations on the planet and people. Under each strategic pillar, we have identified specific themes that form the focus areas of our sustainability roadmap. We take proactive measures to weave sustainability parameters into our operational framework. These include measures to reduce the environmental impact of our footprint by using natural resources judiciously and managing waste. A range of need-based interventions helps us foster social development across our operating locations.



Below are some of the activities we are undertaking to take forward the focus of our ESG strategy pillars.

Protecting the Planet

Focus	Interventions
Our planet is our only home and is a shared responsibility Therefore, we must maintain ecological harmony through sustainable practices. We are continuously improving our environmental management practices to limit the impact of our activities on the biodiversity of the areas in the vicinity of our facilities.	• Develop a Conservation strategy to contain the impact of our manufacturing activities on the biodiversity around our plants • Increase the Green Cover area in and around our manufacturing plants to contribute to biodiversity • Implement Nature-Based Solutions toward climate change adaptation and expand opportunities for livelihoods
As the leading Agri-solutions player in India, reducing GHG emissions from our manufacturing plants has been our top priority	• Aim to reduce Scope 1 and 2 GHG emissions and become carbon neutral in the future
Reducing the adverse environmental impact while meeting the growing demand for our products is paving the way to expand our portfolio of organic and eco-friendly products. Recognising the importance of regenerative agriculture and with a vision to enrich soil health, we promote the use of bio-stimulants and biopesticides. We produce and promote organic fertilisers derived from natural sources like organic waste from cities, sugarcane molasses and its by-products, oil cakes and gypsum	• Develop a Product Stewardship policy to promote responsible crop care practices and maximise the share of green and resource-efficient products in the portfolio

Minimising Resource Use

Focus	Interventions
We have been pushing ourselves and our suppliers to reduce carbon footprint through technological interventions and responsible practices and minimise energy consumption during manufacturing	• Reduce the energy intensity of manufacturing plants • Reduce the dependency on fossil fuels by increasing the use of renewable energy
We aim to reduce the water consumption of our manufacturing processes and make all our plants a zero liquid discharge operations	• Deploy a zero liquid discharge policy to reduce water usage in manufacturing processes. Design products that help reduce operational water intensity • Implement water recycling interventions and substitute groundwater use with harvested rainwater
We are focussed on reducing the waste generated across our operations, recycling and reusing where feasible and disposing it responsibly through authorised agencies and channels	• Institute a Waste Management policy and constantly update it to increase efficiencies of waste management efforts • Reduce the amount of hazardous waste generation in the manufacturing plants • Convert organic waste generated across our operations into fertiliser to be used for landscaping
We periodically administer structured assessments to our key supply chain partners to identify opportunities to promote sustainable sourcing and encourage the adoption of responsible practices across our value chain	• Develop a Sustainable Supply Chain & Procurement Policy • Assess suppliers under ESG criteria
We commit to having relevant environmental certifications and following recommended standards aligned to environmental sustainability	• Propose to acquire essential certifications (ISO 9001, 45001, 14001, 50001, 46001, and Green Building) for our facilities

Inclusive Growth

Focus	Interventions
We prioritise the safety, health and wellbeing of our employees. Our employees are encouraged to raise safety concerns through several channels.	• Instituted robust processes and safety performance indicators to monitor operations and minimise LTIFR(Lost Time Injury Frequency Rate) and TRIFR(Total Recordable Injury Frequency Rate) • Maintain track record of Zero Serious Injury and Fatality
Our employees can flourish and give their best only when provided with a safe and inclusive workplace that respects the diversity of thought, gender, experience, age etc. We uphold human rights across our operations and the value chain.	• Establish a Human Rights Policy to strengthen fair employment practices • Promote gender diversity through enabling policies and strategies
Aligning our employees to our ESG goals is critical to achieving our stated goals	• Impart training sessions on ESG and other relevant trainings to engage employees and relevant security personnel[16]
We are a firm believer in contributing to society for our holistic growth. Providing opportunities to Learn, Contribute, and Encourage innovativeness is an integral part of our Corporate Social Responsibility (CSR) initiatives.	• Positively impact community members through CSR activities • Encourage employees to volunteer and co-create socio-economic value
We continuously innovate our offerings to create unique products and services	• Strategic partnerships with research institutions, agricultural universities, innovators, and technology providers to scale innovation capabilities and improve manufacturing efficiency and operational processes
Our 'Farmers-First' approach looks to bridge the gaps across the agriculture cycle through a wide range of products and services. Our Retail Outlets and Agronomists operate closely with the farmers to promote sustainable crop management practices.	• Widening our portfolio to help farmers with customised crop offerings, efficient distribution, advisory services and novel technologies for efficiency gains • Engagement with farmers to build capacity around sustainable agricultural practices and empower women farmers • Promote carbon farming to enable the land to store more carbon and reduce GHG emissions • Scale up drone-based spraying services to spray agri inputs uniformly and reduce wastage • Grow the footprint of neem plantations to source raw materials for biopesticides and create economic opportunities for community

[16] GRI 410-1

7.3 Sustainability Governance

The sustainability governance mechanism extends beyond compliance and needs to be embedded within the organisation to strengthen the value creation abilities. It helps to monitor the sustainability progress, share transparent updates with stakeholders, and establish a conducive environment to ensure absolutely no compromise on organisational ethics and values amidst dynamic externalities.

A strong governance system evaluates performance not just in terms of profits but also in terms of the good influence the organisation has on the environment. It aligns social and environmental aspects with business objectives and helps deliver superior value to stakeholders. Most importantly, it fosters a culture of sustainability across the organisation.

We are in process to strengthen the governance structure and our progress on the ESG roadmap with the inclusion of a Sustainability Council along with a dedicated core group and an implementation team.

The Council will develop structured policies covering Water Stewardship, Waste Management, Supply Chain, Procurement, Biodiversity, Product Management and Human Rights and oversee their implementation. It will also set targets, standards and metrics to assess our ESG performance and ensure it is consistent with our long-term business and sustainability strategic objectives.

7.4. Sustainable Development Goals

In 2015, United Nations Member States provided a shared blueprint for peace and prosperity for people and the planet, now and into the future, also called the Sustainable Development Agenda for 2030. India is one of 195 signatories to the agenda comprising 17 Sustainable Development Goals (SDGs). As a company committed to responsible operations and aligned to the country's growth goals, our strategic and operational imperatives are designed to contribute to the various SDGs so that the world can progress on a sustainable and inclusive growth path.

Zero Hunger

- Improving livelihoods for farmers by nurturing and promoting sustainable farming practices and productivity, thereby building a robust ecosystem

Good Health and Well Being

As part of our CSR focus on Healthcare, Coromandel has taken below initiatives:

- Established and support a paediatric ward at Kakinada Government hospital and Covid-19 wards to extend medical treatment
- Established one hospital and three medical centres for providing preventive healthcare among communities surrounding our operations
- Developed playgrounds and infrastructure for proactive community health & recreation
- Donated five oxygen concentrators of capacity 5L/Min to Wallajah Govt HQ Hospital, Ranipet District

Quality Education

To minimize the learning gap, promote high-quality, inclusive, and equitable education Coromandel has taken following initiatives:

- Through Udbhav School in Hyderabad, educating the first generation learners among the underserved sections of the society
- Scholarship programme for the Class IX to XII to encourage education of girl children
- Supporting the education of children with special needs at Balavidyalaya
- Providing booklets of all subjects to school children under the Coromandel Champs Programme

Gender Equality

- Ensuring diversity and equal opportunities in the workplace
- Equal remuneration for female and male employees

Clean Water and Sanitation

- Use water efficiently in nutrient applications through water-soluble fertilisers
- Zero liquid discharge/ ETP compliance at manufacturing plants. Continuous monitoring of water withdrawal
- Developing ponds for groundwater recharge
- Developing toilets and handwash stations and setting up RO plants at schools for clean drinking water under CSR programmes

Affordable and Clean Energy

- Energy-efficient technologies deployed at all facilities
- Using solar as a source of renewable energy

Decent Work and Economic Growth

- Zero-harm policy to promote a safe work environment
- Compliance with Labour Laws, Whistle Blower and Anti Sexual Harassment Policy
- Advisories for farming practices and retail to improve yields and enable sustainable livelihoods
- Promoting Integrated Nutrient Management through the Gromor Poshan Demos
- Recognising and rewarding farmers through the Gromor Brand Ambassador programme, Gromor Mitra, and Gromor awards
- Nutriclinic App to handle queries in crop production in real-time, specific to nutrition
- Soil testing tools to provide the stage-wise fertiliser recommendation, including Organic & Bulk fertilisers
- Gromor Suraksha "STARS" (Safety Training for Awareness on Responsible Spraying) training programme, conducting farmer awareness sessions to promote the use of safety gear and safe agriculture practices

Industry, Innovation and Infrastructure

- Improve product efficiency through R&D
- Developing innovative solutions, including slow-release fertilisers, nano products, customised crop specific nutrients, bio-injectables, drone-based advisory and applications

Responsible Consumption

- Encourage the use of Organic fertiliser and biopesticides for integrated crop management
- Efficient use of water and energy
- Integrated Reporting aligned to IIRC Framework and Business Responsibility Reporting (BRR)
- Converting city waste and other plant extracts into Organic fertilisers

Life on Land

- Enhancing biodiversity through a Bird Paradise at the Kakinada plant
- Biodiversity Parks developed for Fishes and Rabbits inside Nimrani Plant
- Transformation of phosphogypsum heaps into a greenbelt
- Expansion of Green belt under Project Visakha
- Converting underutilised land to Green Neem vegetation in Thiyagavalli, Cuddalore and other areas

8. Value Creation Model

Coromandel's value creation framework clearly outlines the vision, mission and values that underline its eight-pronged strategic intent to grow our business sustainably and create value by delivering on well-defined outputs and outcomes for its stakeholders.

Inputs

Financial Capital

- Net Fixed Assets: **INR 2,233 Cr**
- Working Capital: **INR 3,875 Cr**
- Debt-Equity Ratio: **0.0**

Manufactured Capital

Number of manufacturing plants

- Fertiliser: **3**
- SSP: **7**
- CPC: **5**
- Bio: **1**

Installed capacity of manufacturing plants

- Fertiliser (NPK & DAP): **3.5 million ton**
- SSP: **0.9 million MT**
- CPC (Technical) : **0.9 Lakhs MT**
- Bio (Aza based): **22.5 MT**

Intellectual Capital

- No. of R&D Facilities: **7**
- No. of researchers/scientists: **77+**
- Patents Filed (to date): **113**

Human Capital

- Employee's strength: **5,042**
- Average employee training manhours: **92,120**
- Safety trainings manhours: **42,861**

Social & Relationship Capital

- CSR Spent: **INR 28 Cr**
- Employees volunteering in CSR activities: **1,751 hrs**
- Market development team: **~2000**
- No. of Retail Stores: **750+**
- No. of Gromor Nutri-clinics: **47**

Natural Capital

- Energy consumed **2,729.1 kGJ**
- Water consumed **57,05,253 KL**
- Hazardous waste generated **39,932 MT**
- Green belt coverage: **44%**

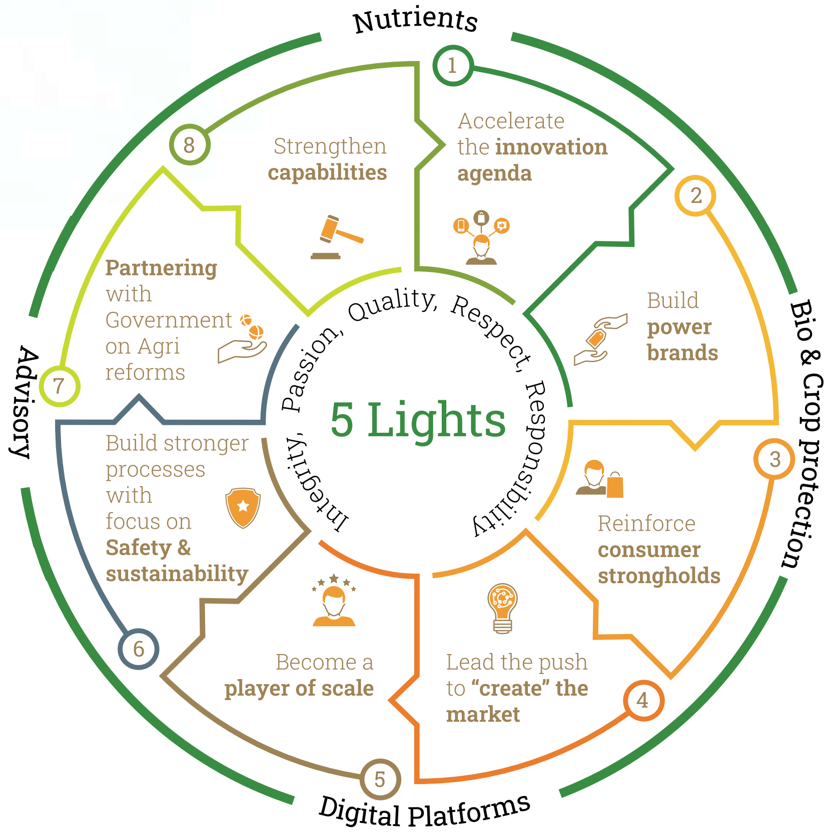
Vision

To be the leader in farm solutions business in the geography of choice and consistently deliver superior value to stakeholders through highly engaged employees, with a strong commitment towards sustainability and our values

Mission

To enhance prosperity of farmers through quality farm solutions with sustainable value for all stakeholders

Eight key elements of our Strategy to capture the India agricultural opportunity & deliver consistent value



Outputs

Financial Capital

- **35%** Revenue growth over last year
- EBITDA: **INR 2,150 Cr**
- Net profit after tax: **INR 1,528 Cr**

Manufactured Capital

Quantity produced

- Fertiliser (NPK & DAP): **2.9 million MT**
- SSP: **0.7 million MT**
- CPC (Technical): **0.6 Lakhs MT**
- Bio (Aza based): **12.2 MT**

Intellectual Capital

- New products launched: **9**
- Patents granted (to date): **18**
- Established research farms for accelerated experimentation, bio-efficacy, and sustainability trials of products
- R&D Expenditure
  - Revenue: **INR 15.95 CR**
  - Capital: **INR 2.24 CR**

Human Capital

- TRIR: **0.60**
- **Zero** complaints of Human Rights violation

Social & Relationship Capital

- Lives impacted through CSR initiatives: **7.25 lakhs +**
- Farmers engaged through retail stores: **~3 million**
- Nutri-clinics (Advisory and innovation): **~1.5 Lakhs**

Natural Capital

- Energy Intensity
  Fertiliser: **0.59 GJ/MT**
  SSP: **0.10 GJ/MT**
  CPC: **9.75 GJ/MT**
  Bio: **6.08 GJ/kg**
- Wastewater reused **3,11,095 KL**
- Diverting the hazardous waste from disposal through recycling, reprocessing and reusing it in process wherever possible

Outcomes

Financial Capital

- Net Worth: INR 6,358 Crore
- Profitable growth
- Improved Credit rating: 'CRISIL AA+ (positive)', 'IND AA+ (positive)'

Manufactured Capital

- Progressive scale up of manufacturing process and assets to meet the market demand
- Productive, safe, and healthy workplace for employees

Intellectual Capital

- Diversified portfolio of products and services to improve resource use efficiency including green chemistries and agri technologies

Human Capital

- Safe and inclusive workplace

Social & Relationship Capital

- Positively impacting the communities where we operate
- Capacity building of farmers to increase their crop yield and livelihood improvement
- Promoting Sustainable farming practices including balanced nutrition & integrated pest management practices

Natural Capital

- Upgrading the manufacturing process to reduce emissions and improve resource efficiency
- Accelerating decarbonization through technological improvement and sourcing energy from renewable sources

Stakeholders

- Farmers
- Local Communities
- NGO partners
- Investors
- Regulators
- Supply Partners
- Distributors
- Employees

Our Capitals	Scope
Financial Capital	Focuses on the measures we have adopted to strengthen financial resilience through judicious capital allocations and spending to ensure consistent profitability and generate monetary value for shareholders and investors
Manufactured Capital	Focuses on the assets and infrastructure that lie at the core of the Company and enable us to produce quality offerings and services to meet customer needs today and into the future
Intellectual Capital	Focuses on our Research and Development investments, partnerships and endeavours to foster a culture of curiosity and innovation and accelerate growth by developing and embracing transformational technologies
Human Capital	Focuses on our efforts to attract, grow and retain the right talent we need to realise our current and future aspirations and who share our values and passion for sustainable growth
Social and Relationship Capital	Focuses on our efforts to foster holistic and inclusive growth encompassing our stakeholders, including employees, customers, partners and suppliers and community members
Natural Capital	Focuses on our priorities and actions to manage the environmental footprint of our operations through the responsible use of resources like water and energy, managing waste and mitigation measures to address climate change risks, among others

8.1. Symbiotic Relationship Between Capitals

At Coromandel, we believe that only if our capitals act in cohesion we will be able to enhance the collective impact of their outputs and outcomes to create a holistic impact that can transform the way we do business today and build a more sustainable future for our Company, stakeholders, nation and the planet.

Financial Capital and its impact on other capitals

While the core function of our financial capital is to ensure monetary wellbeing for our Company and enhance returns for our shareholders and investors, it has a cascading impact on the functioning of other capitals. A robust financial capital enables us to make adequate investments in strengthening our manufactured capital through CAPEX & OPEX to run and transform our business. It also allows us to invest in physical and digital assets to improve operational efficiency and productivity. Investments in new technology and digital transformation to scale our innovation capital are imperative for our continued growth in a connected economy. We also need adequate capital allocation for product development and patent filings to advance our successful trajectory of developing and launching new products. This year we developed and launched nine new products. Investing in hiring the right talent and ensuring their development through impactful training is critical to maintaining the quality of our human capital and continued success. Robust financial resources back our commitment to providing the good health and safety of employees. Our CSR initiatives need committed funding and go a long way to strengthen our social licence to operate. Beyond the mandated spending on CSR activities, we also funded several initiatives to support stakeholders during COVID. In line with our sustainability commitments, we are investing in biodiversity conservation, expanding the green cover around our facilities, and allocating funds for resource optimisation and emission reduction.

Manufactured Capital and its impact on other capitals

A strong base of manufactured capital is critical to realise the aims of our 8-pillared strategic framework and accelerate progress on the goals of other capitals. Our financial capital enables us to scale up the manufacturing process and assets to improve revenue generation and net profit. Our Intellectual Capital enables us to design and develop infrastructure that will foster innovation. Likewise, we must provide a Safe, Healthy & Agile workplace for our employees so that they remain engaged, motivated and productive. We also need to accelerate the process-centric expertise of employees so they can contribute meaningfully to business growth. Improvements in manufacturing initiatives will help us use resources more responsibly and efficiently as well as in reducing carbon intensity and conserving natural capital. We support communities through responsible sourcing from local vendors and suppliers to strengthen our social and relationship capital. Responding to customer needs through a product-centric culture and seeking their feedback ensures delight and satisfaction. As part of our CSR initiatives, we create job opportunities through capacity building for the people in the vicinity of our manufacturing units.

Intellectual Capital and its impact on other capitals

Our intellectual capital powers our efforts to deliver differentiated experience and a robust product portfolio to our customers and enhances the impact of other capitals to accelerate our progress on our sustainable growth path. It also powers the development of new products that will help us grow revenues. Our research & development investments lead to new product development and help us scale up our manufactured capital. Employee wellbeing, productivity improvement and awareness about emerging technologies are critical parameters to empower our workforce to contribute to our innovation pursuits actively. The innovation of low carbon and resource-efficient technologies enhances the efficiency of our products. We are developing in-house digital marketing tools to reach out to the farmers, partners and communities to create value for them. Our collaborations with technology institutions enable us to tap into the larger innovation ecosystem to develop green solutions and products.

Human Capital and its impact on other capitals

Our people are the force behind our stated ambitions. Their capability and commitment give us the confidence that we will achieve the targets we have set to build a sustainable future. Investments to ensure the health, safety and well-being, and welfare of employees and their families are critical to keeping them engaged and aligned with our goals. Building and strengthening our manufactured capital sustainably will ensure higher productivity and quality in operations and optimal utilisation of assets by a competent workforce. An engaged workforce will ensure that our operations run seamlessly without disruptions despite negative externalities. Designating employees as ambassadors will make them accountable for environmental initiatives and help us achieve our sustainability goals. The increased participation of employees in developing new and innovative products and filing patents will enhance our intellectual capital. Strategic partnerships with research and educational institutes will broaden the reach of our employees in the knowledge ecosystem and help us derive greater value from our endeavours. Increased involvement in community development initiatives energises and motivates our employees to lead with shared values.

Social and Relationship Capital and its impact on other capitals

A strong foundation of social and relationship capital empowers us to realise our aspirations with the support of the larger ecosystem and manage seamless operations without disruptions. Our trust-based relationships with our stakeholders go a long way in enabling us to achieve the goals we have outlined for the other capitals. Community support for various projects raises our Company's profile as a Good Corporate Citizen and increases the financial feasibility of operations. Increased engagement with our customers help in growing revenues. Our relationships with diverse industry stakeholders lead to knowledge and skill sharing that enriches the capabilities and competencies of our employees. Strong relations with our suppliers and other stakeholders help us source raw materials seamlessly at fair prices and ensure the smooth functioning of manufacturing operations. Collaborations with various educational institutions accelerate our innovation pursuits. Securing farmers' feedback in developing new products helps us build targeted products with improved quality. Industry and market associations help us better understand customer concerns and trigger innovative product development ideas. Our partnerships with farmers help us demonstrate the positive environmental impacts of our products to them. Community engagements allow us to expand the reach and impact of our sustainability endeavours on the environment and social wellbeing.

Natural Capital and its impact on other capitals

Our approach to using our natural capital responsibly sets the pace of our sustainability journey and scales the output and outcomes of our other capitals. We are expanding access to newer markets through green product development, making strategic investments to upgrade to resource-efficient assets, and lowering operating costs. An engaged and motivated workforce will lead to increased environmental consciousness and ownership. We are improving the Operational Eco-Efficiency of our manufactured capital through energy-saving initiatives, use of renewable energy sources, effective water usage and reduction in waste generation. Additionally, we are also using organic waste to manufacture organic fertilisers and save natural resources. Our continuous focus and drive towards resource optimisation furthers innovation across our operations. We maintain the ecological balance of the areas around our facilities by conserving biodiversity and promoting the health of farmers and consumers by providing organic fertilisers. Our Nutri-clinics are undertaking capacity building of farmers to help them increase their crop yield and improve livelihoods and earnings.

9. Stakeholder Engagement & Materiality Assessment

We engage with and seek feedback from our stakeholders regularly through various channels. These interactions allow us to better understand and address their problems, as well as get insight into the risks and growth imperatives that must be addressed in order to ensure a sustainable future.

Our sustained stakeholder engagement is driven through formal and informal channels, statutory reports, events and other platforms for internal communications. As outlined in the table below, we use multiple communication channels to engage with the key stakeholder groups.[17]

Stakeholder group	Engagement channels	Main concerns and focus areas
Farmers and farming community	• Retail outlets, Nutri clinics, agronomists offering interventions such as soil testing, nutrient and crop protection recommendation, field demonstrations, farm service mechanisation	• Better crop yields that are sustainable • Balanced nutrition & pest management • Product quality standards and reliability • Economical and cost-effective
Local communities	• CSR partnerships and implementation of CSR related projects • CSR-related disclosures in the public domain • Reduction of environmental footprint	• Work for causes such as education, health, environmental sustainability and climate change • Employee participation/ volunteering • Community development and progress • Community Awareness • Improved quality of life

[17] GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44

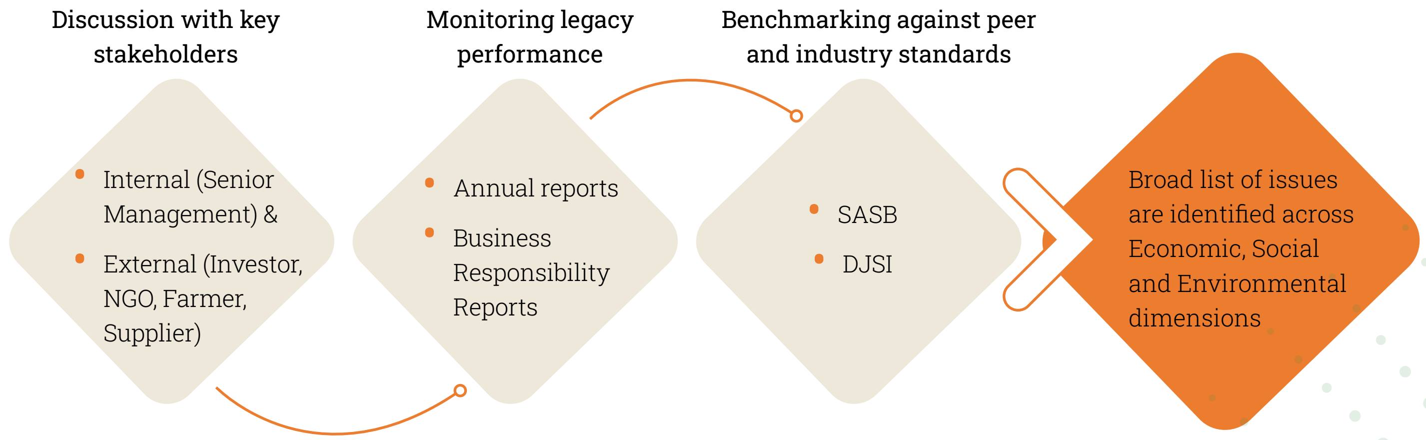
Stakeholder group	Engagement channels	Main concerns and focus areas
Investors	• Annual General Meetings • Quarterly results call • Annual Report, Public disclosures and Investor presentations • Investor conferences and meetings • Press releases and publications	• Financial performance • Business updates • Growth plans and product pipeline • Value creation • Risk management • Adoption of sustainable business practices
Regulators	• Compliance with regulatory requirements, notifications, circulars and guidelines • Regular meetings, seminars and participation in industry forums • Corporate announcements, e-mail, letters • Periodic submissions, Regulatory visits/interactions	• Safety, environmental and social compliance • Sound Corporate Governance - Fair dealings, conduct and transparency, timely disclosures • Regulatory and Legal Compliance • Contribution to the development of industry
Supply partners	• Procurement channels • One-to-one meetings, annual reviews • Contracts, e-mails, calls, virtual interactions • Periodic surveys	• Long-term partnership • Favourable product and value proposition • Ease of doing business and data security • Timely payment as per terms of the contract • Capacity building to encourage sustainably sourced/ developed material
Distributors	• Sales channels • Channel Partner Meet	• Assurance of timely supply • Product quality and standards • Incentives and earnings • Sustained communication and marketing support
Employees	• Feedback, recognition and talent management • Learning and development initiatives and & capability development programme • Employee engagement, wellness and safety initiatives • High touchpoint communication through town halls, mails, etc.	• Career development opportunities, • Culture of diversity and inclusion & fair compensation • Regular training • Employee engagement • Wellness and safety • Fulfilment of the Company's vision, mission and achieving sustainability objectives • Capacity building

Materiality

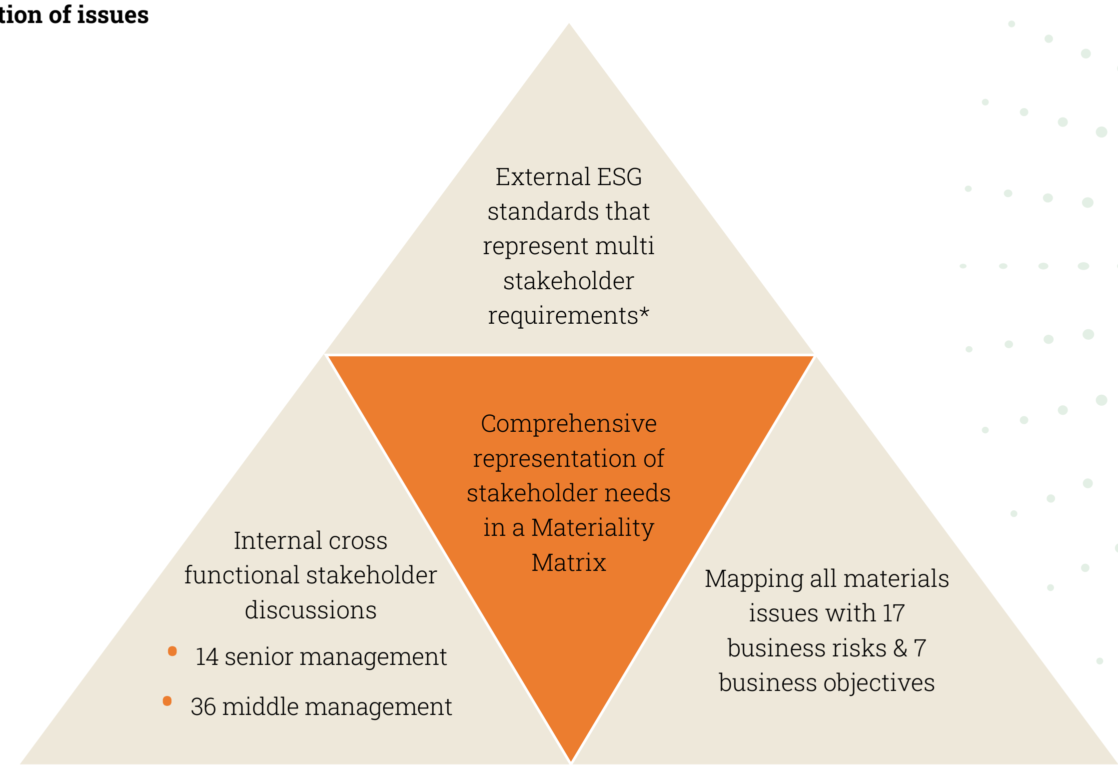
Businesses are increasingly recognising the growing ESG challenges and their impact on the long-term value creation capabilities. We aim to create value by consistently augmenting our performance on topics most material to our stakeholders and the organisation.

The process of determining material issues is systematic and robust. It involves two key steps: identification followed by prioritisation. The figure below outlines the process of identifying and prioritising material issues.

Identification of issues



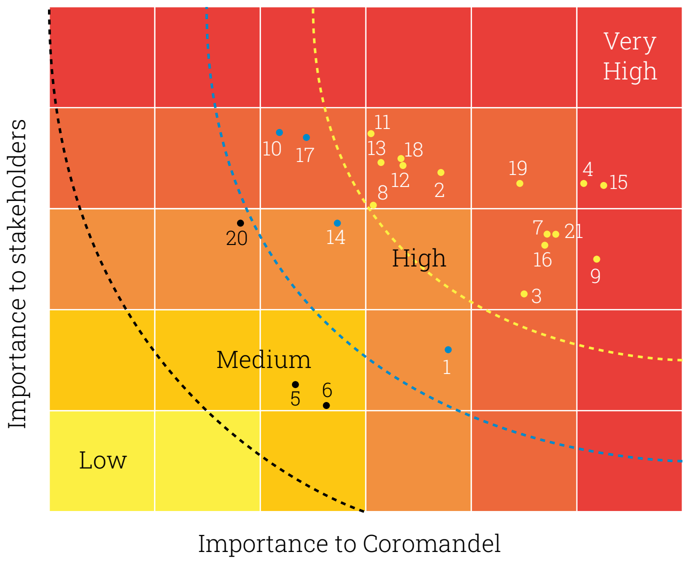
Prioritisation of issues



* Sustainability Accounting Standards Board, Dow Jones Sustainability Index

The Company's Sustainability Materiality Matrix maps the various material issues on two dimensions focusing on:

- Importance to Coromandel's stakeholders
- Importance to Coromandel



Dimension	S. No.	Material issue
Economic	1.	Market penetration & expansion
	2.	Innovation and R&D
	3.	Customer centricity
	4.	Ethics & governance
	5.	Digitisation
	6.	Data integrity & privacy
	7.	Product quality
	8.	Public policy advocacy
	9.	Regulatory Compliance
Environmental	10.	Energy management
	11.	GHG and air emissions in the value chain
	12.	Water stewardship
	13.	Waste management
	14.	Sustainable & resilient supply chain
	15.	Enabling sustainable agriculture (Soil health, land use, biodiversity, nutrient stewardship etc.)
Social	16.	Product & chemical safety
	17.	Human rights in the value chain
	18.	Community development
	19.	Occupational health and safety
	20.	Diversity & inclusion
	21.	Human capital

Top material issues

Coromandel's key material issues[18]:

Key material issue	Why is it material	Ref. Pg.No.
Innovation and R&D	Continuous improvement in products and processes enabling existing and future needs of the farmers	78-83
Customer centricity	Strive for the highest standards of quality, farm services and advisory for the farmer	93-95
Ethics & governance	Core to the values & beliefs of doing business at Coromandel	26-35
Product quality	Addressing essential nutritional requirements and plant/crop protection	74-75
Public policy advocacy	Industry perspectives and market insight for regulators and policymakers on fertiliser and agricultural policy	96-97
Regulatory Compliance	Upholding the highest standards of compliance and governance	33-35, 64-66
GHG and air emissions in the value chain	Impact monitoring of our business activities	107
Water stewardship	Utmost critical input into manufacturing processes and an increasingly scarce resource	107
Waste management	Adhering to regulations for responsibly managing and disposal of hazardous and non-hazardous waste	108
Enabling sustainable agriculture (Soil health, land use, biodiversity, nutrient stewardship etc.)	Making products to minimise environmental impact, soil preservation and enhancement to support farmer livelihoods	43, 110-111
Product & chemical safety	Ensuring high standards of safety for its people and customers	95
Community development	Essential ecosystem around the plants	97-101
Occupational health and safety	Reduced risk of accidents or injuries and improved efficiency and productivity	90-91
Human capital	Nurturing talent by providing a conducive work environment to improve the motivation of employees	85-91

[18] GRI 102-47

10. Risk Management

The Company's Operational & Financial performance is challenged by a dynamic business environment that includes legislative changes, technology disruptions, financial markets, pandemics, and other factors.To build a sustainable model that can absorb these changes, Coromandel has put in place a robust Enterprise Risk Management (ERM) framework.[19]

ERM Framework & Policy Overview: The Enterprise Risk Management framework includes Risk Management Policy dealing with identification, analysis, evaluation & treatment of risks at Entity Level, Business Level and Operational level. Company has adopted the ISO 31000 Standard risk management best practices.The empowered Site level Management Committee (SLMC), Corporate Business level Management Committee (CMC/BMC), and Risk Management Committee ('RMC') of the Board conduct risk analysis through focused discussion at meetings.

The robust governance structure has also helped in the integration of the Enterprise Risk Management process with the Company's strategy and planning processes where emerging risks are used as inputs in the strategy and planning process.

Coromandel's RMC of Board comprises of three Directors, of which one is an Independent Director who chairs the Committee meetings. The Committee members along with the Chief Risk Officer and Senior Executives of the Company carry out a detailed review of risk management practices and evaluate the implementation status of mitigation measures. The identified key risks at the Entity Level are evaluated & prioritized based on quantitative and qualitative aspects of impact & likelihood.

[19] GRI 102-11

The risks associated with the Company's businesses are broadly classified into following categories:

1 **Environmental Risk**

Due to the adverse impact of its effluents on the eco-system, the Company may face litigation and penalty.

2 **Economic Risk**

Due to downturn or adverse political situations which may negatively impact the -Company's organisational objectives.

3 **Regulatory Risk**

Due to inadequate compliance to regulations, contractual obligations, any other statutory violations and amendments thereto, which may lead to litigations and loss of reputation.

4 **Operational Risk**

Inherent to business operations including manufacturing and distribution operations, monsoon failures, tangible or intangible property and any other business activity disruptions.

5 **Financial Risk**

Due to major fluctuations in the currency market, rise in interest rates and possible non recovery of debts, which could impact the organisation.

6 **HR & Legal Risk**

Due to attrition of any Key Managerial Person or disruption of operations due to any other human resources issue. Risk due to non-compliances of laws and regulations applicable.

7 **IT/Cyber security Risk**

Cyber-attacks could lead to disruption in operations. These are addressed through adequate back-up mechanisms and Disaster recovery process. A dedicated team is set up to constantly keep upgrading the IT Assets and implement the latest technologies to keep the environment safe and secure.

8 **Pandemic Risk**

Pandemic like Coronavirus, would be having a significant impact across sectors, affecting the way business is being carried out and to be carried out in the future.

The assets of the Company, including its plant and machinery, inventory are adequately insured against loss or destruction by fire and allied perils. The Company also has insurance coverage for its employees, public, product liability and business interruption risks.

The key risks associated with the Company's business, its likely impact and the mitigation mechanism evolved are briefly described hereunder. The evaluation of risk is based on management's perception and the risks listed below are not exhaustive as risk being dynamic in nature:

Risk	Risk Assessment	Mitigation Plan
Environmental / Economic / Regulatory Risks		
Handling and storage of hazardous materials incl. ammonia, sulphuric acid, etc.	• Impact on operations • Stoppage of production • Accidents resulting from release of the hazardous materials and consequent claims	• Strict PSMS Implementation • Strict adherence to maintenance/ inspection schedules, training and emergency /disaster management plans. • Public Liability Insurance Policy • Comply with ISO 14001 & OHSAS 18001 guidelines.
Emission / Un-treated effluents causing pollution	• Revocation of factory license and levy of penalties • Civil/criminal action	• Augmenting ETP facilities. • Strict adherence to PC standards • Installation & effective maintenance of pollution controls equipment
Non-compliance with Legal / Regulatory / Tax Compliance including other countries	• Disruption of operations • Legal proceedings against the company and its officials	• Understanding/awareness of regulations and statutes • Engagement/advice by renowned lawyers and experts • Monitoring regulatory changes
Non-compliance with FCO Standards & Specifications	• Civil/criminal proceedings • Production stoppages • Disallowance of subsidy claims	• Rigid quality checks at Plants • Test verification of bags • Reprocessing of non-standard materials • Better bags handling procedures
Change in Government Subsidy Policies	• Impact on turnover/working capital • Change in distribution pattern	• Policy advocacy for direct transfer of subsidy to farmers. • Increased focus on non-subsidy business.
Restriction on sale/usage of some crop protection products in India / abroad	• Impact on turnover/profitability • Negative publicity	• Portfolio enrichment with the development of newer and safer products. • Extension of product lifecycle.
Change in climate / Monsoon failure in the target market	• Impact on turnover/profitability	• Diversified Market / High Margin Products • Promoting efficient crop management practices through integrated nutrient & agronomists' structure.
Operational Risks		
Possibility of reduction of timely supply or non-availability of key raw materials & proper pricing	• Impact on revenues. • Increased cost of production • Increase in working capital requirement • Volume shrinkage	• Forecasting • Close monitoring of the international price of raw materials. • Diversified sourcing & Strategic tie-up • Manufacturing Flexibility
High dependence on certain product categories; molecules which are likely to be obsolete in near future & lack of new generation molecules and herbicide portfolio	• Impact on turnover/profitability	• New product pipeline & Registration • Combination molecules • Co-marketing arrangements with leading Agri input companies
Safe manufacturing operations	• Casualty/Loss of life • Loss of production	• Strict adherence to safety protocols. • Asset life cycle management
Financial Risks		
Currency and exchange fluctuation risk	• Impact on profitability	• Close monitoring of exchange trends • Forward covers at appropriate time and Level
Interest rate risk	• Increase in cost of borrowing • Impact on profitability	• Healthy debt-equity and interest cover ratio • Sustain good credit rating
Credit risk	• Impact on working capital • Dues becoming bad • Loss of interest	• Review of credit evaluation and limits • Close monitoring of receivables
Liquidity risk	• Impact on working capital • Increase in cost of borrowing	• Close monitoring of receivables • Increased working capital facilities

Legal & Human Resource		
Contractual Liability Risk	• Disruption of operations • Impact on turnover & profitability	• Contract Management Policy • Standardization of Contract templates • Legal to approve Changes in contract clauses if any • Monitoring strict adherence
Attrition of skilled / trained Manpower	• Disruption of operations • Knowledge dissipation	• Compensation revision in-line with market • Succession Planning • Career planning and training
Pandemic Risks		
Pandemic Risks	• Health & Safety of Employees - Safeguarding the assets of the Company • Stoppage of Production and despatch activities • Disruption to business in both demand and supply-side activities	• Regular Advisories/Communications to all employees • Monitoring employee health status • Strengthen security & safety procedures • Strict compliance to the policies laid down for shutdown and restarting the production activities. Long-term contracts with Suppliers to ensure continuous availability of key raw materials. • Identification of Critical Activities and ensure actions are taken • Establish Business Continuity Plans

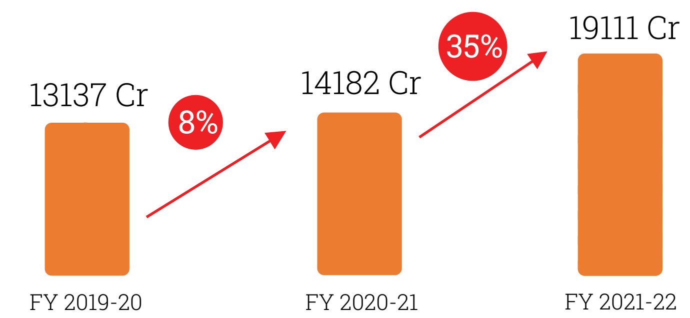
11. Financial Capital

The efficient management of our financial capital is at the core of our value creation endeavours. We continued to deliver strong financial performance registering growth across business segments. During the year, our credit ratings were revised upwards by CRISIL (long-term credit rating to AA+ and the short-term debt rating to A1+) and India Ratings (IND AA+ (positive)' and short-term debt 'IND A1+'), reflecting a strong balance sheet and resilient business operations of the company.[20]

Differentiated offerings & farmer connect, improved liquidation, operational efficiency, higher subsidy disbursement, prudent cash management and government reforms supported the business performance during the year.

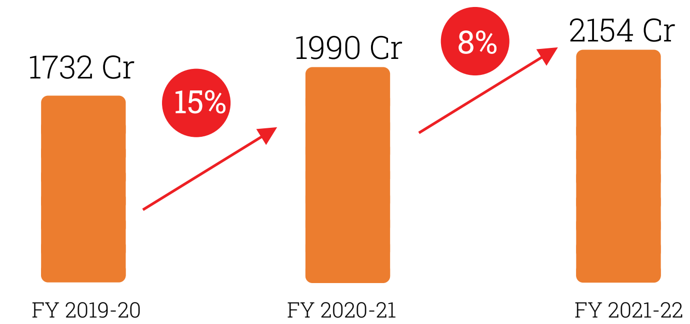
11.1 Revenue from Operations

Our operations generated a healthy revenue of Rs. 19111 crores in FY 2021-22, a 35% increase over the previous financial year. This was a mix of volume and value led growth - higher agri input consumption and raw material led price increase resulted in higher revenue realization. The company performed well both in domestic and international markets. Share of Nutrient and other allied business in overall revenue stood at 87% (86% last year), with remaining 13% coming from Crop Protection segment.[21]



11.2 EBITDA

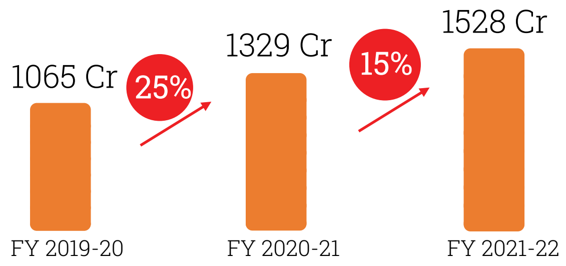
We recorded our highest even Earnings Before Interest, Tax, and Depreciation and Amortisation (EBITDA). This year's EBITDA of Rs. 2154 crores represents an 8% increase over the previous financial year. Our margins declined on account of the increased costs of raw material inputs.



[20] GRI 103-1
[21] GRI 201-1

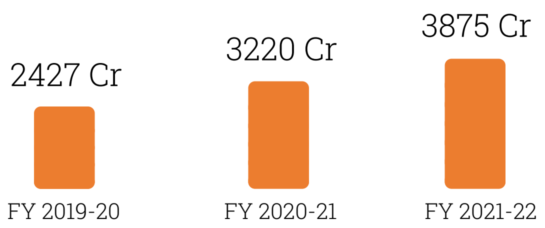
11.3 Net Profit after Tax

Net Profit for the company stood at Rs 1528 crore, representing a 15% increase on y-o-y basis. Higher EBITDA (+8%) and lower finance costs (-29%) has resulted in improved PAT numbers.



11.4 Working Capital

Overall, net working capital position of the company remained comfortable during the year. Company reduced its trade and subsidy receivables by more than 50% as improved product consumption led to higher market collections and subsidy disbursements by the Government. The Net Working Capital appears higher due to increased cash and bank balances, which increased by Rs 1057 Cr during the year.

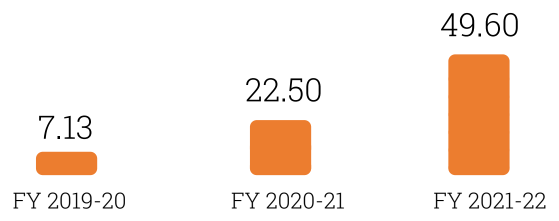


11.5 Net Debt to Equity

We have been continuously bringing down the borrowing levels and in the past 2 years have maintained zero debt in our books. Improved subsidy disbursement by the Government, improved customer orientation leading to higher market collections and prudent working capital management has reduced the borrowing levels. Further, the company is funding the expansion programs through its internal accruals.

11.6 Interest coverage ratio

The interest coverage ratio, which is a measure of the robustness of our capitalisation and ability to cover our interest payments, for this year stood at 49.60. Higher EBITDA, lower borrowings and interest servicing costs resulted in an improved interest coverage ratio.



11.7 Dividend distributed

The Board has recommended a final Dividend of Rs. 6/- per equity share of Rs.1 each. Further, an interim dividend of Rs 6/- per equity share was approved in February 2022. Accordingly, the total dividend for the year ended March 31, 2022 will be at Rs. 12/- per equity share of Rs.1 each. The total outgo for the year would be Rs.352 crore, including tax deducted at source (TDS).

11.8 Return on Equity

The Return on Equity (ROE) measures the effectiveness of a company in generating returns from the shareholders funds. During the year, ROE stood at 26.56% (FY20-21: 28.08%).

11.9 Return on Assets

This is another profitability ratio that indicates how profitable our assets are. We used our resources wisely and lowered debt this year, resulting in a robust Return of Assets (ROA) of 13.54% (FY20-21: 14.94%).

11.10 Earnings per Share

We had strong earnings per share (EPS) of Rs. 52.09 in the reporting year as a result of our improved profitability. This was 15% higher than the EPS of the previous financial year and comparatively better than our peers.

11.11 Effective Tax Rate

The effective tax rate is a measure of the overall tax rate we paid on the income (Profit before Tax) we earned during the year. Our effective tax rate stands at 25% over the course of the reporting year.

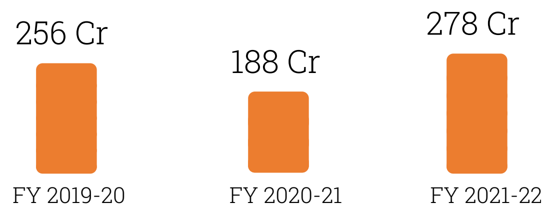
11.12 Reported Taxes

In FY 2021-22, the reported taxes were Rs. 521 crores, a growth of 14% over last year.

This reflects the upward trajectory of our profitability and our solemn commitment towards nation building.

11.13 Capital Expenditure

During FY 2021-22, we made substantial investments for process improvements and capacity enhancement at our facilities and implemented some of the critical projects that were put on hold last year due to the pandemic. We commenced the project for setting up a sulphuric acid plant at Vishakhapatnam, which is expected to expand the capacity by 1500 metric tonnes per day. A state-of-the-art liquid fertiliser plant was commissioned during the year which has expanded our new product portfolio. Other major projects included expansion of capacity for granulated SSP and Biopesticides, Phosphoric acid evaporator, structural stability and maintenance initiatives etc. The total CAPEX for the reporting year stood at Rs. 278 crores.



12. Manufactured Capital

Our manufactured capital is at the core of the trust our customers place in us, and we take care to ensure that the highest standards are followed in our practices and facilities. Our manufactured capital consists of our plants, corporate offices, Research & Development facilities and all other physical assets.

Workplace safety measures at all our facilities have allowed employees and business partners to work in a safe environment. In addition to the ESG goals that we continue to uphold for our manufacturing locations and surroundings, we have also made several digital transformation initiatives to improve the efficiency of our processes.

We have a diversified portfolio across Fertilisers, Crop Protection, Speciality Nutrients, Biologicals, and organic products. This is supported by a network of 16 manufacturing locations which help us employ an optimal product mix based on the availability of raw materials and proximity of major markets for different brands. Through these plants, we are manufacturing, complex fertilisers, single super phosphates, crop protection and Bioproducts. Two plants are dedicated to formulations. We are the leading producers globally and in India in many of our segments.

Table: Manufacturing Capacity vs Production- FY 2021-22

	Units	Manufacturing Capacity	Qty Produced
Fertiliser (NPK & DAP)	MT	3.5 million	2.9 million
SSP	MT	0.9 million	0.7 million
CPC (Technical)	MT	0.9 lakhs	0.6 lakhs
Bio (Aza based)	MT	22.5	12.2

12.1 Quality

We have been able to maintain leadership positions across product categories because our customers rely on the quality and effectiveness of all our brands. Quality products and customer-centricity are a constant focus for us. Depending on the product, we insist on differentiated parameters for ensuring quality and running necessary audits at regular intervals, apart from standard checks daily. Our continuous goal is to reduce customer complaints by identifying the source of defects and addressing those defects in both incoming raw material and packed material. Quality checks are carried out to pinpoint necessary course corrections during manufacturing processes. We have introduced process capability checks to reduce process variations and ensure consistent quality. We ensure that every employee is engaged in all quality initiatives by providing training, improving 5S, and sharing the latest technical developments through newsletters and quality circles.

- **Fertilisers:** The granularity of fertilisers impacts solubility, so we closely monitor particle size. Special focus is given to aged stock so that there is no adverse impact due to heat or moisture. Test samples are collected once every hour at the bagging plants, quality certificates are issued for all batches, and a daily quality report is sent to the senior management. Quality dashboards reflect the real-time analysis of the product and ensure compliance with regulations.
- **CPC:** We have a regular schedule of plant inspections and compliance audits, which helps to find out shortcomings and suggest improvements in the process. Every facility does a self-assessment of Quality Assurance and Control, identifies process gaps and updates SOPs accordingly. This helps in attaining our goal of improving the First Time Pass Rate (FTPR).
- **Biopesticides:** A High-Performance Liquid Chromatography (HPLC) instrument is used for estimating the Azadiractin in each stage of the manufacturing process.

We have established a framework to ensure a culture of quality across our manufacturing facilities.

Quality Assurance

At each level of the production process, process and output are verified.

Quality Management

Early detection of quality-standards-maintenance threats so that they be addressed.

Transparent Disclosures

All stakeholders should be informed about quality issues and actions addressed as soon as possible.

Cross Plant System

Installed scalable technologies that can be replicated across several facilities.

Competitor Benchmarking

Benchmarking product attributes against competitors on a regular basis .

Awareness and Training

Periodic training and awareness programmes for current advancements and quality parameters.

Systems and Certifications

All our fertiliser and SSP production facilities are ISO 9001:2015 certified. The Bio Manufacturing facility is accredited with ISO 9001:2015 & ISO 14001:2015, standards for Quality & Environment and IMO certification for organic agriculture since 2001. The CPC plant at Sarigam has received ISO 17025 certification from NABL in addition to the IMS certification received earlier. The IMS documentation has been transitioned to a data management system to replace paper-based data processes. We use it for internal approvals, storage, and prompt retrieval. As part of our digital transformation, the CPC units have been provided with a dashboard for materials management, tracking customer escalations, and ascertaining the status of FTPR for all batches.

Inspections and Audits

We have external third-party audits and inspections in addition to our internal due diligence and quality assurance methods. There have been five inspections of our fertiliser plants, three by Projects & Development India Limited (PDIL) and two by the Department of Agriculture. Biologicals has undergone two external audits. We have gone for IMS recertification external audits at our SSP units. The Sarigam unit has had a IMS recertification audit done by NABL. The Ankleshwar unit had a surveillance audit done for IMS and another audit was done by Bureau of Indian Standards (BIS). The customer audits was done by Sanofi and UPL. The Dahej plant had also gone for IMS audit.

Procurement Quality

The quality of finished products begins with the correct quality checks at the procurement stage for raw materials. Critical raw materials like rock phosphates and acids are purchased only from reputed vendors. These raw materials undergo stringent quality checks as they enter the respective plants. If some batches get rejected, the concerned vendor and the procurement teams are immediately informed. These inputs go into the vendor evaluation and rating system developed internally. The approved list of vendors for raw materials procurement is updated periodically based on quality parameters of previous consignments and the safety and timeliness of deliveries.

Our biopesticide manufacturing unit primarily use neem seeds as raw materials, and the sourcing is slightly different from our other product lines. The procurement is done from self-help groups and local vendors instead of larger companies. We also have a captive neem plantation for the purpose of neem seed sourcing.

Quality targets

We have set stretch goals to ensure that all quality parameters are met. Depending on product type, these targets help each brand to deliver the best results to customers. We follow a balanced scorecard to evaluate the quality parameters decided for different product lines. We strive to maintain product quality standards and minimise customer complaints.

Use of technology in quality management

The finished products at our warehouses undergo regular tests to check for deterioration due to ageing. A Data Management System (DMS) has been implemented for Integrated Management System (IMS) documentation of technical plants and facilitating easy storage and retrieval. The technical plants also use an algorithm to calculate the cost of quality defects in all cases of non-conformance. The SAP module has a list of approved raw material vendors updated regularly based on quality performance. All customer complaints, materials management and FTPR monitoring are done on a single dashboard. The biopesticides units conduct cycle time studies to optimise the production life cycles.

CRISP-ER (Coromandel Real-Time Information System for Production - Enterprise Release)

As the value chain becomes more competitive, digitisation of the supply chain to drive sustainable manufacturing is becoming critical. We have been strengthening our manufacturing processes by integrating digital solutions across our operations. The Digital Data Centre (DDC) at Coromandel is driving our automation journey and has built the foundational elements, centralised DCS and MES deployment and customised solutions.

During the reporting year, our fertiliser plants adopted a digital platform, CRISP-ER, a Smart Factory suite that provides a complete view of factory productivity, line-level operations and supply chain losses like gaps in production planning, scheduling, sequencing etc. It brings together disparate data to build a unified data lake to generate manufacturing analytics. This data will help us in faster and better decision making. The platform is integrated with financial and accounting systems, procurement modules and 3rd party or legacy systems to drive operational efficiencies.

CRISP-ER enables us to:

- Improve processes through real-time views of manufacturing operations across locations
- Track the current status of owned or leased assets
- Provide analytics and insights to help close production planning, scheduling or sequencing gaps
- Align production plans with procurement schedules
- Use mathematical modelling to optimise revenue management
- Ensure automated quality control at every stage of the manufacturing and bagging process
- Provide inputs to goals of zero losses, downtime and accidents.

12.2 Data Integrity

Coromandel maintains stringent processes to ensure the data integrity of its SAP Enterprise Resource Planning (ERP) system to ensure accuracy, consistency, validity, and completeness of data. All data are manually entered into the system, and the interface of source systems are bound by strict rules, procedures, and integrity constraints. This helps ensure the data's accuracy and consistency even when volumes and users increase. In addition to this, there are a set of user-defined rules that further strengthen the data's integrity.

The comprehensive rules governing data entry, storage and transformation make the data reliable, accurate and resilient to human error. [22]

The measures we undertake to ensure the integrity of our data are outlined below:

- Physical integrity of data - power backups, disaster recovery systems and systems for cyber security and Vulnerability Assessment & Penetration Testing (VAPT) reviews to test for system vulnerabilities.
- Logical integrity - linking tables through primary keys and unique values to avoid duplication of records. Database structures are governed by rules that allow only valid data deletion and amendments to be made.
- Domain integrity - a set of constraints to check and limit the values, format and data types that can be entered.

12.3 Data Security

The IT infrastructure in Coromandel has been built to address scale, resilience, and security through platforms and processes like:

- Single Corporate Network – Perimeter Defense
- Secure Web Facing Assets
- Consolidated DC in Internal Network
- Robust & Reliable Disaster Recovery setup
- Managed Servers & Devices
- Secure & Seamless Cloud Connect

Information Security Policies are available to all employees on the SharePoint portal. We conducted a Cyber Security awareness month in October 2021 to engage our employees on the rising threat of data security and the measures we have in place to avoid incidents.

A dedicated email id "IT Security-Coromandel" was created for employees to report any cybersecurity breaches so that necessary corrective or disciplinary actions can be taken. A Security Operations Center (SOC)/Security Incident and Event Management (SIEM) setup is in place to ensure data security across the organisation, and data backups are tested once a month. A vulnerability analysis is done for all web and mobile applications once a year.

No information security breaches were observed across Coromandel in FY 2021-22.

[22] GRI 103-1

13. Intellectual Capital

As India's leading agri-solutions provider, we understand our responsibility to provide safe and environmentally sustainable solutions to farmers and manage the environmental impact of agricultural activities. Therefore, we have invested in a robust Research and Development (R&D) foundation to enable us to develop greener products that help the plants and soils to flourish while posing no long-term risk.

The Company has seven R&D facilities focused on manufacturing, product development, process improvement and product application. Three of them assist Nutrients development, while four facilities are dedicated to Crop Protection and Biopesticide research. More than 77 scientists are engaged in continuous experimentation and innovation to develop novel products and process improvements in our R&D centres. Their efforts are helping us bring new and sustainable products to the market faster.[23]

Highlights

Filed
113 patents

Granted
18 patents

	FY 2019-20	FY 2020-21	FY 2021-22
Revenue Expenditure (Cr)	18.53	14.53	15.95
Capital Expenditure (Cr)	0.98	1.15	2.24

Revenue expenditures are short-term expenses incurred to cover ongoing operations of R&D activities. Capital expenditures pertain to investments in fixed assets, such as equipment for R&D labs, establishing the R&D labs, etc.

[23] GRI 103-1

Drone Trials - Being Future Ready

In recent years, use of drone in agriculture is gaining prominence as the technology holds the potential to address farm sustainability aspects – automating spraying process, lower application time, limiting human exposure to chemicals and lower water and agri inputs usage. Drones enable targeted, safe and accurate spraying of agri inputs over any terrain.

Aligning itself with the Government of India's intent to promote drone usage in agriculture, Coromandel has initiated drone spraying in various crops.

- Five drones were procured to test the efficacy of Nutrition solution and crop protection chemicals on various crops
- Twenty pilots were trained at MIT campus, Anna University, Chennai in DGCA approved remote pilot training course
- Calibration studies for speciality nutrient products are in progress

The results on effectiveness of spraying with Drones are quite encouraging compared to manual spraying of nutrients in terms of efficiency, time, cost of operation and crop growth. Further, large scale drone sprayings are initiated at Andhra Pradesh and Telangana states on various crops. Planning is in progress for active collaboration with technology companies and universities for improving drone spraying services.

13.1 R&D led launch of new products

During the FY 2021-22, we launched nine new products to meet our customer requirements:

Groshakti Plus

A superior complex fertiliser with EnPhos Technology and fortified Zinc. It is suitable for crops like Cereals, Pulses, Oilseeds, Fruit and Vegetable crops etc.

Accu Mist Zinc

Liquid fertiliser containing 39.5% Zinc oxide. Provides Zinc micronutrients and improves nutrient uptake efficiency

Makeba

A broad-spectrum insecticide, it provides long-lasting protection against a variety of pests and crops

Finio

Delivers a quick knockdown effect for all stages of whiteflies with Diafenthiuron and Pyriproxifen as its main ingredients

Officer

Powered by a unique formulation for post-emergent weed control in paddy, this has a unique application window at even 1 to 3 weed leaf stage

Insas

Insecticide formulation that provides long persistent control against all developmental stages of whiteflies and mites

Optra FS

A broad-spectrum insecticide formulation providing effective control against Aphids & Jassids

Magnite

A broad-spectrum product that offers preventive, systemic, and curative activity through its ingredients Azoxystrobin and Difenoconazole

Fitsol Grapes

Water-soluble fertiliser fertigation product customised to meet the nutrient requirements of the Grape crop

Our broad spectrum of R&D activities focuses on improving resource and process efficiencies and accelerating the transition to relatively safer chemistries. Our efforts aim to develop differentiated and novel chemistries like seed treatment, slow release, polyhouse, post-harvest, nano and liquid products. As a leading agri-solution retailer, we use our R&D strengths to promote crop-specific, balanced nutrition and pest management practices. The team is looking at process innovations like flocculation technology for phosphoric acid. It also designs processes for using rocks and acids for fertiliser manufacturing, contributing to substantial cost savings.

During the reporting year, we undertook several steps to scale our R&D activities and impact. We expanded our product development teams in global markets and adopted Differential Product Development models. For example, our CPC unit established a research farm near Hyderabad and Trichy to carry out bio-efficacy and sustainability trials of our products. Alongside, we have deployed data management tools for information analysis. We have conducted several spraying trials with drones to establish efficacy of the technology. During the year, we set up a Liquid fertiliser plant at Visakhapatnam which is expected to improve the water and nutrient use efficiency. We have also set up a new R&D Farm at Bhuvanagiri, Telangana, to accelerate experimentation for associated processes. Additionally, we hosted several community engagements, including workshops on urban farming covering cropping systems like Turf, Home Gardens, and Hydroponics.

13.2 Green Chemistry

Our Crop Protection business has been engaging with premier Agrochemical innovators and customising products on a regular basis to develop safer chemicals. The new product introductions made during the year highlights our intent to build safer chemistries. Further, the R&D practices in the nutrient segment is focused on improving the resource use efficiency, promoting balanced nutrition and developing customized crop solutions.

Coromandel is the world's largest neem-based biopesticide manufacturer. We are innovating and continuously upgrading our portfolio, reflecting greener chemistries. As part of our efforts to improve product efficacy and application efficiencies, we are designing advanced delivery mechanisms. Our state-of-the-art manufacturing facility in Cuddalore, Tamil Nadu, converts neem seeds to the purest and most concentrated form, Azadirachtin, through a patented extraction process. Our products are certified as organic (IMO and DNV) and marketed in more than 40 countries. We are testing out in-vitro delivery of biopesticide in trees through injectables and have received EPA registration of the related neem formulation.

TIFERT plant, Tunisia

13.3 Digitisation

The efficiency of our R&D processes is being scaled through the effective deployment of technology to deliver desired results and impact.

Our R&D team uses an Agriculture Research Field trial tool (ARM) to enhance the impact of trials. The tool saves time by designing trials, analysing data, and developing reports for successful and timely trial management. It also helps improve the accuracy and quality of results.

We are using Minitab, an advanced tool for analysing research data and conducting hypothesis testing and regression analysis. The team uses tablets to capture data during product development trials. The CPC team collaborates with leading companies and innovators to design new solutions. To overcome Covid related mobility restrictions, the Coromandel product development team organised virtual field tours to showcase product performance to partners across locations.

13.4 Partnerships and Alliances

We actively collaborate with academia, research, and start-up ecosystems to accelerate Smart Agri-innovations and improve advisory solutions for soil health, crop diagnostics and nutrient and crop care recommendations. We are also expanding our engagements with leading global organizations from technology, research, sourcing and farm mechanisation to exchange ideas and innovations. These partnerships give us an edge while we design solutions. They complement our strengths across the value chain.

In 2021, we opened our Japan desk with an intent to collaborate closely with the innovator ecosystem. We partner with multiple organisations to strengthen our offerings covering in-licensed product introduction and new product development, delivery technologies, process improvements and diagnostics. A long-term license agreement with Shell Research Limited for the Shell Thiogro technology aids the production of ammonium phosphate-based fertilisers containing elemental sulphur. Collaborations in research and development assist us in developing innovative solutions to encourage integrated crop management techniques and shorten product development cycles. Coromandel has partnered with research institutes like IIT Kharagpur, PAU, TNAU, ICAR, and CROs.

Some of our key global partnerships and joint ventures include:

TUNISIAN INDIAN FERTILIZERS (TIFERT)

A joint venture between Indian and Tunisian partners – Coromandel, Gujarat State Fertilizers and Chemicals Ltd, The Compagnie des phosphates de Gafsa and Groupe Chimique Tunisien. Coromandel holds 15% equity in the venture. The Plant, situated at La Skhira, Tunisia, has a capacity to manufacture 3.6 lakh tons merchant grade phosphoric acid, which gets exported in equal shares to Indian partners.

FOSKOR

Foskor is a vertically integrated phosphate producer founded by the Industrial Development Corporation (IDC) in 1951 in South Africa. Coromandel holds 14% equity in Foskor, providing supply security and flexibility with regards to phosphoric acid requirement.

YANMAR COROMANDEL AGRISOLUTIONS PVT LTD (YCAPL)

A joint venture with leading Agri machinery manufacturer Yanmar and Co. in Japan to improve farm mechanisation offerings. Coromandel holds 40% equity in the JV Company and the balance is held by Yanmar (40%) and Mitsui (20%). YCAPL markets Agri equipment like rice transplanters and combined harvesters and is amongst the market leaders in the Combine Harvester segment.

Associations

- Fertiliser Association of India
- International Fertilizer Association
- International Zinc Association
- Crop Care Federation of India
- Pesticide Manufacturers and Formulators Association of India
- Southern Indian Chamber of Commerce and Industry Confederation of Indian Industry, National Safety Council
- Confederation of Indian Industry

14. Human Capital

The progress made by Coromandel over five decades has been possible due to our employees, who have been persistently committed to our business targets and sustainable growth vision. We are committed to offering our employees a conducive workplace that is safe and inclusive so that every employee can have a fulfilling work life. Fair hiring practices ensure that no deserving applicant loses out on an opportunity, and thoughtfully designed benefits and compensation packages ensure that our employees feel valued. Coromandel has an enterprise-wide culture of health and safety at the workplace. Our human capital is truly valuable to us, and we have implemented several policies and processes to help our employees flourish.[24]

14.1 Employment and Employee Turnover

Our hiring philosophy is that competency is paramount and does not depend on other markers like gender, age, nationality, caste or religion. We value the skills, attitudes and experience that our employees bring and focus on providing them fulfilling career paths to grow with Coromandel. We are committed to promote and encourage diversity in our hiring and provide an inclusive workplace to all employees. In FY 2021-22, we had 178 female employees who constituted 3.53% of our total workforce of 5042.[25]

Total Number of Employees in FY 2021-22

Employee category	By Age Group						Total Number of Employees
	<30 years		31-50 years		>50 years		
	Male	Female	Male	Female	Male	Female	
Senior Management	0	0	26	0	38	1	65
Middle Management	36	11	524	30	97	2	700
Junior Management	1131	71	1597	49	124	8	2980
Non-Management Stafff & Trainees	404	3	708	2	179	1	1297
Total	1571	85	2855	81	438	12	5042

[24] GRI 103-1
[25] GRI 102-8

Coromandel is now ready to reap the fruits of the resilience displayed during the pandemic and poised to forge ahead. We hired aggressively in FY 2021-22, with 873 new employees joining this year. More than 17% of the workforce now consists of new joiners. With a focus on future growth, the majority of these new hires are in the junior management group, and we hope to groom many of them into future leaders at Coromandel.[26]

Total New Joinees in FY 2021-22							
Employee category	By Age Group						Total
	<30 years		31-50 years		>50 years		
	Male	Female	Male	Female	Male	Female	
Senior Management	0	0	4	0	6	0	10
Middle Management	2	1	82	2	6	0	93
Junior Management	339	14	260	7	2	2	624
Non-Management Stafff & Trainees	111	3	29	1	2	0	146
Total	**452**	**18**	**375**	**10**	**16**	**2**	**873**

791 employees left the organisation in FY 2021-22 which leads to employee turnover rate of 15.7%. Out of 791 employees, 701 employees have willingly left the organisation leading to voluntary employee turnover rate of 14%.. We stay committed to the development and wellbeing of our employees to strengthen our talent retention.[27]

[26] GRI 401-1
[27] GRI 401-1

14.2 Benefits Provided to Employees

Coromandel adheres to all regulatory guidelines for providing financial and non-financial benefits to employees. For benefits, we also go above and beyond the guidelines as per law. For instance, life insurance, health coverage and accident leave benefits are provided to all employees including field employees and contract employees. Although the regulations do not mandate annual health checks for employees, we provide a medical check-up once every two years. For employees older than 40 years the health check is done once a year. In the case of parental leave, the maternity leave as mandated by regulations is supplemented by another six months of flexible work so that the new mother can spend more time with her child while carrying out work obligations. Housing facilities are provided at our Visakhapatnam location. Canteens provide nutritious food at all our factories and corporate office.[28]

14.3 Parental Leaves

Coromandel provides parental leave for both male and female employees. They are also provided with support systems to help in transitioning back to work. During the year, 171 male and 6 female employees availed this facility. All the male employees returned to work after the duration of the leave, while two female employees left the organisation.[29]

14.4 Learning and Development

Every employee has a range of opportunities for self-development at Coromandel. We provide avenues for learning and development to all levels of the workforce across different capabilities. Internal portals for learning and partnerships with reputed external agencies help us provide effective learning interventions to enable our employees to become better professionals. We have a Financial Assistance Scheme to help employees complete programmes offered by our learning partners. In some cases, we also sponsor learning programmes that employees enrol for with other institutions, depending on the job requirement.

Programme for Young Agri-Business Professionals

[28] GRI 401-2
[29] GRI 401-3

Highlights

- External learning partners – Tie-ups with some of India's leading institutes like Indian School of Business, Great Lakes, Indian Institute of Management, IIFT, NAARM, Centre for Creative Leadership, SHRM, ANGRAU, etc.
- Tie-ups with companies like BCG and KPMG to offer tailor-made learning modules for employees.
- The array of specialised programmes offered to employees includes Excel-30, Coromandel Finance Academy, Sales Force Training Academy and Branding & Communication.
- A robust talent review framework ensures that employee performance is recognised and rewarded. In FY 2021-22, 100% of employees underwent performance review and received counselling where needed.
- Employees with leadership potential are identified and put through rigorous training as part of leadership development initiatives.
- We have a succession planning programme to identify future leaders and prepare them for higher responsibilities.

Freedom of learning – Anytime Any where

Vidhya Online

We launched our e-learning portal Vidhya Online five years back through a collaboration between the Learning & Development team and the Management Development Centre. It was initially envisaged as an easy tool for our field force, providing information and knowledge about our products and the recommended agricultural processes. Over time, it became a valuable tool for our employees on the ground who used it on the go to engage with and make their interactions with farmers more meaningful.

The success of this initiative encouraged us to expand the scope of Vidhya Online. We added modules on technical processes, product features, functional requirements and plant safety. In the last five years, we have grown our stack of learning modules to more than 70, covering a range of topics that can be used for the development of a broad cross-section of employees. These modules have now become more engaging and intuitive for learners with 3D graphics for better visualization. Users can learn at their convenience, and the interactive modules make it easier to assimilate knowledge. Close to 6000 employees have benefited from Vidhya Online in the last five years.

In FY 2021, 184,240 hours of training was imparted. Male employees underwent an average of 37 hours, and female employees an average of 31 hours of training during the reporting year.[30]. 57 future leaders were identified and trained on leadership skills through the Excel 30 and ASPIRE programmes. We have spent INR 59,05,527 on trainings for employees in the reporting period. The details regarding the trainings conducted in FY 2021-22 are provided in the below table.[31]

Training Topic	Employees at the Management level		Employees at the Non-Management level		Total Employees		Brief about the training
	Male	Female	Male	Female	Male	Female	
Skill Upgradation (Behavioural)	1432	30	0	0	1432	30	Competency gaps were identified in both behavioural and technical/function aspects of employees, and appropriate training modules were delivered, like EXSELL (Excellence in Selling), PACE (Performing and achieving in channel environment) etc.
Skill Upgradation (Functional & Technical)	2970	116	668	0	3638	116	
Leadership skills	56	1	0	0	56	1	Future leaders identified through training programmes such as Excel 30 and ASPIRE
Induction	973	14	27	0	1000	14	-
Policy and Compliance	2127	86	234	3	2361	89	Employees trained on CGBC (Coromandel Guide to Business Conduct), POSH (Prevention of sexual harassment) and other company policies
Process Training	774	11	121	0	895	11	Employees trained in Process Safety Management system
Digital Trainings	1332	57	19	0	1351	57	Employees are trained in MS Office, Time 2.0 and other digital tools

[30] GRI 404-1
[31] GRI 404-2

14.5. Employee Communication

Coromandel is proud to be a safe workplace where all opinions are heard without judgement. This is reflected in the multiple channels for open communication we have at Coromandel. Employees can use these platforms to have their voices heard and also listen to what their peers and senior executives have to say.

Effective employee communication begins from a new joiner's induction, where senior leaders welcome them into Coromandel and explain our culture and values. For a free exchange of thoughts, opinions and suggestions with the rest of the organisation, we host a webinar called 'Chronicle'. Our in-house magazine, ' Voice', brings news from around the Company to all employees. The human resource management system (HRMS) module launched in 2020 offers a single platform where employees can digitally self-service HR processes like attendance, leave, etc.

14.6. Occupational Health and Safety

Coromandel, as a manufacturer of high-quality farm inputs, uses reactive raw materials in factory settings. This is why workplace safety and employee health are essential facets of our operations. This also extends to those who are not directly employed but have reason to visit our locations.[32] We have adopted the occupational health and safety framework of OHSAS 18001. Our factories are also certified for ISO 45001. The HIRA (Hazard identification and risk assessment) helps us identify possible risks and develop mitigating strategies. We use the mySetu application to manage all workplace hazards. These frameworks help us assess our safety, health and environment (SHE) performance and take corrective measures.[33]

Coromandel has general safety and ESG committees chaired by the respective Unit Head. The other members include a medical officer, a safety officer, senior leaders and members of the workers' unions. These committees meet once a quarter to assess the safety performance against the targets and undertake other initiatives to improve workplace safety.[34]

Workplace safety is achievable only if there is acceptance and awareness of the need among our employees who run our operations. We encourage employees to flag safety risks and raise them to the appropriate authorities whenever they notice them. We deepen these behaviours with activities like Safety Week and defensive driving workshops for safe driving. Additionally, training is also provided on chemical, process, fire, electrical and general safety, environmental management systems, etc. An employee assistance program (EAP) helps promote the mental wellbeing of our employees and their families to ensure their overall wellbeing.[35]

A total of 750 training programmes on safety were conducted during FY 2021-22, equivalent to 42861 person-hours of training.[36]

The key safety metrics for FY 2021-22 are shown in the table below.[37]

Safety Metrics	FY 2021-22
Fatalities	0
Total Recordable Injuries	14
Total Recordable Injuries Rate	0.60

Process Safety Management System (PSMS)

Manufacturing operations at Coromandel involve using chemicals and energy systems that could potentially become hazardous. We have considered this to design a robust safety management system that can protect our facilities from risks to health and safety.

We have been running the Process Safety Management System (PSMS) for the last two decades at all our manufacturing locations. This provides a framework to identify, understand, and control workplace hazards led by the OSHA CFR 1910.119 guidelines. It builds on the Occupational Health & Safety Policy and is designed to proactively prevent process incidents that could harm employees, the community, facility assets and the environment. Our PSMS consists of 19 elements that inculcate a culture of safety. It applies to specified hazardous chemicals and energy systems such as ammonia, sulphuric acid, high-pressure steam, instrument air and vacuum. These elements of PSMS are integrated with the management of process safety design, construction, maintenance, and operation of all process plants.[38]

[32] GRI 403-8
[33] GRI 403-2
[34] GRI 403-1
[35] GRI 403-3, GRI 403-4, GRI 403-6
[36] GRI 403-5
[37] GRI 403-9, GRI 403-10
[38] GRI 403-7

Coromandel has also adopted five new enablers since 2018 that drive the Risk-Based Process Management System (RBPS) incorporated across our fertiliser manufacturing sites. These enablers are:

- Complete commitment and involvement of senior management
- A risk-based approach to improve our processes
- Continuous knowledge enhancement
- Developing process safety competency
- Using performance indicators to understand the effectiveness

14.7 Diversity and Inclusion

Coromandel believes in fostering an inclusive workplace and does not discriminate based on any factor, including gender, nationality, culture, age, etc. We strive to have people who bring diverse perspectives, experiences, and expertise and believe in merit-based hiring. Women currently comprise only 3.53% of the workforce, but we aim to improve gender diversity through targeted policies and hiring strategies. Employee compensation is also based on merit and aligned to the key performance indicators. Implementing our diversity principles and policies like the Prevention of Sexual Harassment (POSH) has helped create a harassment-free workspace. We conduct open and clear communication with our employees to sensitise them to acceptable conduct at the workplace and to respect diversity. An Internal Complaints Committee (ICC) is available to hear escalations and resolve cases of sexual harassment or discrimination-related violations.

During the reporting year, one case was reported on sexual harassment, which has been investigated and resolved. There were no cases of discrimination reported in the year.[39]

We do not make a distinction between the compensation of male and female employees with equivalent work experience, responsibilities, and tasks. Average salary for women is on par with average pay for males at practically all levels of the hierarchy.[40]

14.8 Freedom of Association and Human rights

Respect for human rights is firmly entrenched in the philosophy of the Murugappa Group. The Coromandel Guide to Business Conduct (CGBC) emphasises respect for Human Rights in all business engagements, including respect for fundamental rights, prevention of sexual harassment, prevention of discriminatory behaviour and adherence to SHE policies. Coromandel has implemented various management systems that ensure the protection of human rights. These are supplemented by the HR Policy, Training and Communication and the 5S policy.

We measure our progress on Human Rights protection through the following metrics:

- Training and awareness programmes on policies and the CGBC
- Responses on relevant parameters of our employee engagement surveys
- Number of grievances received and addressed
- Satisfactory closures of audit issues raised
- 5S audit score for the work environment

During the year 2021-22, industrial relations across Coromandel were cordial. There are 1207 workmen on roll across all the Manufacturing units of Coromandel. There are 8 workmen unions recognized across Coromandel. 800 workmen (66%) are the members of the unions and 407 workmen are non-unionized.[41]

The minimum notice period regarding significant operational changes given to the workers is 21 days or 42 days, depending on the State rules.[42]

We comply with all applicable laws to uphold the rights of every stakeholder and ensure that no child labour is engaged in any of our operations. Though the organisation strictly prohibits child labour and forced labour, an internal audit is also conducted to keep a check on any violations.[43] We also have an internal document checking system deployed during the pre-recruitment process that verifies candidate credentials, including their age. For contract workers, we have automated the system for age restriction control. There were no complaints of violation of human rights in FY 2021–22.

14.9 Socio-Economic Compliance

Coromandel complies with applicable socio-economic regulations for employees and contract workers, covering parameters such as payment of wages, minimum wage, overtime, maternity benefits, etc. Periodic audits are conducted across the organisation to ensure compliance. During the reporting year, there were no instances of non-compliance with socio-economic laws or regulations.[44]

[39] GRI 405-1, GRI 406-1
[40] GRI 405-2
[41] GRI 102-41, GRI 407-1
[42] GRI 402-1
[43] GRI 408-1, GRI 409-1
[44] GRI 419-1

15.Social & Relationship Capital

As we nurture a sustainable tomorrow for our Company and stakeholders, the trust and support of our communities, customers and partners is the force behind the success of our endeavours. These partnerships form the strength of our social and relationship capital and will help us forge bonds that will enable us to realise our aspirations for a greener tomorrow.[45]

15.1 Customer Engagement

At Coromandel, we believe that customer-centricity is the key to long-term business sustainability. We maintain close relationships with our farmers and strive to meet their needs throughout the crop lifecycle. Our operating philosophy and actions are centred on farmers. Our 'Farmers First' strategy aims to address the gaps throughout the agriculture value chain and transform farmer insights into farm prosperity. Over 750 Coromandel Retail Centres act as a one-stop-shop for the farming community, customising crop offerings, ensuring efficient distribution, providing advisory services, and introducing innovative technologies for efficiency gains.

We engage with our farmer customers and partners through several interventions and channels as outlined below:

Satellite based Crop Diagnostics: A one of a kind service that uses the latest digital and geospatial technologies, scientific agronomic practices, and precision agriculture to help small farmers in India grow traditional crops. The UAV and GIS platform being tested by the Company will help farmers find crop and water stress in their fields, emergence gaps, crop height, weed location and intensity etc. In addition, we have launched an agro advisory programme that uses satellites to provide farmers stress maps of their fields along with guidance from company experts to address the gaps.

During the reporting year, 20,401 farmer fields totalling 68,900 acres were geotagged as part of the satellite-based agro advisory programme.

Farm mechanisation services: Coromandel is leading the mission to automate farms by forming partnerships with global technology leaders and designing customised solutions for farmers. We have been able to offer technology-driven mechanisation solutions in partnership with Yanmar and Mitsui. These custom hiring and service centres operate as farm machinery banks and rent out the machines at low prices to prepare the land, transplanting, harvesting, and spraying activities.

Soil testing services: Coromandel carries out more than 80,000 free soil tests every year to raise awareness about balanced nutrition and the importance of soil health. These tests measure the content of carbon, primary, secondary, and micro-nutrients (C, N, P, K, S, B, Zn) in the soil. Based on the soil profile, the farmers receive advice on ways to improve the soil's health and productivity.

Scientist at Store: The Company engages experienced scientists to help farmers with different aspects of crop management by giving them technical advice. This service is available once a week at Retail stores and has benefitted 23924 farmers in FY 2021-22.

[45] GRI 103-1

Nutri-Clinics

Gromor Nutri-Clinics have been set up to support the growers through farm advisory and services and are administered by the Agronomists. Presently, 47 Nutri-Clinics have been set up closer to Agricultural markets and are providing advisory services on Soil health, Cropping Practices, Nutrition & Pest Management to benefit the farmers. More than 1.4 lakh farmers have visited Gromor Nutri-Clinics, availing services like Soil Testing, Webinars, Live Demonstrations, Crop Seminars, Water Holding Capacity Tests and for balancing farm needs and improving crop productivity.

During the year, through its Nutriclinic at Islampur in Sangli district of Maharashtra, the company engaged closely with the farming community and carried out various activities like Soil Test Service, Farmer Meetings, Crop Seminar. In addition, 650 field visits were organized for solving farmers' problems as well as guiding them to effectively implement Balanced Nutrient Crop Schedule. As a result, 10 Gromor villages were developed in and around Islampur with 400+ farmers switching to balanced nutrient packages and resulting in improved crop yield.

Customer Feedback

We employ extensive feedback mechanisms to capture customer insights and have set up a dedicated helpline, Hello Gromor. The open dialogue with our customers enables us to comprehend their product and service expectations, management system, and, in some cases, their vision for future products. All complaints received by the customer grievance cell are acted upon and resolved according to our policies and processes. In addition to the 'Hello Gromor' helpline calls and the direct feedback from the farmers, we also hire external agencies to conduct in-depth surveys to understand how farmers receive our products and services.

In FY 2021-22, the 'Hello Gromor' helpline handled 3079 Inbound calls and 12,635 Outbound Calls.

We conducted several surveys to engage with and seek feedback from our customers. These include:

- Brand Recall Study
- Post-launch farmer feedback survey on new products
- Tracking the impact of Digital Promotions
- Cottonseed preference study: To determine the most preferred cotton seed brands by the farmers
- Feedback study on customer services covering 3000 farmers across 100 markets by an external agency. The survey was conducted to understand the preferences for the services expected from Mana Gromor stores and their willingness to pay for them
- Study on the prospects for Liquid Fertilizers Market in India and develop the way forward

During the reporting year, 87 legal cases were filed under the Fertilizer Control Order (FCO), Essential Commodities Act (ECA), Insecticides Act, and Seeds Act and Consumer Protection Act. The company is taking suitable actions to dispose off/ get acquittal in all the cases.

Stewardship Day

The agriculture sector is central to the well-being of the planet and its people. While the sector is critical to feeding a rising global population, it also places pressure on the planetary boundaries. Coromandel is cognizant of the risks, opportunities and responsibility to develop products that enable the transition to sustainable agriculture. It acts towards minimizing the product's environmental impact throughout the various stages of the product's life cycle.

In the case of Crop Protection products, stewardship (Safe use, responsible use) includes Right dosage, Right Timing, Right method of Application, Safe storage, proper information that must be referred to at all times.

To promote the responsible usage of Crop Protection products, Coromandel celebrated Stewardship Day on 23rd Dec 2021, coinciding with the National Farmer's Day. Under this campaign, several farmer meetings were organized across the country to convey the message on the Responsible use of agrochemicals. Thousands of farmers were reached out by the Coromandel team to improve awareness on the right practices to be followed while using agrochemicals. These meetings also included government agriculture department officials, retailers, and dealers. Coromandel also reached out to their network of farmers through digital media to convey the message.

15.2 Supply Chain Management

Coromandel is focused on developing products that are safe, sustainable and effective. Our priority is to create and manage a resilient and sustainable supply chain. We have a global value chain and maintain robust relationships with our partners to ensure seamless operations. We are also conscious of the environmental impact of our value chain and encourage responsible sourcing and practices across our supplier network.[46]

We have adopted a transparent and objective performance monitoring system for our Partners and Suppliers. Heads of specific processes set the partner review schedules and track KPIs, which are used to rate suppliers and partners and give them feedback.[47]

Global Supply Chain

We have been diversifying our sourcing to overcome the scarcity of raw materials and disruptions in the supply chain and reduce our reliance on imported fertilisers. In our journey towards developing self sufficiency for key raw materials and intermediates, we have been making investments. During the year, we have initiated the project for expanding Sulphuric acid manufacturing. Further, we installed evaporators to improve the phosphoric acid production. Our Phosphoric acid joint ventures in South Africa and Tunisia are helping is in diversifying the sourcing and mitigating the supply risks. The Phosphate rock mining operation in these facilities adheres to strict environmental stewardship and worker protection standards.

Sourcing Locally

The empowerment of local communities and businesses is one of our core sustainable and inclusive growth principles. We procure a significant share of consumables as well as materials and services, engineering and retail units from local vendors. This approach helps us run a seamless value chain and reduces our environmental footprint associated with the transportation and storage of goods procured from distant locations.

Coromandel is a global leader in manufacturing neem-based pesticides. We follow a sustainable procurement mechanism for neem seeds and have partnered with NGOs to source the seeds locally. We have also established a neem plantation in Tamil Nadu. Together, these measures have allowed us to increase our market share in Neem-based bioproducts while also diversifying our sourcing.

Our organic fertiliser business follows strict SOPs and adheres to the Fertiliser Control Order's (FCO) requirements while sourcing its products from Micro, Small, and Medium Enterprises (MSMEs). This is to ensure standardisation across our vendor base.

Sustainable Supplier Assessment

A phased implementation of a sustainable supplier assessment framework has been planned, starting with a list of suppliers that are critical to our operations. All suppliers in this group will be required to complete sustainability questionnaires, and the results will be reviewed before being fed into the supplier rating mechanism.[48]

We will look into ways to improve the ESG performance of these critical suppliers based on their ratings. Workshops and technical interventions will be part of this process. These suppliers will be encouraged to expand the scope of our sustainability interventions by adopting the Company's ESG principles in their operations.[49]

A review of the framework will take place after the initial rollout is complete. We intend to recognise suppliers who are most closely aligned with our ESG policies. Supply chain sustainability is expected to improve after the implementation of subsequent cycles.

15.3 Government & Policy Engagement

As part of our commitment to following the highest standards of governance and engagement, we partner with the government, industry associations, and advocacy groups on a wide range of regulatory and policy issues like agricultural quality, accessibility, and affordability.

We partner with industry associations and others in the ecosystem to advocate issues like farmer wellbeing and progress, production expansion and job creation. Some of the policy interventions we have played an active role include:

- Subsidy policies - Nutrient based subsidy, Direct Benefit transfer
- Promoting balanced nutrition - Integrated Nutrient Management Act, Neem oil coating of Urea, Micronutrient Fortification, Use of Sulphur enhanced Fertilise, Promoting organic manure
- Policy reforms - Priority on 'Make in India' concept for Fertiliser industry, Focus on Quality testing, Strategic Sourcing for Fertilisers, Usage of Gypsum, Indigenous sourcing of Potash, Covid-19 related Agri recommendations
- Crop Protection Policy Measures – Pesticide Management Bill, Drone usage in Agriculture, Product stewardship

In FY 2021-22, we have spent INR 65 Lakhs on membership fees for the following government bodies and industry associations:

- International Fertilizer Association
- Fertiliser Association of India
- International Zinc Association
- State Fertiliser Marketing Federation
- Central Insecticides Board
- Crop Care Federation of India
- Pesticide Manufacturers and Formulators Association of India
- Southern Indian Chamber of Commerce and Industry
- Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry
- National Safety Council
- Environmental/ Pollution Control Boards
- Bureau of Indian Standards
- Confederation of Indian Industry
- National Human Resource Development[50]

15.4 Investor Relationship

Coromandel believes in transparent and timely communication with all stakeholders. To keep investors, shareholders, and analysts informed, we provide them with regular financial, operational, and other key updates. This includes press releases, quarterly investor calls, attending investor conferences, and holding an Annual General Meeting.

We have set up a dedicated email id, "Investorsgrievance@coromandel.murugappa.com," to expedite the resolution of investor complaints. Investors and shareholders can use this email address to send questions or concerns, and these are promptly addressed. In FY 2021-22, one AGM and nine Investor meets were held.

15.5 Corporate Social Responsibility

Businesses and society can only benefit from one another if they are linked together in partnerships that reinforce one another. Coromandel has a strong commitment to societal engagement. We undertake a range of need-based interventions to nurture inclusive growth and development across our operating locations.

Co-creating and collaborating to improve socio-economic opportunities in the ecosystem forms the foundation of our CSR strategy. As part of our CSR activities, we collaborate with government agencies, community-based organisations, and the local community to deploy projects in education, healthcare, the environment, and the development of sustainable communities.[51]

Our employees, trade unions, and Ladies Club contribute to expand and scale the impact of our community engagements as an integral part of our organisational culture.

The AMM Foundation (an autonomous public charitable trust engaged in philanthropic activities in education and healthcare) leads our community facing activities in line with the overall focus of our parent company, the Murugappa Group.

46 GRI 308-1, GRI 414-1
47 GRI 102-9
48 GRI 102-10
49 GRI 414-1

50 GRI 102-13
51 GRI 102-12, GRI 413-1

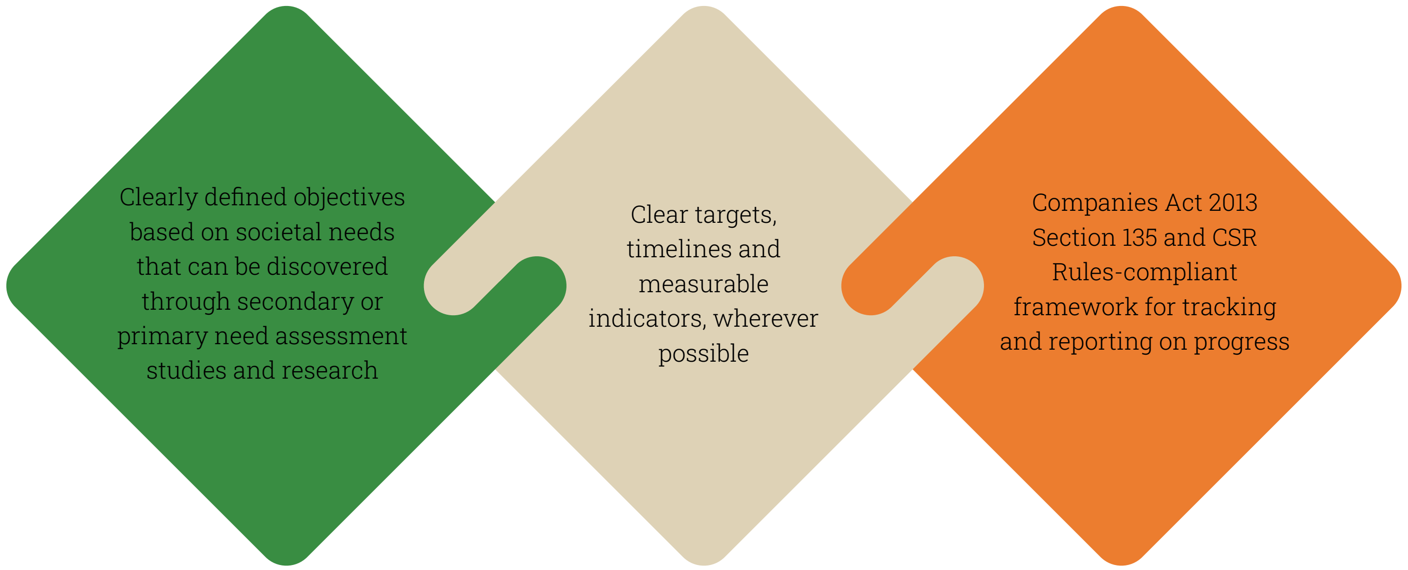
CSR Strategy

Since our inception, we have been able to positively impact people's lives in India. Our CSR efforts enable self-reliance, social empowerment, and sustainable development.

We have established a framework that takes our mission beyond profit-making to creating tangible and sustainable value for our stakeholders, including community members. Their socio-economic wellbeing positively impacts our business potential and profitability. The SDGs and our CSR Policy align with our location-based goals in education, healthcare, community development, environmental protection and natural disasters.

Each CSR project/programme has a well-defined plan and transparent monitoring and review processes.

Strategic Framework



Education

Education is one of the key pillars of our CSR initiatives. We have been undertaking multi-dimensional initiatives to improve the educational infrastructure and reduce school dropouts. This includes initiatives like developing the school infrastructure and providing appropriate equipment, books, financial assistance, nutritional support etc.

We expanded the reach of our programme, Fundamentals of Chemistry, which aims to foster a love for science, specifically chemistry, amongst students. In FY 2021-22, 5071 students at Government schools benefitted from this initiative.

We continued to support the students and families of Udbhav School, run in collaboration with the IIM Ahmedabad Alumni Association-Hyderabad Chapter, which caters to more than 600 first-generation learners from economically deprived backgrounds. The school recorded a 100% pass percentage in the Secondary School leaving examinations conducted by the Telangana State Board of Secondary Education, and 97% of students scored first class.

We also have a strong focus on broadening access to education for girls and children with special learning needs. In FY 2021-22 the Coromandel Girl Child Scholarship has been awarded to 1332 deserving girl students. Our efforts have helped 75 hearing impaired children gain admission into mainstream schools where they can study with regular students.

The Coromandel Girl Child Education Scheme (CGCES) was conceptualised with the aim of providing educational assistance to girls in class IX-XII and encourages them to continue their education. It sets out to achieve equality of educational opportunities and promotes the development of talent in rural areas by educating talented rural girl children in government schools.

This programme launched in 2005 has been supporting the educational needs and aims to:

- Reduce the percentage of rural girl child school dropouts
- Enthuse the rural girl child to compete for the award
- Encourage the rural girl child to go for higher education

Malleswari (16), a 10th standard student from Govt. High School, Kovvuru, hails from Kovvur village near Kakinada. Malleswari was one of the toppers in her School and was very passionate about her studies. However, covid related disruptions adversely impacted the family's income prospect and educational affordability. At this juncture, the announcement of Coromandel Scholarship Programme came as a boon for Malleswari. She received a bicycle along with the Coromandel Scholarship. Now, Malleswari is very happy as she can commute to her college without waiting for autos.

Like Malleswari, Coromandel has been supporting the educational needs of girl students through its scholarship program.

In March 2021, our activities were assessed as per the Bluesky CSR Inspection Framework. We were awarded a Platinum rating for our Empowering Girl Child programme basis the following observations:

- Innovative initiative with strategic intent for social change
- Defining new solutions to issue management
- Alliance of multi-organisational stakeholder relationships

Healthcare

The importance of accessible healthcare was driven home during the pandemic that surged through the last two years. Improving healthcare facilities and access has been one of the most important pillars of our CSR activities. We have forged a multi-stakeholder alliance involving the Government, the Department of Health, and others to undertake various healthcare improvement initiatives. We support the Government health centre in Ankleshwar to increase the institutionalisation of child deliveries in the area, ensuring better health for mothers and newborns. Coromandel has also undertaken awareness sessions to spread information about the importance of institutional deliveries and special vaccination drives for pregnant mothers.To date, 17,736 mothers have benefitted from the centre, and 138 deliveries took place in the centre in FY 2021-22.

We also supported 21 children who needed heart surgeries through the Hrudaya Foundation in FY 2021-22. Our medical centres have provided quality healthcare services to 27849 people across three locations - Ennore, Vizag and Sarigam in FY 21-22. We also have a tie-up with the paediatric ward at GGH, Kakinada, where 8121 infants with various ailments received treatment.

In February 2020, Coromandel established an outpatient hospital to address the healthcare needs of the communities in and around Kakinada. In a community perception study, Coromandel has identified the need to add more diagnostic services to the earlier Coromandel Medical Centre. Main objective of Coromandel Hospital is to provide quality health care services that are accessible and affordable to all. This is to bridge the disparity of accessing health services arise of distance, financial affordability, and knowledge on health among the public etc.

The hospital offers services of a well-equipped diagnostic laboratory, ophthalmologist, dentist, physiotherapist along with pharmacy services, where medicines are provided on a cost-to-cost basis.

During the year, the quality and variety of health services being offered by Coromandel Hospital has benefitted many patients from the vulnerable sections. Advanced diagnostic facilities and evidence-based treatment has saved lot of people from Chronic diseases. During the year, 37,405 patients availed services at the hospital and a total of 1.5 lakh people got benefited through the services of the hospital.

Community Care and Development

We partner with government bodies to undertake activities to improve livelihoods, skill development, quality of life and farmer support amongst the communities in the vicinity of our operations. Some of the activities we supported in FY 2021-22 included:

- Contribution to the Disaster Management Authorities of Andhra Pradesh, Telangana and Tamilnadu
- Till date supported livelihood activities through a skill development/ capacity building programme for 1205 women in the Sangareddy district. 522 youth from Andhra Pradesh and Telangana were trained in Agri Retail Store Management as well.
- Nature Conservation through support to the Chennai Crocodile Bank Trust to provide appropriate feed based on a clinical evaluation to different animals in the city's Zoo
- Evaluating the impact of biochar addition on crop yield and soil quality through farmer field trials

We positively impacted 97021 people through various community infrastructure development projects.

Skilling Program for Youth

Coromandel associates with various community development activities around its manufacturing facilities as well as in the markets in which it operates.

With a view to transform the informal labour into a formal workforce and provide the platform for gainful employment, Coromandel partnered with Lok Bharti Education Society (LBES), a 28-Year-old Not for Profit Society, to develop and implement a youth skilling program.

The program was aimed to achieve livelihood and dignified employment for the beneficiaries of the program and at the same time aimed for "Decent work and economic growth", "Sustainable cities & communities" and "No poverty" aspects of the Sustainability Development Goals.

The program included mobilization and orientation of the marginalized youth who have the aspiration of earning a livelihood and have a desire to be self-sufficient. In addition to the technical training, the program also targeted other skills required to be employable such as job readiness, communication, problem-solving, self-management, basic number literacy and basic financial literacy.

Considering the nature of industries in and around the Sarigam and Ankleshwar area, training programs on Industrial & Domestic Electrician and Attendant Operator Chemical Plant were selected to improve the employment prospects of the participants.

During the year, the skill training was extended to 120 youths in Sarigam and Ankleshwar for a period of 2 months. The program was able to achieve its goal of providing and enhancing the livelihood opportunities for the identified beneficiaries and 83% of the participants were recruited in the technical roles by the local industries.

COVID Care

During COVID, the stakeholder feedback demonstrated that our CSR projects were effective and efficient. We continued pandemic related support to the affected community members.

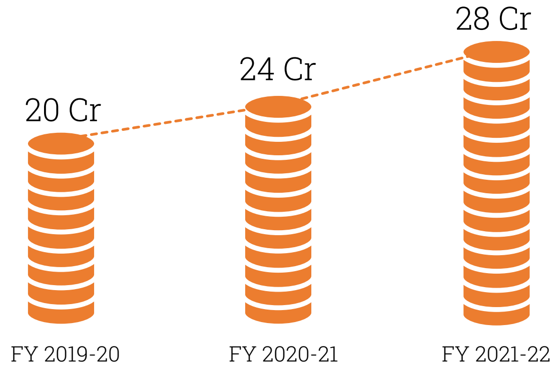
- Supported relief activities such as disinfection drives, food distribution, and distribution of COVID Care Kits covering 21,3466 beneficiaries
- Donated oxygen generators to COVID hospitals that benefitted 1735 patients

CSR Spend & Reach

Our CSR spend has grown in line with our community commitments. Our spends have increased from INR 20 crores in FY 2019-20 to INR 28 crores in FY 2021-22. which has helped to expand our reach of CSR activities.

In FY 2021-22 more than 7.25 lakh people have benefitted from our flagship programmes aimed at addressing some of India's most pressing development challenges in education and health care.

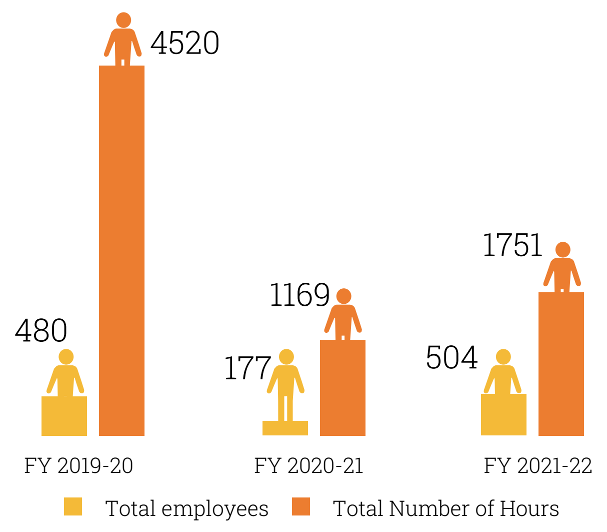
CSR Spend



Employee Volunteerism

Our employees are proud partners in all our community outreach activities. 504 of our employees spent 1751 hours in CSR activities in FY 2021-22, up from 177 employees and 1169 hours in FY 2020-21. The lifting of Covid restrictions and the rising spirit of volunteerism across the organisation saw an 50% rise in hours of volunteering.

Employee Participation in CSR Activities



16. Natural Capital

At Coromandel, our facilities, manufacturing processes and go-to-market initiatives use several natural resources and impact the environment. We are conscious of our footprint and take proactive steps to use precious natural resources judiciously and reduce the carbon footprint of our operations. The primary raw materials used to manufacture our products are Rock Phosphate, Potash, Dolomite, chemical intermediates, Sulphur, Zinc Oxide, Boron, Neem seed kernels etc., in addition to resources like water and energy. Responsible use of energy, increasing the share of renewables, reducing water usage and waste, and protecting biodiversity are some of the ways we manage the use of natural resources. We have been certified for ISO 14001 at our key locations. This certification outlines requirements for an environmental management system that can be used by organisations to manage their environmental responsibilities systematically.[52]

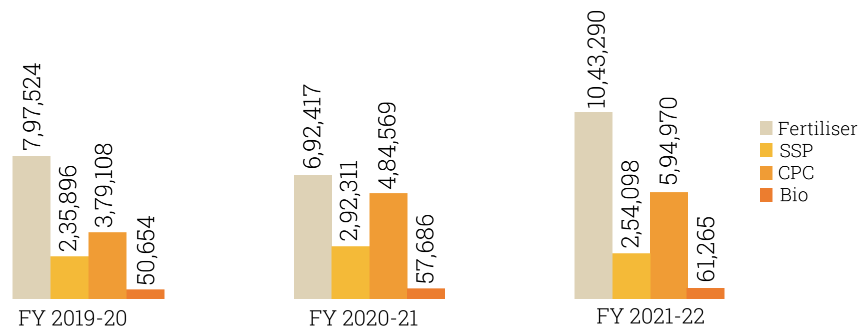
16.1. Energy & Emissions

Our facilities are primarily powered by thermal and electrical energy at present. We are gradually increasing the share of renewable energy in the mix to reduce our carbon footprint. Process transformation, innovative technology solutions and energy-saving practices are also helping us reduce our energy consumption and emissions.

Through FY 2021-22, we consumed a total of 27,46,181 GJ of energy across our operations. 71% of the energy we consume is drawn from thermal sources, and 29% from electricity. The fertiliser unit consumes the major share of this energy.[53]

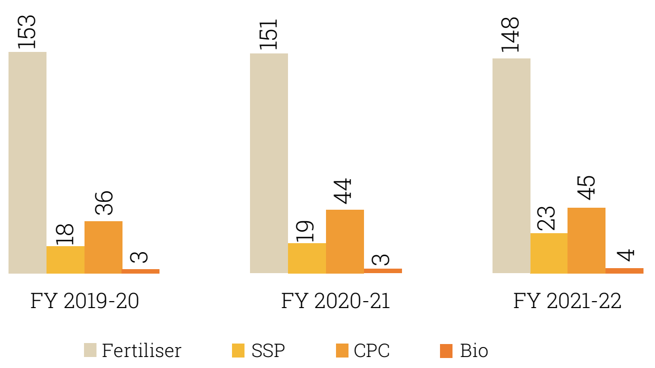
During the year, the increase in thermal energy consumption for fertiliser is due to scale up of its backward integration process for manufacturing Phosphoric acid. As a result of this, the overall phosphoric acid imports have reduced by 25% and the company's Visakhapatnam and Ennore plants have become self-sufficient for their acid needs.

Total Thermal Energy Consumption (GJ)



52 GRI 103-1
53 GRI 302-1

Total Electrical Energy Consumption (GWh)



Energy Intensity

We measure the energy intensity of our different product verticals so we can understand the quantity of energy we use per unit of the output. This baseline helps us understand specific operational areas to target to reduce energy consumption and bring process and technology improvements to enhance production efficiency. Several initiatives are underway at Coromandel to help reduce the energy intensity of our product verticals

During the year, the energy intensity of the SSP, CPC and Biopesticide businesses have reduced from FY20-21 levels. The increase in energy intensity in Fertiliser is due to higher level of energy intensive intermediate production (phosphoric acid), which has reduced the company's import dependence.[54]

Energy intensity	FY 2019 – 20	FY 2020 – 21	FY 2021 – 22
Complex Fertiliser (GJ/MT)	0.51	0.48	0.59
SSP (GJ/MT)	0.12	0.11	0.10
CPC (GJ/MT)	8.51	9.08	9.74
Biopesticide (GJ/Kg)	5.06	6.26	6.08

Energy Efficiency Measures

In recent years, we have deployed various initiatives at our fertiliser, CPC and SSP plants based on the potential of the business units leading to considerable reduction of energy consumption. A few of these steps are outlined below:[55]

Fertiliser	SSP	CPC
Installation of energy-efficient pumps	Installation of energy-efficient motors	Installation of energy-efficient motors and pumps
Installation of energy-efficient lighting	HPMV and Sodium vapour lights replaced by LED of a lower voltage	CFL, Halogen and HPSV lights (for street lighting) replaced by LED
Installation of low-tension switchgear	Installation of Variable Frequency Drive (VFD)	Centrifugal pump installation
Installation of energy-efficient air conditioning units		Installation of solar streetlights around the plant
Direct loading of gypsum onto trucks in the Visakhapatnam plant reduced the need for excavators and enhanced operational safety		Energy-efficient brushless DC (BLDC) ceiling fans
Vishakhapatnam and Ennore plants access 50% of their energy requirements from the waste heat recovered from captive sulphuric acid plants		

[54] GRI 302-3
[55] GRI 302-4

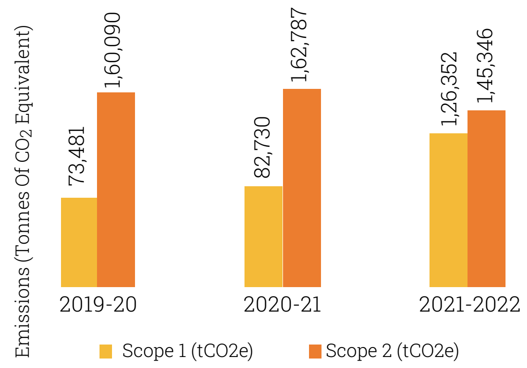
GHG emissions

We monitor and report our Scope 1 and Scope 2 GHG emissions emanating from the major fuels and electricity and are undertaking specific measures to reduce overall GHG emissions to keep our people and neighbouring communities safe. We comply with the regulations for SOx and NOx emissions and our emissions are well under the limits. R-22 and R-32 refrigerants with emission factors of 1.81 tCO2e/kg and 0.67 tCO2e/kg, respectively, that are used in our Air Conditioners have been taken into account while measuring our Scope 1 emissions.

Our Scope 1 emissions have increased from 82,730 tonnes of CO2 equivalent (tCO2e) in FY 2020-21 to 1,26,352 tCO2e in FY 2021-22 on account of higher intermediate production. Our Scope 2 emissions have decreased from 1,62,787 tCO2e to 1,45,346 tCO2e in the same period. Our fertiliser unit, having the largest manufacturing footprint in our portfolio, accounted for more than 56% of the total emissions for the year.[56]

In FY 2021-22 we have offsetted 3.3% of emissions by sourcing power from renewable sources. The offset share was 2.8% in FY 2020-21.[57]

Coromandel Green House Gas Emissions for Scope 1 and Scope 2 Emissions



16.2. Water

Water is a key component for the end use of our products as it is essential for the plant growth and also acts as a medium of application in spraying and fertigation processes. As a leading agri inputs producer in the country, we consume water during our manufacturing process as well. We monitor water consumption at our facilities through digital meters and manage its usage. Initiatives to reduce the amount of water needed to use our products at the last mile also form a ~~key focus at Coromandel.~~

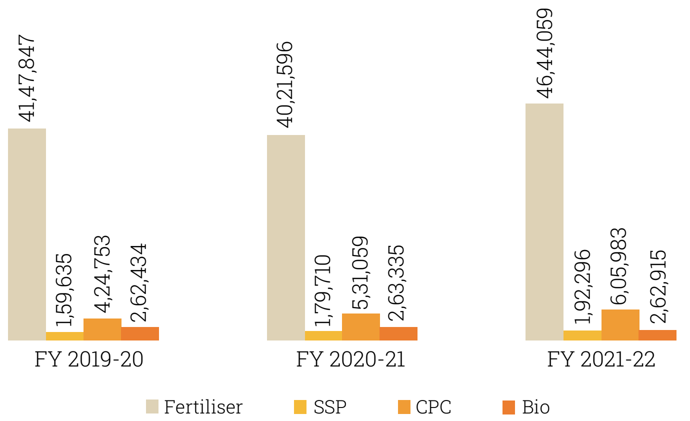
[56] GRI 305-1, GRI 305-2
[57] GRI 305-5
[58] GRI 303-4
[59] GRI 303-5

At the consumer end, we are promoting efficient irrigation practices among farmers like using water-soluble fertiliser applications like fertigation and foliar. These applications can reduce water usage and increase nutrient uptake by the plant to 90% compared to 40% - 50% when done using conventional methods. Smart technology solutions like sensors to test soil moisture are helping farmers assess the amount of water needed for their crops.

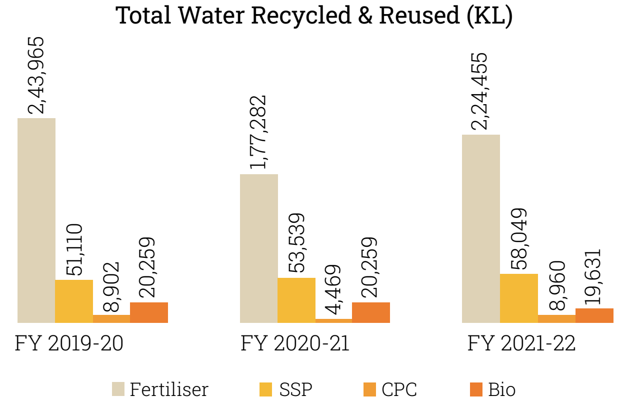
We have attained Zero Liquid Discharge at our fertiliser and SSP units by recycling and reusing discharged water in our processes and gardening.[58] Our fertiliser unit has recycled and reused 2,24,455 KL water in FY 2021-22 compared to 1,77,282 KL in FY 2020-21. The SSP plant has recycled and reused 58,049 KL of water in FY 2021-22 compared to 53539 KL in FY 2020-21.

Our biopesticide plant consumed 2,62,915 KL of water in the reporting year. Of this, 17,326 KL was used for industrial activities, and the remaining went towards watering our neem plantations. The plant recycled 78,300 KL of water and reused 10,800 KL, the same as the previous year. It also reused 8,831 KL of water treated in the STP for gardening.[59]

Total Water Consumption (KL)



Total Water Recycled & Reused (KL)



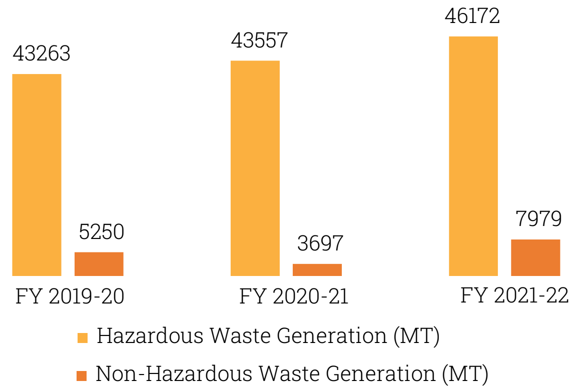
16.3. Waste

`Manufacturing agri-inputs creates waste products that can be hazardous to people and the environment. The hazardous waste we generate consists mostly of acid residues, used oil, scrubbing sludge, sludge from effluent treatment plants, spent catalysts and solvents, used containers and barrels. Additionally, non-hazardous and biomedical waste is also generated at our offices and factories. Non-hazardous waste majorly consists of food waste, scrap and garbage.

In FY 2021-22, we generated 46,172 MT of hazardous waste and 7,979 MT of non-hazardous waste.[60]

Coromandel prioritises the safe handling, management, and disposal of hazardous and non-hazardous waste and follows the 3R principles of reduce, reuse and recycle. When reusing or recycling the waste is not possible, we ensure that it is given to empanelled vendors authorised by the Pollution Control Board. They dispose it off in line with the regulatory guidelines. We sell biomedical waste to the authorised vendors for its safe disposal.[61]

Waste Generation



Managing our waste responsibly

At Coromandel, we are mindful of the waste we generate as part of our production process. We deploy technology solutions and process improvements to reprocess, recycle and reuse the waste we generate wherever feasible to reduce volumes sent for disposal through authorised vendors and channels.

- **Offspec Material:** The Offspec material generated that does not satisfy the requisite quality requirements gets reprocessed and is recycled back into our production process.
- **The P2O5 sludge** generated during the development of Phosphates and **sulphur sludge** generated from in raw sulphur is entirely reprocessed in the production process.
- **Spent Catalysts and waste oil** is recycled through authorised reprocessors to minimise waste and any associated environmental impact through its disposal. For the manufacture of Pymetrozine, one of the crop protection products launched last year, the quantity of catalyst required was reduced to 20% through recycling. This also brought down the generation of hazardous wastes like spent catalysts.
- **The precipitated Silica** generated during the production of Single Super Phosphate is recycled and reused. Off spec material is generated during the process is also recycled and reused in the process.
- **Scrap materials**, like torn HDPE bags and metal wastes, are recycled through licensed vendors. Our scrap material volumes stand at below 5%.
- **100% of the post-treated mother liquor and around 75% of condensate** generated during the production of Mancozeb, one of CPC's key offerings, are recycled. This helps us reduce freshwater intake and effluent discharge in the manufacturing process, thereby increasing the sustainability of our operations.

[60] GRI 306-3
[61] GRI 306-5

Harithavanam

Reclaimed waste placed on soil might not always encourage the growth of plants. That happens only when the appropriate microbes are present in the ground. We have tied up with The Energy and Resources Institute (TERI) to use their Mycorrhizal technology for developing a plantation at our Visakhapatnam plant.

Experts from TERI studied the chemical properties of the substrate and the local agro-climatic conditions. They also tested the response of plant species in the nursery stage for tolerance to the reclaimed waste.

Additional Mycorrhizal bio fertilisers were used to improve the nitrogen and phosphorus absorption by the plants.

After selecting the correct plant species and specific microbes which displayed robust resistance to the reclaimed waste, the plantation was initiated on a specially designed landscape. 9020 saplings were planted over an area of 10.70 acres. We named it Harithavanam, which has turned out to be a proud addition to the area's green cover.

Highlights of the solutions deployed by TERI:

- Selection of plant species based on local climatic and soil conditions
- No use of either good soil or chemical-based fertilisers
- Mycorrhizal bio-formulation used to improve the uptake of nitrogen and phosphorus
- Drip irrigation network installed for optimisation of water use
- Site-specific engineering

Harithavanam is a proud demonstration of Coromandel's commitment to sustainability.

Plastic Waste Management

Coromandel obtained registration under the Plastic Waste Management (PWM) Rules of 2016 from the Central Pollution Control Board (CPCB) as a Brand Owner in June 2021. In line with this, we have appointed designated partners to recycle the plastic waste generated at our sites. A total of 5462 MT of plastic waste was recycled in FY 2021-22.

We had proactively begun recycling activities even before applying for the registration, and in FY 2020-21, we had recycled 2960 MT of plastic waste. To date, we have recycled 8422 MT of plastic waste across 22 states of India scientifically and systematically. Our operations are fully compliant with plastic waste recycling regulatory norms and are poised to become plastic neutral.

Converting City Waste to Wealth

Nearly 70 per cent of India's arable soil is organic carbon deficient. Coromandel forayed into the organic fertiliser segment in 2006, intending to balance the nutritional value of soil. Since then, we have introduced multiple variants of organic fertilisers derived from natural sources like using the organic components of city waste, sugarcane molasses and its by-products, oil cakes and gypsum. These measures improve urban cleanliness while reducing the stress on landfill sites. Over the last decade, Coromandel has marketed more than a million tonnes of organic fertiliser across India and has effectively converted organic waste into farm prosperity.

16.4. Biodiversity

We understand the importance of maintaining balance between our ecology and the operations. We have taken several initiatives to sustain biodiversity around our factories.

This has resulted in Coromandel having 44% of its total area under green cover. Our fertiliser manufacturing facilities are among the greenest in the country.

Green Visakha

The ecologically ambitious Green Visakha programme was initiated by the Visakhapatnam Urban Development Authority (VUDA) in FY 2012-13 with a mission to plant as many as 40 lakh trees over five years. This initiative was expected to reduce air pollution in the port city of Visakhapatnam.

VUDA was supported by 22 public sector and industrial units, including Coromandel International, Greater Visakhapatnam Municipal Corporation (GVMC) and the State Pollution Control Board (SPCB) for implementing the programme.

As an active and passionate participant of Green Visakha, we undertook the plantation of 2,25,000 saplings in various locations within and around Visakhapatnam, including the Andhra University Campus, Atchutapuram SEZ, ITBP Site, and VIMS Hospital.

Miyawaki Plantation at Coromandel, Vishakhapatnam

The Miyawaki forestation method is a unique way to create an urban forest, pioneered by Japanese botanist Akira Miyawaki. This system can create an urban forest within a short span of two to three years, compared to the 200-300 years that a conventional forest takes to grow naturally. Miyawaki forests are self-sustaining and reduce ambient temperatures and air and noise pollution. These forests attract local birds and insects and create carbon sinks.

A total of 14000 saplings have been planted on two acres of land to create a forest within the plant. Drip irrigation is used to water these saplings and help us manage the amount of water we need to nurture the plantation.

Neem plantation at Thyagavalli in Tamil Nadu

Coromandel is the world's largest manufacturer of neem-based biopesticides. The seeds of the neem plant are the major raw material for these biopesticides. In our drive to promote local sourcing, we have partnered with local NGOs to source good-quality neem seeds and enhance livelihood opportunities for local communities. We have also created a neem plantation at Thyagavalli in Tamil Nadu to increase the availability of quality neem seeds, improve the socio-economic wellbeing of communities and reduce the carbon footprint associated with the transportation of raw materials.

Birds' Paradise, Kakinada[62]

As part of our relentless focus on creating some of the world's greenest manufacturing facilities, we have transformed the marshy and muddy wasteland around our Kakinada plant into a lush green Birds' Paradise. It is home to a wide variety of flora, fauna and more than a hundred types of birds.

These include flamingos, raptors, bustards, coursers, cranes, sandgrouses, larks, shrikes, wheatears, and chats. We have partnered with the EGREE foundation to encourage the breeding of species like the Grey Heron and the Painted Stork. The successful evolution of the Birds' Paradise has been covered by the Discovery channel and acknowledged by the United Nations Development Programme (UNDP).

Miyawaki Plantation

Neem plantation

Birds' Paradise

[62] GRI 304-3

17. Corporate Information

BOARD OF DIRECTORS

A Vellayan (DIN 00148891)
Chairman

Arun Alagappan (DIN 00291361)
Executive Vice Chairman

Aruna B. Advani (DIN 00029256)
Independent Director

K V Parameshwar (DIN 08244973)
Independent Director

M M Venkatachalam (DIN 00152619)
Director

Prasad Chandran (DIN 00200379)
Independent Director
(Upto April 20, 2022)

Ramesh K.B. Menon (DIN 05275821)
Director (Upto March 31, 2022)

R Nagarajan (DIN 02705175)
Independent Director

Sumit Bose (DIN 03340616)
Independent Director

Sudarshan Venu (DIN 03601690)
Independent Director
(Effective February 03, 2022)

Sameer Goel (DIN 07298938)
Managing Director

MANAGEMENT TEAM

S Sankarasubramanian
President - Nutrient Business

Raghuram Devarakonda
President - CPC & Retail
(Effective August 1, 2021)

Amir Alvi
Executive Vice President & Head
Manufacturing (Fertilisers)

Amit Rastogi
Executive Vice President - Technology

Arun Leslie George
Executive Vice President &
Head - Retail

Arun Vellayan
Head - Corporate & Strategic Planning

Jayashree Satagopan
Executive Vice President & Chief
Financial Officer

Kalidas Pramanik
Executive Vice President - Marketing
(Fertilisers & Organic)

Madhab Adhikari
Associate Vice-President and
Head-SND & Organics

Prasannatha Rao
Executive Vice President & Head-HR
(Upto May 31, 2022)

Pradeep Kumar K
Executive Vice President & Head-HR
(Effective June 1, 2022)

Rajavelu NK
Executive Vice President & Business
Head-CPC

Sanjay Prakash Sinha
Executive Vice President - IT (Effective
July 30, 2021)

Venkateswaran TS
Vice President & Head - Internal Audit
& Chief Risk Officer

COMPANY SECRETARY

Rajesh Mukhija
Sr. Vice President - Legal & Company
Secretary

BANKERS

State Bank of India

HDFC Bank Limited

Axis Bank Limited

ICICI Bank Limited

AUDITORS

S.R. Batliboi & Associates LLP
Chartered Accountants
The Skyview 10, 18th Floor, North Block
Survey no 83/1 Raidurgam
Hyderabad - 500032, Telangana.

COST AUDITORS

Narasimha Murthy & Co.,
Cost Accountants

Jyothi Satish,
Practising Cost Accountant

SECRETARIAL AUDITORS

R Sridharan & Associates,
Company Secretaries

REGISTRARS & SHARE TRANSFER AGENTS

KFin Technologies Limited
(formerly known as KFin Technologies
Private Limited)
"Selenium Tower-B", Plot No. 31 & 32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally,
Hyderabad - 500032, Telangana.

REGISTERED OFFICE

"Coromandel House" 1-2-10,
Sardar Patel Road,
Secunderabad - 500 003, Telangana.
CIN No. : L24120TG1961PLC000892
Tel.: +91 40 2784 2034
E-mail:
mail@coromandel.murugappa.com /
investorsgrievance@coromandel.murugappa.com
Website:
www.coromandel.biz

18. Management Discussion and Analysis

Ankleshwar plant

Economic Review

Global Economy

The global economy experienced a swift recovery in 2021 with robust demand revival, an uptick in investment and a resumption in merchandise trade. The growth was supported by fiscal stimulus extended by Governments, leading to strong consumer spending. As per World Bank estimates, the economy is expected to grow by 5.7% in 2021 compared to 3.0% in 2020 with advanced economies growing by 5.1% and emerging markets and developing economies by 6.6%.

Though COVID-19 induced disruptions affected the mobility and supply chains, the relaxation of pandemic control measures and progress on vaccination improved the economic activities in the second half of 2021. Merchandise trade was stronger than expected, with global trade in goods surpassing pre-pandemic levels. However, supply-side bottlenecks, a stronger-than-anticipated rebound of demand and high commodity prices led to a rise in inflation during the year. Major commodities experienced a significant surge during the year. The Commodity Price Index (tracked by the International Monetary Fund) increased by 70% in the last year, with significant increases in fuel, fertilisers and food.

With the COVID-19 disruptions and geopolitical uncertainty continuing to impact the global supply chains, industries are looking at diversifying their sourcing and manufacturing bases. They are exploring alternate markets to mitigate procurement risk. Towards this, many companies are exploring the option of a 'China plus One' strategy to reduce their dependence on China and are exploring alternate developing Asian markets as production hubs.

As the world stepped into a new year, the global economic recovery faces significant headwinds amid new waves of COVID-19 infections, labour market challenges, supply-chain disruptions and rising inflationary pressures. The war in Ukraine and economic sanctions on Russia have put global energy supplies at risk. Russia supplies around 10% of the world's energy, including 17% of its natural gas and 12% of its oil. Further, Russia & Ukraine, which together account for 28% and 18% of global trade in wheat and corn, respectively, pose a significant risk to food security, especially in low and middle-income regions.

The geopolitical uncertainty, COVID-19 flare-ups, rising commodity prices, fiscal stress, and likely monetary tightening can impact the speed of economic recovery. World Bank has forecasted the World GDP to grow at a modest 2.9% in 2022.

Indian Economy

India has taken a calibrated approach in dealing with the pandemic - while protecting life remained paramount, safeguarding the livelihood rose in the hierarchy of priorities. The focus on securing the economic and financial conditions of the vulnerable has resulted in a shift towards targeted containment strategies and a push towards universal vaccination and booster doses. This approach is complemented by the increased adoption of technology in workplaces and daily activities. Though the health impact of the second wave of COVID-19 encountered during the year was severe, the economic impact was partially cushioned through extended safety measures and financial support by the Government. Significant increases in capital expenditure and supply-side reforms were undertaken to spur growth and expansion.

India posted a strong recovery during the year and is estimated to grow by 8.7% in 2021-22, subsequent to a contraction of 6.6% in 2020-21. The recovery has been broad-based as all constituents of aggregate demand, including private consumption, have recuperated and surpassed their respective pre-pandemic levels. Real GDP is expected to cross the pre-pandemic level of 2019-20 by 1.8%.

Major macro-economic indicators have registered sustained recovery as higher Government tax receipts and investments, merchandise exports and global capital flows supported economic revival. India's merchandise export for the year reached an all-time high level, touching USD 418 billion, a 43% growth over the previous year and 33% growth over the pre-pandemic levels. On the other hand, supply disruptions and scaling up of demand led to inflationary pressures, especially in the energy and commodity sectors. The RBI estimates the inflation for the year at 5.3% levels and 5.7% for 2022-23.

As part of its sustainability push, India pledged its commitment to climate change initiatives during the year. With this, India pledged to cut its total projected carbon emission by 1 billion tons by 2030, reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade and reach net-zero carbon emissions by 2070. This is likely to open investment opportunities across segments like renewables, the EV ecosystem, ethanol blending, improvement in energy efficiencies and carbon capture technologies.

India started its vaccination programme in January 2021 and has administered more than 180 crore vaccinations in a year. With the vaccination programme having covered the bulk of the population, the economic momentum is building up. As per Reserve Bank of India forecasts (April 2022), the economy is expected to grow by 7.2% in 2022-23. India is poised to grow at the fastest pace year-on-year among major economies. This recovery will be supported by higher vaccination coverage and sustained fiscal and monetary support.

India posted a strong recovery during the year and is estimated to grow by 8.7% in 2021-22, subsequent to a contraction of 6.6% in 2020-21.

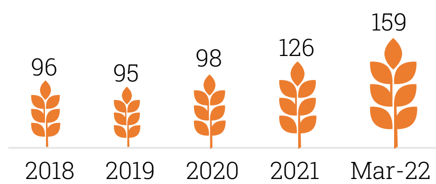
Industry Overview

Global Agriculture

The agricultural and food sector has demonstrated high resilience compared to other sectors of the economy despite the global COVID-19 pandemic. Global cereal production during the year is expected to increase by 0.8% to 2,799 million tons.

The food commodity prices rose significantly by 28% (as captured by Food Price Index) during 2021, led by Vegetable oil, dairy and cereals. The surge is largely associated with the recovery in food demand after the COVID-19 recession and temporary disruptions in logistics rather than with severe food supply disruptions or continued trade restrictions. Further, stockpiling by China, the rise of fertiliser prices, depreciation of the US dollar, and rising international freight costs contributed to the increased food prices.

Food Price Index



Source: FAO (Base 2014-16)

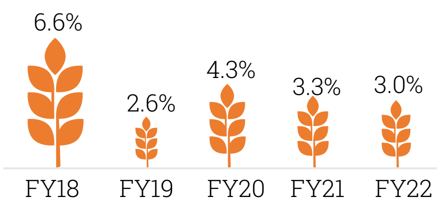
On the food price front, wheat and edible oil price pressures are likely to remain elevated in the near term due to export restrictions by key producers as well as loss of supply from the Russia-Ukraine region. Feed cost pressures could continue due to global supply shortages, which can have a spillover impact on poultry, milk and dairy product prices.

As per OECD-FAO Agricultural Outlook 2021-2030, global agricultural production is projected to increase by 1.4% annually, with the additional output predominantly produced in emerging economies and low-income countries. The growth will be driven by broader access to inputs and productivity-enhancing investments in technology, infrastructure and agricultural training.

Indian Agriculture

The agriculture sector has experienced stable growth in the past two years compared to the other sectors of the economy. The sector, which is the single largest employer, accounted for a sizeable 15.5% (2021-22) in Gross Value Added (GVA) of the country, registering a growth of 3.3% in 2020-21 and 3.0% in 2021-22. Normal monsoons and improved reservoir levels, higher coverage under assured irrigation, remunerative crop prices, export focus, favourable Government policies including fertiliser subsidy, record procurement under MSP, and push towards new products and technologies have been the key growth drivers for the agriculture sector.

Agri & Allied - GVA



Source: Economic Survey, NSO

During the year, India experienced a normal South-West & North-East monsoon, which supported higher Kharif and Rabi sowings. As per the 3rd Advance estimate, food grain output is expected to grow by 1% to 315 million tons. The horticulture sector has also picked up pace in the last few years. During the year, the production is estimated at 333 million tons, similar to last year's levels.

India's Agri exports crossed USD 50 billion for 2021-22, a growth of 20% over the last year, with major contributions coming from cereals, sugar, marine and cotton segments. Considering the 18% exports growth registered in 2021-22 despite logistical challenges of high freight rates and container shortages, the trend has been highly encouraging and signals the competitiveness of Indian farms.

Amidst the Covid-19 disruptions, the Government ensured that the agricultural activities and price support initiatives remained robust. Direct cash transfers, record procurement under the MSP programme, credit availability and other reform measures ensured the continuance of agricultural activities.

With the focus on improving edible oil production, the National Mission on Edible Oils - Oil Palm (NMEO-OP) has been launched to augment the availability of edible oil in the country by harnessing area expansion and through price incentives. Under this scheme, it is proposed to cover an additional area of 6.5 lakh hectares for oil palm till the year 2025-26, thereby ultimately reaching the target of 10 lakh hectares.

The Government has launched a Central Sector Scheme of "Formation and Promotion of 10,000 Farmer Producer Organisations (FPOs)" to form and promote 10,000 new FPOs till 2027-28. Under the scheme, the formation and promotion of FPO are based on the Produce Cluster Area approach and specialised commodity-based approach.

With the changing agriculture landscape, evolving consumer preferences and digital accessibility, Indian agriculture is swiftly transforming. In a major boost to promote precision farming in India, the Union Ministry of Agriculture and Farmers Welfare has issued guidelines to make drone technology affordable to the stakeholders of this sector. The Government has been engaging with drone manufacturers, service providers and Agri companies to develop cost-effective solutions and improve technology penetration. Subsequently, drone manufacturing has been brought under the Production Linked Incentive scheme, which is expected to provide thrust to the sector.

There has been an increased consumer consciousness toward organic and natural farming. The Government has been promoting organic/natural farming through dedicated schemes by providing financial assistance, training, certification, value addition, and marketing their organic produce. During the year, organic cultivation on either side of River Ganga under the National Mission of Clean Ganga (NMCG), natural farming, large area certification and support for individual farmers have also been introduced to increase the area under organic farming. At present, organic farming is taken up in an area of 3.8 million hectares in the country.

To leverage the digital penetration in rural India and improve connectivity, the Government has initiated the process of creating unique IDs for farmers of the country. The unique identifier of the farmer will link the farmer profile with all the agricultural schemes, improving transparency and speed of delivery. More than 11 crore farmers are currently registered as part of the PM-KISAN scheme. Further, the Government has commenced the work for creating Agristack in the country, which would serve as a foundation to build innovative agri-focused solutions leveraging emerging technologies to contribute effectively to creating a better ecosystem for agriculture in India.

Decisive steps from the Government on digital agriculture ushered concrete regulatory changes. In June 2021, the Ministry of Agriculture and Farmers' Welfare published a consultation paper on the country's digital agriculture ecosystem, dubbed the IDEA (India Digital Ecosystem of Agriculture). A three-year action plan with specific milestones, deliverables and timelines was proposed to roll out IDEA across the country. In July, the Ministry introduced a digital platform, Kisan Saarathi, to provide farmers with personalised advisories on agriculture and allied sectors. Furthermore, the year witnessed the Government forging several deals with various entities for digital agriculture pilot projects. With more emphasis on "Make in India" initiatives, the industry looks forward to promoting Indian manufacturers through multiple initiatives such as Production Linked Incentive (PLI) for specific products and technologies.

Business Performance Summary

Coromandel displayed a resilient performance during the year, registering strong growth across the business segments. This was despite the uncertain business environment, impacted by the Covid-19 related interruptions, geopolitical uncertainty, supply chain disruptions and firm raw material scenario.

In its fight against the pandemic, the Company augmented the Government's efforts in Covid management through vaccination programmes, providing oxygen generating units and spreading awareness of Covid protocols with the local communities around its plants and in its extensive rural marketing network throughout the country.

Coromandel continued to promote balanced nutrition and integrated pest management. The Company served the farming community by providing crop-specific products and solutions through its direct retail network and advisory through its agronomist teams. The Company focused on operational, sourcing and marketing efficiencies to ensure that Agri inputs are available at the right time to the farmers. The Company has been investing in R&D and product development and has launched nine new products during the year to meet the agricultural needs of the farmers.

During the year, the Company made steady progress toward its Environmental, Social and Corporate Governance (ESG) goals and has improved its disclosures by releasing its first Sustainability Report as per the Global Reporting Initiative (GRI) standards. The Company is strengthening its ESG approach and is setting long term commitments to drive sustainability across its operations. The Company continued its focus on promoting a safe work environment and undertook structural strengthening projects, preventive maintenance investments, safety training etc. During the year, the combined Total Recordable Injury Rate (TRIR) per million-man hours stood at 0.60.

In its digital transformation journey, Coromandel has taken significant steps in the last year by adopting Business Intelligence dashboards, Sales force productivity tools, and robotics process automation, which has improved the organisation's process efficiencies and forecasting capabilities.

In terms of financial performance, the Company's consolidated total income grew by 35% to reach Rs 19255 crores, and net profit improved by 15% to reach Rs 1528 crore for the year. With good market collections and higher subsidy receipts from the Government, the working capital position remains at comfortable levels. Finance costs were reduced by 29% and came down to Rs 75 crore, and the debt-equity ratio stood at 0.0 as of March 2022.

During the year, the Company's long-term credit rating by 'CRISIL' has been revised to 'CRISIL AA+ (positive)', and its short-term debt rating stands at 'CRISIL A1+'. The Company's long-term credit rating by 'India Ratings & Research (A Fitch Group Company) has been revised to 'IND AA+ (positive)', and its short-term debt rating stands at 'IND A1+'.

The Board recommended a final dividend of Rs. 6 per equity share for shareholders' approval at the ensuing AGM. During the year, the Board approved and paid an interim dividend of Rs. 6 per equity share.

Business Segment Review

Fertiliser

Global Fertiliser Scenario

2021-22 was a challenging year for the global fertiliser industry as the surge in raw material prices and constrained supply chain impacted fertiliser availability and led to a sharp increase in the prices of finished products. As per IMF, the fertiliser price index rose by 114% during the year due to demand-supply imbalances and a sharp increase in feedstock prices. A number of countries increased their self-sufficiency efforts in the second half of the year and placed trade restrictions on agricultural inputs in anticipation of potential shortages. As per International Fertilizer Association (IFA) estimates, global nutrient demand is expected to drop by 3% to 198 million tons in 2021-22 due to reduced fertiliser affordability, as international prices of the fertilisers have risen much faster than the crop prices.

In 2022-23, demand for Fertilisers is expected to recover to 204 million tons, a 2.9% growth over last year. However, fertiliser affordability and availability, the geopolitical situation, and Government subsidy support are likely to significantly influence the demand and supply dynamics. It is estimated that the fertiliser prices for the year will remain firm due to supply chain disruptions and raw material prices.

Indian Fertiliser Scenario

India is the second-largest consumer and the third-largest producer of fertilisers globally. The Indian fertiliser ecosystem comprises the private, Government and cooperative sectors. Over the years, the fertiliser sector in India has played a major role in shaping the Indian farms and driving agricultural prosperity.

The domestic fertiliser manufacturing industry meets roughly two-thirds of the country's plant nutrient requirements, producing ₹42 million tons of fertilisers annually. In addition to this, India imports around 17 million tons of fertilisers to meet the demand from agriculture. During the year, the overall fertiliser production for the country moved marginally up by 1%, registering higher volumes for Urea and Single Super Phosphate (SSP).

The industry consumption dropped by 5% to 63 million tons amidst a higher base in 2021-22. Overall, the consumption growth has been in line with the prior years, with 2020-21 being an exception due to the regularisation of DBT related sales. The fertiliser availability during the year was impacted by the elevated costs of manufactured and imported products, conflicting demand from key fertiliser consuming markets and supply challenges from the major sources. Further, the three consecutive years of normal monsoons resulted in lower opening stocks. The Government's proactive approach and close coordination with the industry ensured its timely access to the farmers.

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

	Production			Consumption - PoS		
	FY20	FY21	FY22	FY20	FY21	FY22
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	419	426	430	608	667	631

Source: FAI

To ensure the availability of fertilisers at reasonable prices to farmers, the Government stepped up its support in the form of higher subsidies by revising the Nutrient Based Subsidy (NBS) rates a few times during the year. The revised estimate for fertiliser subsidy for 2021-22 as per Budget estimates is Rs. 1,40,122 crores against a budget of Rs. 79,529 crores.

With a view to promoting balanced nutrition and improving the nutrient use efficiency of fertilisers, the Government is supporting the adoption of new technology solutions like nano, slow-release, coated, liquid and bio-fertilisers. Further, there has been an increased focus on application technologies like drone-based spraying, improving resource utilisation and driving farm efficiencies. Given the thrust on balanced nutrition and digital accessibility, a linkage between subsidy and soil health information is expected to be established. This will help the farmers make an informed purchase decision and improve soil health and farm sustenance.

As part of the Atmanirbhar Bharat initiative, two new urea units were commissioned during the year, which has added 2.5 million ton capacity.

Fertilisers Business Performance:

With an installed capacity of close to 3.5 million tons, Coromandel is the largest private-sector marketer and manufacturer of DAP and NPK fertilisers. Manufacturing units located at Visakhapatnam, Kakinada and Ennore have the flexibility to produce multiple grades and can produce 14 products. The Company enjoys a considerable market presence in the Southern, Eastern and Western regions of the country. Further, with its 7 SSP plants spread across the country, the Company offers alternate economical phosphate fertilisers with a pan India presence.

During the year, its manufacturing facilities operated with required caution, which ensured safe operations and improved production during the year. The fertiliser units operated at 84% capacity, with a 1% increase in the production volumes. The plants continued to strengthen their operational efficiencies and operated flexibly using multiple sources of rock and acid. The new phosphoric acid plant commissioned in 2019 improved its utilisation levels registering record acid production and reducing the Company's raw material import dependence. With strong demand for SSP products, the Business worked towards maximising SSP output and achieved record production volumes of 7.3 Lakh MT, including the higher output of granulated SSP. The Business revived its Pali unit in Maharashtra to further improve its production and is further exploring other options to ramp up its capacity.

In line with the Atmanirbhar Bharat vision for promoting local manufacturing, Coromandel has commenced the installation of a new 1500 ton per day sulphuric acid plant at Visakhapatnam during the year. Considering the essential nature of fertilisers, this investment will improve the self-sufficiency and availability of phosphatic fertiliser in the country.

The Company engaged in smart sourcing in a highly disrupted supply chain and diversified its sources to improve operational flexibility. Long term contracts with key suppliers ensured that raw material availability challenges were mitigated.

On the marketing side, continued focus on brand building and farm extension activities helped the Business to achieve a strong consumption-based market share of 16.7% in 2021-22 (15.7% in 2020-21). Though there was a marginal drop in overall sales volumes during the year, it was more than made up by an increase in SSP sales.

During the year, Business launched a new product, "Groshakti Plus", which offers improved nutrient availability along with` balanced nutrition through zinc. Coromandel's value-added product Groplus SSP continued to gain widespread market acceptance with strong volume growth over the previous year.

Coromandel - Phosphatic/ SSP fertiliser sale - in lakh ton

	Complex	DAP	Total	SSP
FY18	21.7	6.0	27.7	5.2
FY19	24.2	6.1	30.3	5.7
FY20	26.1	5.4	31.5	5.7
FY21	28.1	5.4	33.5	6.7
FY22	28.3	4.9	33.2	7.6

The technology team continued innovating on the manufacturing process by using various rocks for phosphoric acid production. The team is working on introducing new technology products and testing out new nutrient dispensing methodologies such as boom sprayers and drones.

There was an increased focus on Digital adoption across various functions. A dedicated team has been created to drive digital initiatives and leverage data analytics to improve plant performance, marketing and supply chain operations.

Crop Protection

The global Crop Protection industry is estimated to grow by 5.0% to USD 65 billion in 2021, on the back of a robust economic recovery post the outbreak of COVID-19.

Global Crop Protection Industry ($ billion)

	2020	2021	% Change
Asia Pacific	19.2	21.2	10%
Latin America	16.1	15.2	-5%
Europe	12.8	14.0	9%
North America	11.5	12.3	7%
Middle East & Africa	2.4	2.5	2%
Total	**62.0**	**65.1**	**5%**

Source: IHS Markit

Agricultural economies have been largely sheltered from the worst impacts, given the essential nature of food production. Chinese market benefitted from a strong rice production, where precipitation and soil-moisture conditions were favourable for planting the early double-crop and the single-season crop. While the North American and Canadian markets faced favourable conditions despite the drought, Latin America showed a notable decline during 2021. In Europe, higher acreage under key crops such as cereals and oilseed rape and favourable weather conditions benefited the yields and increased pest pressure.

The Crop Protection industry witnessed a major impact owing to reduced availability of migrant farm labour, issues surrounding delays of shipments in ports, availability of raw materials boosting product prices, reduced demand for biofuels and fibrous crops such as cotton, and significant currency movements.

The Crop Protection sector in India was shaped by several factors, with the year witnessing significant reforms on the policy front. The Government introduced the Pesticide Management Bill (PMB) 2020 in the Rajya Sabha in March 2020. In view of concerns expressed by stakeholders, including the industry, the Bill was referred to the Parliament Standing Committee on Agriculture for examination in June 2021. The committee tabled its responses in December 2021, which are likely to be discussed along with the Bill during 2022.

During the year, the industry worked through the technical task force and presented its observations to the Expert Committee on the draft notification relating to the proposed ban of 27 pesticides. The final decision by the Government is awaited, and the industry is hopeful of a favourable resolution.

The Central Insecticide Board & Registration Committee (CIBRC) has released registration requirements for drone application of pesticides and endorsements (label expansion). It has also permitted the usage of 507 registered Crop Protection products with drones for an interim period of 2 years. This is likely to encourage extensive adoption of new technology that is also more efficient and safer.

The Government has issued guidelines for Registration of Bio-stimulants in Feb 2021 requiring companies to obtain provisional registration. The Business is in the process of complying with these guidelines.

With the supply chain disruptions post the COVID-19, the global agrochemical companies are looking at diversifying their sourcing, and India is well-positioned as a strong manufacturing alternate. With its rich know-how of complex chemistry, fast-evolving agrochemical ecosystem, sound regulatory compliances, and deep relationship with global innovators based on ethical IPR protocol and cost-efficient manufacturing, India offers a very competitive manufacturing destination to the global CPC industry. To incentivise the domestic industry and promote exports, it is expected that the Production Linked Incentive scheme will be extended to the Crop Protection industry.

CPC Business Performance

Coromandel's Crop Protection business registered the highest ever turnover, growing by 20% to Rs 2511 crores. Being the 6th largest player in the country for crop protection, Business benefits from strategically placed manufacturing facilities across India. With the shift in the market toward differentiated combinations, the Business has made significant efforts to upgrade its portfolio from old generics to patented combinations.

Despite the Covid-19 pandemic during the year, plants continued to operate safely with increased emphasis on safety protocols and necessary support was provided to the employees and their families to face the difficult times. By implementing manufacturing excellence initiatives in the technical plants, the Business has improved the first-time pass rate and increased productivity. A major thrust was given to safety improvements, improving instrumentation and revamping infrastructure at all plants.

With the continuance of supply chain disruptions and a ban on some products, the exports team gained volumes from existing and new markets, led by the Asia Pacific region. The domestic B2B business registered strong growth during the year, supported by its expanded product portfolio.

On the domestic formulations side, the Business introduced six new products (including two novel combinations) spanning herbicides, insecticides and fungicides. The new launches have received an encouraging response from the market. During the year, the share of speciality and new products stood at 56%. The marketing team introduced several digital initiatives to improve the connection with the farming community.

The product development and regulatory teams have been strengthened, conducting several high-quality in-house trials using world-class monitoring and analytics tools and receiving a high number of registrations in domestic and overseas markets.

During the year, Product Stewardship Day was celebrated across the Company, including its manufacturing units. Through this event, the Business promoted the concept of "Responsible use of Crop Protection" and reached out to more than 16,000 farmers through farmer meetings and digital outreach.

Bioproducts

The Business has a range of Azadirachtin based biopesticides for the crop protection segment and other plant extract-based biostimulants besides anti-transpirants and non-ionic spreaders. The state-of-the-art Azadirachtin manufacturing facility located at Cuddalore, Tamil Nadu, is the largest in the world.

During the year, the Bioproducts business registered moderate growth, driven by its improved reach in domestic markets.

The Business undertook cost-intensive interventions for producing best-in-class pure Azadirachtin to overcome neem seed availability and quality-related challenges.

The manufacturing facility operated without much disruption by taking adequate Covid precautions. Despite the raw material quality challenges, the unit produced Azadirachtin with superior technical purity by continuous improvement and innovation in the extraction process, especially from neem seeds with very low per cent Azadirachtin.

The Business is focusing on expanding its non-Azadirachtin portfolio. The R&D team of Bioproducts is undertaking multiple initiatives in the areas of microbial development, tree injections, repellents etc., and continues to collaborate with TNAU (as the CRO).

Retail

Coromandel has successfully pioneered the rural retail model in India and operates a network of around 750 rural retail outlets across Andhra Pradesh, Telangana and Karnataka, which are supported by a 2,000-member strong team.

Besides contributing to the Company's growth and profitability, the Retail Business goes a long way in strengthening the Company's connect and engagement with the farmers.

During the challenging times of Covid-19, retail continued to serve the farming community and took utmost safety measures and sensitised customers about pandemic related safety protocols.

The retail division continued to develop solutions to leverage technology in nutrient management, delivery mechanisms and farm advisory. The Business is utilising technology for crop stress mapping using satellite images to promote precision farming. It is also foraying into advanced technologies such as pest prediction, weather predictions, boom sprayer services and developing personalised programmes.

The Business has also been providing expert advice through scientists with the "Scientist at store" initiative. This initiative has enabled retail to provide advisory to farmers at stores, in villages through crop seminars and virtually through teleconference.

Speciality Nutrients

Coromandel's Speciality Nutrients business is committed to addressing the key concerns in farming, such as inadequate crop nutrition practices, decreasing fertiliser use efficiency, and low factor productivity. This Business reinforces the Company's efforts to improve Indian farm productivity by supplementing/correcting secondary and micronutrient deficits and organic carbon deficiency prevailing in Indian soils, thereby providing optimum and balanced nutrition for yield and quality enhancement. The Company uses its manufacturing and marketing capabilities to deliver high-quality Bentonite Sulphur, water-soluble fertilisers, micronutrients, liquid fertilisers and organic nutriboosters.

During the year, the Business ventured into the liquid fertiliser market space by introducing "AcuMist Zinc". The product manufactured at its new liquid fertiliser plant set up in Vishakhapatnam has received an encouraging response from the farming community. The Business has also expanded its customised crop nutrition solution with the launch of "Fitsol Grapes" in the grapes segment.

To further reinforce its value proposition, the Business engaged with a variety of value chain partners, including seed companies, drip irrigation companies, FPOs, contract farming companies, e-commerce platforms and Government institutions. The upgradation and automation of the existing plant facilities were undertaken to strengthen the manufacturing capabilities.

The organic fertiliser segment, with its range of products derived from natural sources like city waste, sugarcane molasses and its by-products, oil cakes, etc., aims to promote sustainable agricultural practices and replenish soil health. During the year, it continued to strengthen its sourcing skills and quality assurance procedures while offering distinct services to farmers like organic carbon tests. This has enabled a 27% growth in annual sales.

Equipped with improved marketing skills, the Business used digital and social media platforms to connect and engage with farmers, strengthen its dealer network, and introduce new products in the market. The launch of the sales force effectiveness tool for the frontline sales and marketing team and the HNI app for polyhouse growers has added to the business operation's digital strength.

Opportunities and Strengths

Opportunities

1. Atmanirbhar Bharat initiative in fertiliser to support capacity creation and value addition. Production Linked Incentive Scheme likely to be introduced for Crop Protection segment
2. India's low-cost manufacturing in crop protection and high capacity provides significant potential for exports. Further, Covid 19 induced sourcing diversification approach by major global players has improved opportunities for Indian Crop Protection players
3. Improved awareness about soil health and sustainable practices to promote balanced nutrient usage, including Bio-pesticides and organic fertiliser usage
4. Acceleration of Agri technologies like drones to improve crop yield, diagnostics and application capabilities
5. Government support for farm mechanisation through Custom hiring centres to improve penetration and drive farm productivity
6. Adopting Nano, slow-release, coated, and water-soluble fertilisers to improve nutrient use efficiency.
7. Central and State Governments' income support schemes for farmers are increasing the disposable income in the hands of farmers for Agri inputs
8. Irrigation projects in Coromandel's key operating markets of Telangana and Andhra Pradesh to increase the area under assured irrigation

Strengths

1. Leading agriculture input solution provider having direct connect with farmers through an extensive rural retail network and its strong distributor/ dealer network.
2. High brand equity and farmers' trust in major Agri input consuming markets
3. Diversified product portfolio to meet farmer's requirements - focus on crop-specific, unique and differentiated products.
4. Significant captive infrastructure for manufacturing Phosphatic fertilisers, Secondary, Micronutrients, water-soluble fertilisers, crop protection chemicals and bio-products.
5. Efficient integrated manufacturing operations in fertiliser enabling supply security and low-cost production. Technical and formulation manufacturing capabilities in Crop Protection Chemicals.
6. State of the Art R&D facilities for new product development in Nutrient, Crop Protection and Bioproducts
7. Strategic partnerships for technology and sourcing. Strategic investment in Tifert (in Tunisia) and Foskor (in South Africa) for upstream integration for Phosphoric Acid sourcing. Strategic partnerships with global Crop Protection companies for new product development, manufacturing technology and marketing.
8. JV with Yanmar and Mitsui in the area of farm mechanisation.
9. Strong Balance Sheet with a cash surplus
10. Strong credit rating: 'CRISIL AA + (Positive)' by CRISIL and 'IND AA+ (Positive)' by India Ratings & Research

Financial Review

The Company registered a good performance in FY2021-22 with total standalone revenue at Rs 19,088 Crores compared to Rs 14,156 Crores in the previous year. The Company's PBT was at Rs 1931 Crores compared to Rs 1766 Crores in the previous year. PAT was at Rs 1412 Crores compared to Rs 1313 Crores in the previous year. Net cash from operating activities before working capital changes is Rs 2178 Crores compared to Rs 1908 Crores in the previous year.

Risk Management

The risk management is covered under Section 11: Risk Management of Integrated Report.

Internal Control Systems

The Company has adequate internal controls commensurate with the nature of its Business and size of its operations to effectively provide for the safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures, and to ensure optimum use of available resources. These systems are reviewed and improved regularly.

The Company has a comprehensive budgetary control system to monitor revenue and expenditure against the approved budget on an ongoing basis. The Company has its own corporate internal audit function, ably supplemented by external firms to monitor and assess the adequacy and effectiveness of the Internal Controls and System across all key processes covering various locations. Deviations are reviewed periodically, and due compliance is ensured. Summary of Significant Audit Observations along with recommendations and their implementations are reviewed by the Audit Committee, and concerns, if any, are reported to the Board.

Human Resource Development

As a key contributor to the successful attainment of organisational goals, holistic development and well-being of employees remain at the forefront of the Company's business approach. Human resource policies are made contextual and contemporary from time to time.

Talent Development: The Company nurtures talent and leadership through various capability management programmes to hone technical and behavioural skills and meet business-specific requirements. The Learning and Development initiatives cater to a wide variety of employee profiles addressing Sales and Marketing, Manufacturing, Operations and Leadership areas.

Following are key people initiatives:

- **Coromandel Knowledge Centre (CKC):** CKC was launched to enrich manufacturing capability with an integrated knowledge model, best practices sharing for Safety, Manufacturing, Production, Operations, Engineering, Technology, 5S, TQM, TPM, etc.
- **Sales Force Learning Academy:** Sales Force Learning Academy (SFLA) is conceptualised to augment the Agri domain capabilities and managerial skills of its Frontline and Middle Management Fertilisers Sales and Marketing team.
- **Vidhya Online:** The Company's digital learning platform Vidhya online, is being used extensively for the learning and development of the employees. During the year, 46 modules were launched covering products, crops, responsible product usage, manufacturing and safety-related areas.
- **Leadership Development:** Structured process is followed to identify and nurture High Potentials (HiPos) to develop a strong Leadership pipeline across the businesses. These programmes include Excel-30, STAR (Set to Augment Results), LEAD (Leadership Excellence for Acceleration and Development) and ASPIRE (Accelerate Successful Performance in Retail Excellence) Programmes for Long Term Development of High Performing Employees.

- **Coromandel Finance Academy:** The programme aims to improve the functional, IT and general management skills of the Finance professionals. The Company has engaged a leading Knowledge management firm for the programme implementation. Further, the Company initiated a unique learning programme for all finance executives through "Finance Teach Back" sessions.
- **Partnering with Academic Institutions:** Coromandel collaborated with some of the leading academic institutions such as ISB, Great Lakes, Indian Institute of Management, IIFT, NAARM, Centre for Creative Leadership, SHRM, ANGRAU, etc. These programmes include Excel-30, Coromandel Finance Academy, Sales Force Training Academy, STAR and LEAD Programmes for long term development of high performing employees, Branding and Communication & Corporate Knowledge Centre. The Company has also strengthened its talent review and succession management processes, including a regular review by the Leadership team, leading to recalibrated offering that helps develop and nurture future leaders.

Industrial Relations

During the year 2021-22, industrial relations across all plants of Coromandel continued to remain cordial. Long term settlements were concluded at Ennore and Hospet. For plant operative employees, Performance Linked Incentive schemes (PLI) were factored with Key Parameters such as Production, Operational Efficiency, Quality, Safety, Behavioural/TQM, Efficiency and Periodicity. Workers' education and training as per unit requirements have been deployed across Coromandel. Annual Communications Meetings and other structured social gatherings with Covid protocols as part of employee engagement and work-life balance initiatives across Coromandel have received good support from all employees.

Employee Engagement: Even during the pandemic times, the Company remained focused on delivering an employee experience wherein they felt strongly connected to the brand, the Business and the overarching guiding principles of the Murugappa Group. During the year, the Company rolled out various online employee engagement initiatives, including Family connect, Wellness sessions, festival celebrations etc. The leadership team at Coromandel continues to review the key engagement agendas for the organisation through specific action plans.

Prevention of Sexual Harassment at Workplace: Coromandel has a Policy of Prevention of Sexual Harassment (POSH) to ensure a safe and inclusive workplace for employees. It has an Internal Compliance Committee (ICC) in place to ensure that harassment cases are dealt with as per the Company's zero-tolerance policy. The Company organised POSH campaigns across locations covering all employee groups (Management, Non-management and Contract) through workshops. During the financial year 2021-22, one complaint was received by the ICC and disposed off with its recommendations. No complaint was pending as of the end of the year.

Covid Related Health and Wellness: Given the uncertainties due to the pandemic, the Company prioritised the well-being of its employees by continuing its employee-centric policies like flexible work environment, safe work environment and other engagement initiatives. Some of the major initiatives included setting up isolation centres for employees and their families, 24*7 online teleconsulting with doctors, Covid self-test kits for various locations, vaccination drives for employees as well as family members etc. Additionally, Work from Home facility, pandemic leave policy, travel advisory guidelines etc., 100% enhancement of health insurance coverage, Covid-specific insurance for contract workmen, NMS and Field Force and Covid Bereavement Policy were initiated.

Corporate Social Responsibility (CSR)

Coromandel believes in creating sustainable value for all its stakeholders, and sustainability is closely integrated into the Company's vision and mission. During the year, the Company's flagship programmes to address some of India's most pressing developmental challenges in the areas of Education, Health and Community Development have positively impacted over 7.25 lakh lives.

The severe impact of the pandemic overwhelmed health systems and had huge repercussions on both lives as well as livelihoods. Despite the seemingly insurmountable challenges, the Company remained steadfast in its commitment to nation-building and fulfilling its CSR responsibilities. The Company refocused its strategically positioned interventions at critical stages, rewired its delivery processes and leveraged technology to scale some programmes.

The Company's development initiatives have helped thousands of lives across India, positively impacting major UN Sustainable Development Goals. Coromandel has been consciously operating in a framework of Triple Bottom Line and developed an operating system that is compatible with the environment and community needs. This approach works with a focus on building synergetic partnerships and plays a crucial role in building pathways for sustainable development in its areas of operation.

Covid-19

The Company supported pandemic relief efforts by assisting over 2.1 lakh people, including migrants, daily wage earners, those who lost livelihood, and those who were left stranded or forced to seek shelter. Food, masks, sanitisers and PPE kits were distributed, complemented by information sessions on health and hygiene. Ration kits and masks, sanitisers and drinking water, PPE kits and medical essentials were also delivered to frontline workers and the underprivileged segment.

Coromandel supported the health infrastructure by providing seven oxygen generator plants to various hospitals to save thousands of lives of Covid affected patients. Coromandel also provided Covid care beds equipped with oxygen in its hospitals and Covid care centres. These were operated by doctors and paramedics and had the latest medicare technology and ventilators. Coromandel Hospital in Kakinada served 1.50 lakh of patients from remote locations in Andhra Pradesh with quality healthcare.

Education

Coromandel has been pursuing holistic developmental activities and broadening access to quality education for unreached and underprivileged students by providing adequate learning material, infrastructure, and environment. Through the Coromandel Girl Child Scholarship Scheme, the Company provided scholarships to 1332 girls along with career counselling options.

Coromandel has been undertaking multi-dimensional initiatives to improve the educational infrastructure and reduce school dropouts. This includes initiatives like developing the school infrastructure and providing appropriate equipment, books, financial assistance and nutritional support.

The organisation also continued the focus on the importance of learning Science among the school children. The initiative of fundamentals of Chemistry was taken to other locations and ensured that children developed a liking for Science and specifically Chemistry. A total of 5071 students at Government schools benefitted through this initiative.

Coromandel continued to support the students and families of Udbhav School, which caters to more than 600 first-generation learners from economically deprived backgrounds and is run in collaboration with the IIM Ahmedabad Alumni Association-Hyderabad Chapter. The school recorded a 100% pass percentage in class X board exams conducted by the Telangana State Board of Secondary Education, and 97% of students scored first class.

Health

Coromandel has been able to implement preventive programmes to support the Government driven health programmes, which has received appreciation from the community and the respective district administrations. The paediatric ward in Kakinada has enhanced the hospital's outreach at least ten times through appropriate technology and collaboration. 8121 children got treated in the ward during the year.

The Coromandel Hospital, set up last year, extended healthcare services to the needy. It offers services of senior doctors and specialists like a dentist, physiotherapist and ophthalmologist along with a state-of-the-art diagnostic laboratory and pharmacy services. 37,405 patients availed of services at the hospital in 2021-22. To date, a total of 1,49,620 people have benefitted from the hospital. The Coromandel Medical Centres provided basic out-patient services to the needy and reached out to 27,849 patients in 2021-22.

Coromandel continued its support to the Government health centre at Ankleshwar to ensure the institutionalisation of deliveries. A total of 17,736 people benefitted from the centre, and 138 deliveries took place in 2021-22. With this centre, the number of institutional deliveries has considerably increased in the area, ensuring better health for the mother and the newborn. Coromandel has also undertaken awareness sessions to spread information about the importance of institutional deliveries and special vaccination drives for pregnant mothers.

Coromandel continued to support 'Hrudaya – Cure a little Heart Foundation' to treat underprivileged children suffering from congenital and acquired heart diseases. A total number of 212 surgeries have taken place.

Community Development

The Company continued its support to the local communities by augmenting the rural infrastructure, including constructing and renovating community buildings and partnering with women's self-help groups (SHG) to improve their economic status.

Coromandel continued several programmes to promote livelihoods and empowerment of women through skill-based training and capacity building. This provided backward and forward linkages to sustain income generating activities. The programme aims to encourage and strengthen SHGs by inculcating a habit of savings and enforcing credit discipline. The women groups have been able to support their families and sustain an income from livelihood opportunities provided to them. They have been stitching masks, producing sanitary napkins and ensuring better health standards for all. The organisation has also undertaken training programmes for youth in retail operations to provide employment opportunities. A total of 522 youth were trained in retail operations and placed in rural areas.

Environment & Sustainability

As a responsible Company, Coromandel's business operations are closely integrated to drive sustainability across its value chain. The Company continues to make steady progress toward its ESG goals.

During the year, the Company released its first sustainability report and is working towards setting its long-term sustainability goals. The Company is evaluating its carbon emissions, water footprint, biodiversity protection, natural resource management, energy management and adopting strategies to address the global environmental issues in line with business requirements. The Company has consistently implemented various new initiatives and innovations to reduce the emissions from its value chain. It will continue to adopt strategies to address global warming from its operations.

Coromandel places high importance on encouraging biodiversity in the vicinity of its factories and has initiated greening measures at its plants, including projects like land reclamation, Neem plantation, Birds Paradise and Green Visakha. The Company has created Bio-diversity parks at the Kakinada unit, which have been featured by UNDP. The Company has carried out plantation on Reclaimed waste Materials at its Vizag Site using TERI's Mycorrhiza Technology. The Company has also carried out mass plantation under Green Visakha in which around 2,25,000 saplings have been planted and is achieving carbon sequestration. During the year, it planted approximately 14000 saplings using the Miyawaki methodology at the Visakhapatnam unit. The Company's efforts of greening the Udaipur unit have been recognised by the District Authorities.

Crop Protection sites of the Company are implementing green initiatives through the philosophy of 3R's - Reduce landfilling waste, Recycle the Multi-Effect Evaporator condensate in the process and Reuse raw materials and ingredients. About 4000 saplings were planted across the Crop Protection business, including an external green belt area of 15,597 Sqm (1560 trees) at the Ankleshwar plant to increase the Green Belt Area the concept of Social Forestry.

The Company's bioproduct business has planted more than 1 lakh neem trees at Thygavalli, Pathamadai and Sivaganaga in Tamil Nadu. The plantation is being maintained using the organic farming method and is equipped with drip irrigation systems. During the year, the Business planted 2000 trees, including Cashewnary and Eucalyptus, in and around the Neem Plantation boundaries as a preventive measure to act as a windbreaker. In addition to this, it has developed a natural storm water drainage system inside the factory to avoid stagnation of continuous water.

The Company employs various measures to ensure complete compliance with the applicable emission/waste standards. The Company has installed Continuous Emission Monitoring Systems (CEMS) at all its stacks for online monitoring of stipulated parameters. Also, Continuous Ambient Air Quality Monitoring Systems (CAAQMS) have been installed at multiple sites, and emissions are maintained within the Norms stipulated by CPCB & SPCB.

The Company is focusing on improving its energy efficiency and renewable energy mix. During the year, it installed a solar system at Ennore, replaced old motors with high-efficiency motors at Vizag, and shifted to LED lighting at multiple sites.

19. Notice of the Annual General Meeting of the Company

To the Members of
Coromandel International Limited

Notice is hereby given that the **Sixtieth (60th) Annual General Meeting (AGM)** of the Members of Coromandel International Limited will be held on **Wednesday, July 27, 2022, at 3.30 p.m. IST** through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, the Report of the Auditors' thereon and the Report of the Board of Directors, and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, the Report of the Auditors' thereon and the Report of the Board of Directors placed before the 60th Annual General Meeting be and are hereby received, considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, the Report of the Auditors' thereon, and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

   "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, and the Report of the Auditors thereon placed before the 60th Annual General Meeting be and are hereby received, considered and adopted."

3. To declare final dividend to be paid for the financial year ended March 31, 2022 and confirm the interim dividend paid during the year, and in this regard, to consider and, if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT a final dividend of Rs. 6/- per equity share of face value of Re. 1/- each be declared for the financial year ended March 31, 2022 and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on July 15, 2022 in case the shares are held in physical form and to the beneficial holders of the dematerialised shares as on July 15, 2022 as per the details provided by National Securities Depository Limited and Central Depository Services (India) Limited in case the shares are held in electronic form."

   "RESOLVED FURTHER THAT the interim dividend of Rs. 6/- per equity share of Re. 1/- each approved by the Board of Directors and paid by the Company during the financial year ended March 31, 2022, be and is hereby confirmed."

4. To appoint a Director in place of Mr. A Vellayan (DIN: 00148891), who retires by rotation and being eligible, offers himself for re-appointment, and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. A Vellayan (DIN: 00148891), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

Special Business

5. To approve payment of commission to Mr. A Vellayan (DIN: 00148891), Chairman of the Company, and in this regard to consider and if deemed fit, to pass the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 17(6)(ca) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. A. Vellayan (DIN: 00148891), Non-Executive Director and Chairman of the Company, be paid a commission of Rs. 200 Lakhs for the financial year 2021-22."

   "RESOLVED FURTHER THAT the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To appoint Mr. Narayanan Vellayan to office or place of profit in the Company, and in this regard to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 188(1)(f), and other applicable provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Narayanan Vellayan be and is hereby appointed as Head – Strategic Sourcing of the Company with effect from August 1, 2022, at a remuneration, as given below, and on such terms and conditions, as approved by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include Nomination and Remuneration Committee of the Board).

   - Basic Salary: Rs.7,16,545/- (Rupees seven lakhs sixteen thousand five hundred and forty five) per month.
   - House Rent Allowance: 50% of the basic salary
   - Other Benefits: All other allowances, incentives, benefits, facilities, schemes, reimbursements, leave encashment, provident fund contribution, gratuity, health and other insurances, vehicle or any other kind of benefit as granted to senior employees of the Company as per rules and policies of the Company, as applicable, from time to time.

   "RESOLVED FURTHER THAT the Board be and is hereby authorised to alter, modify and vary the terms and conditions of employment of, and the remuneration, including salary, allowances, perquisites, incentives and benefits payable to Mr. Narayanan Vellayan, to the extent the Board may deem fit, and to do all such acts, deeds, matters and things as it may, in its sole and absolute discretion deem necessary, expedient, usual or proper to give effect to this Resolution."

7. To ratify the remuneration of the Cost Auditors for the financial year 2022-23, and in this regard to consider and if deemed fit, to pass, the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of the Cost Auditors of the Company, as set out hereunder and approved by the Board of Directors to conduct the audit of the cost records of the Company for the financial year 2022-23, be and is hereby ratified and confirmed."

Name of the Cost Auditor	Unit / Area of the Audit	Audit Fees payable* (₹)
M/s. Narasimha Murthy & Co.	For all the products manufactured at units of the Company at Visakhapatnam, Kakinada and Ennore	8.50 Lakhs
Mrs. Jyothi Satish	For all the products manufactured at SSP units at Ranipet, Udaipur, Hospet, Nandesari – Baroda, Kota, Raigad, Raebareli and Nimrani and Pesticides units at Sarigam, Dahej, Ranipet, Ankleshwar and Jammu and Bio Pesticides Plant at Thyagavalli, Cuddalore.	5.00 Lakhs

* Excluding reimbursement of out of pocket expenses and applicable taxes.

RESOLVED FURTHER THAT the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Date: April 28, 2022
Place: Secunderabad

By Order of the Board
For Coromandel International Limited

Rajesh Mukhija
Sr. Vice President – Legal
& Company Secretary

Corporate Identification Number : L24120TG1961PLC000892

Registered Office:
"Coromandel House"
1-2-10, Sardar Patel Road
Secunderabad 500 003
Tel: +91 40 66997000/ 7300 / 7500
Fax: +91 40 27844117
E-mail Id: investorsgrievance@coromandel.murugappa.com
Website: https://coromandel.biz

NOTES:

1. In terms of the General Circular number 20/2020 read with General Circular numbers 14/2020, 17/2020, 02/2021, 19/2021, 21/2021 and 2/2022 issued by the Ministry of Corporate Affairs (MCA) and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"). Hence, in compliance with the Circulars, the 60th AGM of the Company is being held through VC/OAVM, hereinafter called as electronic Annual General Meeting ("e-AGM"). The deemed venue for this e-AGM shall be the registered office of the Company. The detailed procedure for participating in the e-AGM is given below and will also be available at the Company's website www.coromandel.biz.

2. In compliance with the aforesaid Circulars, this e-AGM Notice, together with the Annual Report for the financial year 2021-22, is being sent only through electronic mode to those Members whose E-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. The e-AGM Notice and Annual Report of the Company are also available on the Company's website at www.coromandel.biz and on the website of the Stock Exchanges where the shares of the Company are listed viz., BSE Limited - www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com. Members who have not registered their email address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

3. As this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with and they can attend the meeting through login credentials provided to them. Accordingly, the facility for appointment of proxies by the Members will not be available and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

4. Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc. pursuant to Section 113 of the Companies Act, 2013 ("the Act"), together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser through email ID: rsaevoting@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Coromandel – 60th AGM".

5. Pursuant to Section 102(1) of the Act, an Explanatory Statement in respect of the Special Business to be transacted at the AGM is annexed hereto.

6. As required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the relevant details of Mr. A Vellayan, Director seeking re-appointment at this AGM are provided as annexure to the Notice and in the Report on Corporate Governance, forming part of the Annual Report.

7. **Book Closure**: The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, July 18, 2022 to Wednesday, July 27, 2022 (both days inclusive).

8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in the Notice will be available for inspection in electronic mode. Members can send an email for the purpose to investorsgrievance@coromandel.murugappa.com.

9. **Unclaimed/Unpaid Dividend**: Pursuant to the provisions of Section 124 of the Act, the amounts of dividend declared and remaining unpaid/unclaimed pertaining to the financial year 2013-14, have been transferred to the Investors Education and Protection Fund Authority (IEPF

Authority). Details of unpaid/ unclaimed dividends lying with the Company as on March 31, 2022 are available on the website of the Company at www.coromandel.biz/investors/dividend and the Ministry of Corporate Affairs at www.iepf.gov.in. Members are requested to contact KFin Technologies Limited Unit: Coromandel International Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Serilingampally Mandal, Hyderabad – 500 032, Telangana, the Registrar and Share Transfer Agents ("RTA/ KFintech") of the Company, to claim the unclaimed /unpaid dividends.

10. **Compulsory transfer of Equity Shares to IEPF Authority:** As per Section 124(5) of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017 (IEPF Rules) and amendments made thereto, all shares in respect of which dividends remain unpaid or unclaimed for a consecutive period of seven years or more are required to be transferred to the demat account of IEPF Authority. Pursuant thereto, the Company has transferred the underlying shares in respect of which dividends remained unclaimed for a consecutive period of seven years.

    The Members / claimants whose shares, have been transferred to IEPF may claim the shares by making an application to IEPF Authority in webform IEPF 5 (available on www.iepf.gov.in). The Member / claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

11. **Final Dividend:** The final dividend, as recommended by the Board of Directors of the Company, if approved at the AGM, will be paid on or after August 12, 2022, but within 30 days from the declaration of dividend at the AGM, as provided in the Act, to those Members whose names stand registered on the Company's Register of Members, as at the end of business hours on Friday, July 15, 2022.

12. **Tax Deducted at Source (TDS) on Dividend:**

    i. Shareholders may note that in terms of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates, as provided in the Finance Act, 2020 and amendments thereof. Shareholders are requested to update their valid PAN, i.e., PAN linked with Aadhaar with KFintech (in case of shares held in physical mode) and with their respective depository participants (in case of shares held in demat mode).

    ii. A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by uploading the documents on the link https://ris.kfintech.com/form15/ on or before July 15, 2022. Shareholders are requested to note that in case their PAN is not registered/valid, the tax will be deducted at a higher rate of 20%.

    iii. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to uploading the mandatory documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, and any other document which may be required to avail the tax treaty benefits, on the link https://ris.kfintech.com/form15/ on or before July 15, 2022.

    iv. Dividend will be paid subject to deduction of income tax at source (TDS) at applicable rates. In respect of resident individuals, if the dividend payment is in excess of Rs. 5,000/- (collectively for all folios with the same PAN) for the entire financial year, the TDS will be at the rate of 10%. For all other categories of shareholders, please refer to the TDS rates provided in the Income Tax Act/Rules. TDS Certificates will be available at and can be downloaded from https://ris.kfintech.com/clientservices/tds/certificate.aspx.

    v. Shareholders who have not furnished return with Income Tax Authority for the immediately preceding previous year for which the due date of filing has expired, and aggregate of TDS is Rs. 50,000/- or more in such preceding previous year, the TDS will be deducted at twice the applicable rate for such shareholder considering its residential status.

    vi. The documents submitted in this regard, are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the provisions of the Income Tax Act, 1961.

13. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agent, KFintech cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Members holding shares in electronic form are, therefore, advised to intimate any change in their address or bank mandates to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates to KFintech.

14. **Mandatory furnishing of PAN, bank account details, KYC details and nomination by shareholders holding shares in physical mode**

    a. Members holding shares in physical mode are requested to note that SEBI vide its circular SEBI/HO/MIRSDMIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, has made it mandatory for holders of physical securities to furnish PAN, bank account details, email address, mobile number, postal address (KYC details), and to register their nomination or opt-out of nomination. SEBI has notified forms for the purpose, as detailed below:

Forms	Descriptions
Form ISR-1	Request for registering PAN, bank account details, KYC details or changes / up-dation thereof
Form ISR- 2	Confirmation of Signature of securities holder by the Banker
Form- SH-13	Nomination form
Form ISR-3	Declaration for Nomination opt-out
Form SH- 14	Change in Nomination

The above forms can be downloaded from the following weblinks:

ris.kfintech.com/clientservices/isc/default.aspx#isc_download_hrd

or www.coromandel.biz/investors/investors-information

Members holding shares in physical mode are requested to send the duly filled forms i.e., Form ISR-1, Form ISR-2, Form SH-13 or Form ISR-3 and along with requisite documents as mentioned in the respective forms to the address of KFintech (RTA).

b. **Compulsory linking of PAN and Aadhaar:**

The Central Board of Direct Taxes (CBDT) mandated linking PAN with Aadhaar number on or before March 31, 2023. PAN linked with Aadhaar numbers shall only be considered as valid PAN. All shareholders holding shares in physical form are requested to submit valid PAN to RTA and RTA shall accept valid PAN only.

c. **Freezing of Folios:**

i. Folios in which PAN is/are not valid, i.e., PAN not linked to Aadhar as on March 31, 2023 or any other date as may be specified by Central Board of Direct Taxes, shall be frozen thereafter.

ii. Such Folios wherein any one of the referred documents mentioned in (a) above/ details are not available on or after April 01, 2023, shall be frozen and shareholders shall be eligible for receipt of dividend through electronic mode only after submission of the complete documents / details as referred in (a) above.

iii. After December 31, 2025, the frozen folios shall be referred by RTA/ Company to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002.

Shareholders are also requested to ensure that their PAN is linked to Aadhar by March 31, 2023, or any other date as may be specified by the CBDT and also update the bank account details, KYC details, i.e., email address, mobile number, postal address, etc. as referred to in (a) above to avoid freezing of their folio.

15. **Issuance of securities only in demat mode:** As per the Regulation 39 and 40 of the Listing Regulations, the Company shall issue securities in dematerialized form only while processing any requests from shareholders holding shares in physical mode in respect of i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub-division / Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission and viii. Transposition ("service requests").

    The shareholders shall submit duly filled up Form ISR-4 along with requisite documents to RTA. The form ISR-4 is available on the website of the Company at www.coromandel.biz/investors/investors-information

    The RTA/Company shall verify and process the service requests and thereafter issue a "Letter of Confirmation" to the shareholders in lieu of the physical share certificates. The "Letter of Confirmation" shall be valid for 120 days from the date of its issuance within which shareholders shall make a request to the Depository Participant for dematerializing the said shares. In case the shareholder fails to submit the demat request within the aforesaid period, RTA / Company shall credit the securities to Suspense Escrow Demat Account of the Company.

16. **Mandatory furnishing of Valid PAN, KYC details and Nomination by shareholders holding shares in demat mode**

    SEBI has mandated updation of valid PAN, i.e., linking of PAN with Aadhaar, Nomination or opt out of nomination and updation of KYC details, i.e., Name, Address, Valid PAN, Valid mobile number, Valid email-id and Income Range in the demat account of shareholders holding shares in demat mode.

    The demat accounts wherein the above details have not updated for all the 6 KYC attributes, such demat accounts will be frozen for debits on March 31, 2023. Shareholders holding shares in demat mode are requested to approach their Depository participants and update the details at the earliest.

17. **Procedure for 'remote e-Voting':**

    In compliance with the provisions of Section 108 of the Act and Rules made thereunder, Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the Company is pleased to provide the e-Voting services of KFintech to the members to exercise their right to vote on all the resolutions set forth in this Notice.

    Pursuant to SEBI circular no. SEBI / HO / CFD/CMD / CIR/P/2020 / 242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. The details of the process and manner for remote e-Voting are explained herein below:

I. Individual Members holding shares of the Company in Demat mode:

The procedure to login and access remote e-Voting as devised by Depositories / Depository Participants are given below:

A. Individual Members holding shares in Demat mode with National Securities Depository Limited ("NSDL"):

1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:

i. Type in the browser / Click on the following e-Services link: https://eservices.nsdl.com

ii. Click on the button "Beneficial Owner" available for login under 'IDeAS' section.

iii. A new page will open. Enter your User ID and Password for accessing IDeAS.

iv. On successful authentication, you will enter your IDeAS service login. Click on "Access to e-Voting" under Value Added Services on the panel available on the left hand side.

v. Click on "Active E-voting Cycles" option under E-voting.

vi. You will see Company Name: "Coromandel International Limited" on the next screen. Click on the e-Voting link available against Coromandel International Limited or select e-Voting service provider "KFintech" and you will be re-directed to the e-Voting page of KFintech to cast your vote without any further authentication.

2. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:

i. To register, type in the browser / Click on the following link: https://eservices.nsdl.com

ii. Select option "Register Online for IDeAS" available on the left hand side of the page.

iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.

iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.

3. Users may directly access the e-Voting module of NSDL as per the following procedure:

i. Type in the browser / Click on the following link: https://www.evoting.nsdl.com/

ii. Click on the button "Login" available under "Shareholder/Member" section.

iii. On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/ through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.

iv. On successful authentication, you will enter the e-Voting module of NSDL. Click on "Active E-voting Cycles / VC or OAVMs" option under e-Voting. You will see Company Name: "Coromandel International Limited" on the next screen. Click on the e-Voting link available against Coromandel International Limited or select e-Voting service provider "KFin" and you will be re-directed to the e-Voting page of "KFintech" to cast your vote without any further authentication.

B. Individual Members holding shares in Demat mode with Central Depository Services (India) Limited ("CDSL"):

1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:

i. Type in the browser / Click on any of the following links: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi / Login to My Easi option under Quick Login (best operational in Internet Explorer 10 or above and Mozilla Firefox).

ii. Enter your User ID and Password for accessing Easi / Easiest.

iii. You will see Company Name: "Coromandel International Limited" on the next screen.

iv. Click on the e-Voting link available against Coromandel International Limited or select e-Voting service provider "KFintech" and you will be re-directed to the e-Voting page of KFintech to cast your vote without any further authentication.

2. Users not registered for Easi/ Easiest facility of CDSL may follow the following procedure:

i. To register, type in the browser / Click on the following link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration

ii. Proceed to complete registration using your DP ID Client ID (BO ID), etc.

iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.

3. Users may directly access the e-Voting module of CDSL as per the following procedure:

i. Type in the browser / Click on the following links: https://evoting.cdslindia.com/Evoting/EvotingLogin

ii. Provide Demat Account Number and PAN

iii. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account.

iv. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against Coromandel International

Limited or select e-Voting service provider "KFintech" and you will be re-directed to the e-Voting page of KFintech.

C. **Individual Members holding shares in Demat mode - Procedure to login through their demat accounts / Website of Depository Participant:**

i. Individual Members holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL.

ii. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins.

iii. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/ CDSL (as may be applicable). Click on the e-Voting link available against Coromandel International Limited or select e-Voting service provider "KFintech" and you will be redirected to the e-Voting page of KFinTech to cast your vote without any further authentication.

iv. Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / "Forgot Password" options available on the websites of Depositories / Depository Participants.

Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / Forgot Password" options available on the websites of Depositories /Depository Participants.

Contact details in case of any technical issue:

Securities held with NSDL
Members facing any technical issue during login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 1800 1020 990 / 1800 22 44 30

Securities held with CDSL
Members facing any technical issue during login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

II. **Information about remote e-Voting by Members, other than those holding shares of the Company in demat mode, and all Members holding shares in physical mode:**

A. **In case a shareholder receives an e-mail from the Company / KFin [for Members whose e-mail address is registered with the Company / Depository Participant(s)]:**

i. Launch internet browser by typing the URL: https://evoting.kfintech.com

ii. Enter the login credentials. The E-Voting Event Number: 6665 followed by Folio No. or DP ID Client ID will be your User ID. If you are already registered with KFin for e-Voting, you can use the existing password for logging-in. If required, please visit https://evoting.kfintech.com or contact toll-free number 1800-3094-001 (from 9:00 a.m. to 6:00 p.m. on all working days) for assistance on your existing password. Members who forgotten the Password are advised to use "Forgot Password" options available on the website.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging-in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.,). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN): 6665 for Coromandel International Limited.

vii. On the voting page, enter the number of shares as on the Cut-off Date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the Cut-off Date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

viii. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAINED".

x. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

xi. A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

xii. Once you confirm, you will not be allowed to modify your vote.

xiii. Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI etc.,) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser through email ID: rsaevoting@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Coromandel – 60th AGM".

B. **In case whose email address is not registered with the Company / Depository Participants. kindly follow the instruction in Note No. 14 & 16 to the Notice.**

Any Member who has forgotten the User ID and Password, may obtain/ generate/retrieve the same from KFintech in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS:

MYEPWD E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399.

1. Example for NSDL: MYEPWD XXXXIN12345612345678

2. Example for CDSL: MYEPWD XXXX1402345612345678

3. Example for Physical: MYEPWD XXXX1234567890

ii. If e-mail address and mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.kfintech.com/ the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call on KFintech's toll-free numbers 1800-309-4001 [from 9:00 A.M. (IST) to 6:00 P.M. (IST) on all working days].

iv. Member may send an e-mail request to evoting@kfintech.com. After due verification of the request, User ID and password will be sent to the Member.

v. If the Member is already registered with KFintech's e-voting platform, then he/she/it can use his/her/its existing password for logging-in.

In case of any query on e-voting, Members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of KFin's website for e-voting: https://evoting.kfintech.com or contact KFintech as per the details given below.

Members are requested to note the following contact details for addressing e-voting / Insta Poll related grievances:

Mr. Vasant Rao Chowdhary,
Manager - Corporate Registry

KFin Technologies Limited

"Selenium Tower-B", Plot No. 31 & 32,

Financial District, Nanakramguda,

Serilingampally, Hyderabad - 500032, Telangana.

Toll-free No.: 1800 3094 001

Email: einward.ris@kfintech.com

Voting at the e-AGM:

i. Members, who cast their votes by e-voting prior to AGM may attend the AGM, but will not be entitled to cast their votes again. Members who could not vote through remote e-Voting may avail the e-Voting system provided at the e-AGM ("Insta Poll") by KFin Technologies Limited.

ii. Only those Members/ Shareholders who will be present in the e-AGM through Video Conferencing facility and who have not cast their vote through remote e-Voting are eligible to vote through Insta Poll.

iii. Members who have voted through remote e-Voting will be eligible to attend the e-AGM. However, such Members will not be eligible to vote at the meeting.

iv. Insta Poll Instructions: The e-Voting "Thumb sign" on the left hand corner of the video screen shall be activated upon instructions of the Chairman during the e-AGM proceedings. Members shall click on the same to take them to the "Insta Poll" page.

v. Members to click on the "Insta Poll" icon to reach the resolution page and follow the instructions to vote on the resolutions.

vi. Members may contact Mr. Vasant Rao Chowdhary, Manager - Corporate Registry at KFintech for any grievances relating to Insta Poll.

18. Instructions for attending the e-AGM through VC/ OAVM are as under:

Detailed procedure and manner for participating in e-AGM is explained as under:

i. Attending e-AGM through Video conferencing:

Members will be able to attend the e-AGM through VC / OAVM provided by KFintech. Members are requested to follow the procedure given below:

a. Launch internet browser (latest version of Chrome/ Firefox/Safari/ Internet Explorer 11 or MS Edge) by typing the URL: https://emeetings.kfintech.com

b. On the login page, enter the login credentials (i.e., User ID (In case of Demat Account enter - DP ID and Client ID / In case of physical mode enter Folio No.) and Existing Password.

c. After logging in, click on "Video Conference" option.

d. Then click on camera icon appearing against AGM event of Coromandel International Limited to attend the AGM.

ii. Members who have forgotten the Password are advised to use "Forgot Password" options available on the website.

iii. Members will be permitted to participate in the e-AGM on first come first serve basis (FCFS), as the participation through video conferencing is limited to 1,000 members only. The members can login and join 15 minutes prior to the scheduled time of the e-AGM and the window for joining will be kept open till expiry of 15 minutes after the scheduled time of e-AGM on FCFS basis. However, there is no restriction on participation for large shareholders (shareholders holding 2% or more shareholding), Promoters and Institutional Investors.

iv. The attendance of the Members who have logged in and are attending the e-AGM will be counted for the purpose of reckoning quorum under Section 103 of the Act.

v. Members are encouraged to participate in the e-AGM through laptops or desktops with Google Chrome for better experience.

vi. Members are required to allow camera, if any, and use Internet with a good speed to avoid any disturbance during the meeting.

vii. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate aforesaid glitches.

viii. **AGM questions prior to e-AGM:** Shareholders who would like to express their views or ask questions during the meeting may log into https://emeetings.kfintech.com/ and click on "Post your Questions" and may post their queries/views/questions in the window provided by mentioning the name, demat account number/ folio number, email id, mobile number. The Members may post their questions from Monday, July 18, 2022 at 9.00 a.m. to Friday, July 22, 2022. at 5.00 p.m.

ix. **Speaker Registration during e-AGM session:** Member may log into https://emeetings.kfintech.com/ and click on "Speaker Registration" by mentioning the demat account number / folio number, city, email address, mobile number and submit. The speaker registration shall commence from Monday, July 18, 2022 at 9.00 a.m. and shall close on Friday, July 22, 2022 at 5.00 p.m.

x. In case of any query relating to the procedure for attending e-AGM through VC/OAVM or for any technical assistance, the members may call on toll free no.: 1800 3094 001 or send an e-mail at einward.ris@kfintech.com

Other Instructions:

i. The Members may update their mobile number and e-mail id in the user profile details of the folio which can be used for sending future communication(s).

ii. The e-Voting period commences on **Saturday, July 23, 2022 (9.00 a.m. IST) and ends on Tuesday, July 26, 2022 (5.00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., **Wednesday, July 20, 2022**, may cast their vote electronically in the manner as set out herein above. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

iii. Those who become Members of the Company after dispatch of the Notice of AGM but on or before **Wednesday, July 20, 2022 (cut-off date)** may write to KFintech at evoting@kfintech.com or to the Company at investorsgrievance@coromandel.murugappa.com requesting for user ID and password. On receipt of user ID and password, the steps from SL. Nos. (i) to (vii) mentioned in (A) above should be followed for casting of vote.

iv. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date i.e., Wednesday, July 20, 2022.**

v. The Board of Directors has appointed Mr. R. Sridharan (Membership No. F4775 and CP No. 3239), Practicing Company Secretary of M/s R Sridharan & Associates, Company Secretaries, as the Scrutiniser to scrutinise the e-Voting process in a fair and transparent manner.

vi. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

vii. The Results shall be declared either by the Chairman or by a person authorized in writing by the Chairman and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).

viii. Immediately after declaration of results, the same shall be placed along with the Scrutiniser's Report on the Company's website www.coromandel.biz and on the website of KFintech https://evoting.kfintech.com, and communicated to stock exchanges viz., BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.

ix. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

ANNEXURE TO NOTICE

Details of the Director seeking reappointment at the 60th Annual General Meeting vide item No. 4 of the Notice dated April 28, 2022, as required pursuant to the Regulation 36(3) of the Listing Regulations and Secretarial Standards – 2, are given below:

Mr. A Vellayan

Mr. A Vellayan, aged 69 years, is the Chairman of the Company. He holds a Bachelor's degree in Commerce from Shri Ram College of Commerce, New Delhi, Diploma in Industrial Administration from Aston University, UK and Masters in Business Studies from University of Warwick Business School, UK. He has been conferred Doctor of Science (Honoris Causa) by Aston University, UK. Mr. Vellayan is the Chairman of the Indian Institute of Management, Kozhikode and Roca Bathroom Products Private Limited. He has vast experience in fertilisers business, general management and financial planning.

Mr. Vellayan also holds directorship in Kanoria Chemicals & Industries Limited, Ambadi Investments Limited, Roca Bathroom Products Private Limited and the Fertilizer Association of India. He does not hold membership in any Board Committees of these Companies. He has not resigned from the Board of any listed Company during the last three years.

Mr. Vellayan held various positions in the Murugappa Group in the past. He also served on the Board of the Company in the past. He was again appointed as Director effective from November 11, 2020, taking into consideration his vast experience in fertilizers industry.

Profile of Mr. A Vellayan, and his attendance and remuneration for the financial year 2021-22 appear in the Annual Report under Directors' Profile and in Corporate Governance Report.

Mr. A Vellayan is proposed to be re-appointed as a Director liable to retire by rotation at the ensuing Annual General Meeting, and shall be entitled to such remuneration as the Chairman, as approved by the Members. Mr. Vellayan holds 1,18,150 equity shares of the Company and is not related to any other Director on the Board or Key Managerial Personnel of the Company.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Item No. 5

Payment of commission to Mr. A Vellayan, Chairman of the Company

Regulation 17(6)(a) of the Listing Regulations provides that where the annual remuneration payable to any Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors, such payment should be approved by the Shareholders by special resolution.

Considering the contribution being made by Mr. A Vellayan, Chairman to the Company, and as recommended by the Nomination and Remuneration Committee, the Board has approved payment of commission of Rs. 200 Lakhs to Mr. A Vellayan for the financial year 2021-22, subject to the approval of the Shareholders of the Company as required in terms of Regulation 17(6)(a) of the Listing Regulations. The Company had been making payment of differential remuneration to the Chairman as per the approval given by the shareholders in the past.

The overall commission proposed for all the Non-Executive Directors is Rs. 271.56 Lakhs, which is well within the limits of 1% of net profits of the Company for financial year 2021-22 as computed in the manner laid down in Section 198 of the Act.

Accordingly, approval of the Shareholders is being sought for payment of commission to Mr. A Vellayan, Chairman, as the proposed remuneration to him exceeds fifty per cent of the total remuneration payable to other Non-Executive Directors of the Company for the financial year 2021-22.

Mr. A Vellayan, Chairman and his relatives are interested in Item no. 5 to the extent of their shareholding. None of the other Directors and Key Managerial Personnel of the Company, including their relatives, are concerned with or interested in, financially or otherwise, in the Resolution as set out at Item no. 5.

The Board recommends the Special Resolution as set out at Item No.5 for approval by Shareholders.

Item No.6

Appointment of Mr. Narayanan Vellayan to an office or place of profit in the Company.

It is proposed to appoint Mr. Narayanan Vellayan, who is a related party, being related to Mr. A. Vellayan, Chairman to an office or place of profit as Head-Strategic Sourcing in the Company with effect from August 1, 2022.

As required in terms of provisions of Section 177 and 188 of the Companies Act, 2013, and Rule 15(3)(b) of the Companies (Meetings of Board and Its Powers) Rules, 2014, any appointment of a related party to any office or place of profit in the Company at a monthly remuneration exceeding Rs. 2.50 lakhs shall be subject to prior approval of the Audit Committee, the Board of Directors and the Shareholders of the Company.

Accordingly, and on the basis of the recommendation made by the Nomination & Remuneration Committee, and the Audit Committee, the Board of Directors at its meeting held on April 28, 2022 has approved the appointment of Mr. Narayanan to an office or place of profit as Head-Strategic Sourcing in the Company with effect from August 1, 2022, subject to the approval of the Shareholders of the Company.

Mr. Narayanan Vellayan has graduated from University of Bristol, UK with a LLB (Hons). He has key competencies in business areas like strategic partnering, business planning and development, leadership, strategic sourcing, financial acumen, value generation, branding and new product introduction, creative thinking, and networking. He has about 14 years of experience having worked with KMPG and the Company in the past.

Accordingly, consent of the Shareholders is being sought for appointment of Mr. Narayanan Vellayan to an office or place of profit as Head-Strategic Sourcing in the Company with effect from August 1, 2022 at a remuneration as set out in item no. 6 of the Notice of Annual General Meeting.

Mr. A Vellayan, Chairman and his relatives are interested in Item no. 6 to the extent of their shareholding. None of the other Directors and Key Managerial Personnel of the Company, including their relatives, are concerned with or interested in, financially or otherwise, in the Resolution as set out at Item no. 6.

The Board recommends the Ordinary Resolution as set out at Item No. 6 for approval by the Shareholders.

Item No. 7

Ratification of remuneration to Cost Auditors

The Board of Directors, upon recommendation of the Audit Committee, approved the appointment of M/s. Narasimha Murthy & Co., Cost Accountants and Mrs. Jyothi Satish, Cost Accountant as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2022-2023 on the remuneration payable to them as per details furnished in item no. 7 of the Notice of the Annual General Meeting.

In accordance with the provisions of Section 148 of the Act read with Rule 14 (a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company. Accordingly, consent of the Shareholders is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-2023.

None of the Directors and Key Managerial Personnel of the Company, including their relatives are concerned with or interested in, financially or otherwise, in the resolution as set out at item no. 7.

The Board recommends the Ordinary Resolution set out at Item No. 7 for approval by shareholders.

By Order of the Board
For Coromandel International Limited

Date: April 28, 2022
Place: Secunderabad

Rajesh Mukhija
Sr. Vice President – Legal & Company Secretary

20. Board's Report

Dear Members,

Your Board of Directors have the pleasure of presenting the 60th Annual Report on the operational and business performance of the Company together with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2022.

1. Standalone Financial Highlights

Rs. In crores

Particulars	FY 2021-22	FY 2020-21
Revenue		
From Operations	19,088.26	14,156.20
Other Income	143.17	74.49
Total Income	**19,231.43**	**14,230.69**
Profit		
Profit before Interest, Depreciation and Taxation	**2,178.86**	**2,044.11**
Less: Interest	75.43	105.62
Less: Depreciation	172.02	172.45
Profit Before Tax	**1,931.41**	**1,766.04**
Less: Provision for Tax (including deferred tax)	518.96	453.46
Profit After Tax	**1,412.45**	**1,312.58**

Your Company's Revenue from operations for the reporting year stood at Rs. 19,088.26 crores as against Rs. 14,156.20 crores last financial year. The Profit before Interest, Depreciation, and Taxation grew to Rs. 2,178.86 crores from Rs. 2,044.11 crores in the previous year, registering a growth of 6.6%. The Net Profit for the year grew to Rs. 1,412.45 crores from Rs. 1,312.58 crores in the previous year, an increase of 7.6% YoY. The EBITDA margin decreased 325 basis points to 10.66%, and the PAT margin decreased 187 basis points to 7% in FY 2021-22 over the previous reporting period. The Earnings Per Share (EPS) for the year stood at Rs. 48.14 per share, an increase of 7.5 % compared to Rs. 44.77 per share for the previous reporting year.

2. Business Environment

The global economy witnessed its fastest growth in the last 80 years in 2021. The World Bank estimates show that the global economy expanded by 5.7%. Relaxation of pandemic-related lockdowns and fiscal stimulus helped boost the demand. However, the outlook has deteriorated for 2022 as the emergence of new variants of Covid 19, the Russia-Ukraine crisis, frequent and wider-ranging lockdowns in China, persistent price pressures leading to a tightening of monetary policies in many countries and a commodity price surge in energy and food has increased the risk to growth prospects.

India has been staging a sustained economic recovery since the second half of FY 2020-21. The GDP is expected to grow by 8.7% during the current financial year. Though the year started on a muted note as the second wave of Covid-19 pandemic stretched the country's health infrastructure, the ramped-up public health measures and policy interventions lent support and reversed the economic slowdown. Major economic indicators like forex reserves, merchandise exports, FDI inflows, GST collections etc., remain healthy. The inflationary trends experienced in the last six months remain a concern area for the economy.

On the Covid-19 front, India has made significant strides in ensuring a speedy and efficient vaccine rollout for containment and management of the pandemic. India commenced the world's largest vaccination program with an ambitious target to inoculate its entire eligible population by December 31 2021, with at least the first dose. In the last year, it has administered more than 180 crore vaccines. In addition, India's effort and leadership role in ensuring global vaccine equality by supplying ~18 crores of vaccines to the low- and middle-income Countries has been lauded globally.

Agriculture

The agriculture sector in India experienced strong Kharif and Rabi seasons and is expected to grow by 3.3% during the year. Normal monsoon ensured higher crop acreages, and India is expected to record its highest food grain production (315 million tons). Agricultural exports grew by 20% to USD 50 billion, led by cereal, marine, sugar, and cotton crops. Further, disruptions in cereal supplies from the Baltic region have opened additional export opportunities for the Indian farmers.

The supportive Central and State Governments facilitated the continuance of sector operations by exempting agricultural activities during the lockdown. To improve liquidity in the system, direct money transfer programs, Agri credit schemes and record procurement under the MSP programme were implemented. The Government is focusing on leveraging technology and data analytics in agriculture and introduced several reforms to promote its adoption during the year.

On the subsidy front, the government's increased subsidy disbursements were in line with increased raw material prices and kept the Agri input prices under control. For FY 2021-22, the revised estimate for fertiliser subsidies stands at Rs. 1,40,122 crores (Budget: Rs. 79,529 Crore).

Going forward, higher Agri commodity prices, Government agriculture focus, the expectation of a normal monsoon, and higher reservoir levels bodes well for agriculture.

3. Performance Review

Fertiliser

The Company's fertiliser business recorded a strong performance during the year, strengthening its branding & marketing capabilities, manufacturing, and supply chain efficiencies. Amidst the second wave of Covid-19, the business undertook various initiatives at its offices, manufacturing plants and in the marketplace to ensure the safety of its employees, channel partners, the neighbouring communities, and the farmers. The plants operated flexibly to moderate their Annual Turnaround period and maximise production. Safety continued to be a key focus area, and the business undertook structural stability and preventive maintenance activities at the plants. To improve its backward integration capabilities, the business initiated a brownfield project to expand its Sulphuric acid manufacturing capacity at the Vizag plant. The plant is expected to come onstream in FY2024 and will help in reducing import dependence. The business has been strengthening its digital and automation capabilities to improve its consumer connect, business intelligence, and predictive analytics. During the year, it worked on several initiatives in this regard.

Overall, the primary sales volumes of DAP and Complex fertilisers were marginally lower at 33.2 lakh tons. Consumption, as reflected through the point of sales from retailers to the farmers, stood at 34.5 lakh tons. The Company's consumption market share improved to 16.7% (FY21: 15.7%), with gains in major operating markets. The business introduced 'Groshakti Plus', Zinc fortified NPK offering improved nutrient availability and balanced nutrition. Integrated nutrient marketing structure supported by the agronomist team and Nutriclinics continued to support the business in promoting its balanced nutrition approach and market development initiatives.

Despite disruptions in Q1 due to COVID-19 related restrictions, Company's fertiliser plants operated at 84% capacity and produced 28.4 lakh tons of DAP + Complex Fertilisers.

Single Super Phosphate (SSP) product segment within fertiliser, an economical source of Phosphate providing multiple nutrients like Sulphur and Calcium, registered 55% consumption growth and maintained its leadership position with a market share of 16.1% (Last year 12.8%). During the year, sales volumes grew by 17% to 7.6 lakh tons. The business focused on providing farmers with superior granulated and fortified products like Groplus, which continued to receive encouraging feedback from the market. Production for the year stood at 7.3 lakh tons, 10% higher than the previous year.

Crop Protection

Crop Protection business of your Company witnessed a strong revenue growth, improving its top line by 21% over last year. The increase was led by technical sales in Exports and the domestic B2B channel. New and speciality products continue to do well and have contributed ~56% of the domestic formulation sales.

Though Covid related disruptions impacted the supply chain, the business strengthened its sourcing capabilities by developing new vendors and customers. The business implemented manufacturing excellence initiatives that resulted in efficiency improvements. It continued to strengthen its safety focus and carried out structural strengthening across the manufacturing locations. During the year, the business has been augmenting its Quality, Safety, Sales, and Marketing functions.

With a view to enriching its product portfolio, the business introduced 6 new products during the year, including one novel combination product. The Business is working on a rich pipeline of new molecules and combination products. During the year, it received more than 80 registrations, including combination products and plans to leverage them to strengthen its offerings in the domestic and international markets.

Bio Products

The Bioproducts business registered a moderate growth during the year despite the challenges encountered in neem seed sourcing due to delayed neem seed arrivals. The R&D team is working on several new products and applications to expand its product offerings in collaboration with leading agriculture universities. With the increased focus on integrated pest management globally, the business is working towards ramping up its Aza production capacity.

Retail

The Retail business, which operates a network of 750 company-operated stores in Andhra, Telangana and Karnataka, continued to focus on improving its product offering and consumer connect with the farming community. Through its 2000+ marketing team, the business offers farm advisory with initiatives like 'Scientist at Store', soil testing and agronomic recommendations, including balanced nutrition and integrated pest management.

During the year, the stores followed strict safety protocols and supported the farming community by offering Agri solutions, including products and services. The business has been testing out new technology solutions in the areas of nutrient management, crop diagnostics and spraying. During the year, it initiated drone and boom spraying trials. Further, it is partnering with the startup ecosystem to introduce novel products and technologies. The business continued to diversify its portfolio of products and services and focused on digital farming solutions to ensure better reach to the end customer.

Speciality Nutrients

Speciality Nutrients business, which promotes balanced nutrition by offering secondary & micro-nutrients, organic products and water-soluble fertilisers, registered robust growth during the year.

The business set up a liquid fertiliser plant at Vishakhapatnam and introduced 2 new products – a liquid fertiliser with Zinc and a water-soluble fertiliser for the Grapes segment. It improved its sourcing capabilities for organic products and registered a 27% volume growth. The business's water-soluble fertiliser plant at Kakinada reported an 18% production growth during the year. It partnered with a variety of value chain partners, including seed companies, drip irrigation companies, FPOs, contract farming companies, e-commerce platforms and government institutions.

4. Finance

Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and backup lines of credit. The Company's working capital remained at comfortable levels through the year, and Net Cash from operations for the year stood at Rs. 2,093 crores.

During the year, the Company's long-term credit rating by 'CRISIL' has been revised to 'CRISIL AA+ (positive)', and its short-term debt rating stands at 'CRISIL A1+'. The Company's long-term credit rating by 'India Ratings & Research (A Fitch Group Company) has been revised to 'IND AA+ (positive)', and its short-term debt rating stands at 'IND A1+'. This reflects a very high degree of safety regarding timely servicing of financial obligations and a vote of confidence reposed in the Company's financials.

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

5. Dividend

Your Directors are pleased to recommend a final Dividend of Rs. 6 per equity share of Re.1/- each. Your Board had earlier approved the payment of an interim dividend of Rs. 6 per equity share at its meeting held on February 3, 2022, and the same was paid on March 2, 2022. Accordingly, the total dividend for the year ended March 31, 2022, would be Rs. 12/- per equity share of Re.1/- each. The total outgo for the year would be Rs.352.20 crore, including tax deducted at source (TDS). The Company has adopted a Dividend Distribution Policy in line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Dividend Distribution Policy is available on the website of the Company at https://www.coromandel.biz/investors/policies/

6. Scheme of Amalgamation of Liberty Pesticides and Fertilisers Limited (LPFL) and Coromandel SQM (India) Private Limited (CSQM)

Your Board approved the scheme of amalgamation of LPFL and CSQM with the Company ('Scheme'), subject to requisite statutory and regulatory approvals. Pursuant thereto, the joint petition was filed before the Hon'ble National Company Law Tribunal (NCLT), Hyderabad seeking approval of the Scheme. The Hon'ble NCLT vide its order dated April 26, 2022, approved the Scheme. The Appointed Date for the scheme is April 1, 2021. The Scheme shall be effective upon the filing of a certified true copy of the order with the Registrar of Companies, Hyderabad. Upon the Scheme becoming effective, LPFL and CSQM would stand dissolved without going through the process of winding up.

7. Consolidated Financial Results

The consolidated financial statements prepared in accordance with the provisions of the Companies Act, 2013 ('the Act') and the relevant accounting standards form part of this Annual Report. As required under the provisions of the Act, a statement showing the salient features of the financial statements of the subsidiaries, associates and joint ventures are enclosed as Annexure A to this Report.

The financial statements of the subsidiary companies will be made available to the members of the Company upon request. They will also be kept for inspection at the Registered Office of the Company.

8. Subsidiary Companies

Brief details of the performance of the subsidiaries of the Company are given below:

i. Parry Chemicals Limited (PCL):

PCL, a wholly owned subsidiary of the Company, earned a total revenue of Rs.0.97 crore for the year ended March 31, 2022, and Profit after Tax was Rs.0.36 crore. PCL has filed an application with the Ministry of Corporate Affairs (MCA) for a change of name of the Company to "Coromandel Chemicals Limited". MCA's approval is awaited.

ii. Dare Ventures Limited (DVL) [Formerly Dare Investments Limited):

During the year, the Ministry of Corporate Affairs accorded its approval for the change of name from "Dare Investments Limited" to "Dare Ventures Limited" ('DVL'). Further, the Company acquired additional 7493,188 equity shares of DVL at a consideration of Rs. 11 crores.

DVL, a wholly owned subsidiary of the Company, did not have any significant operations. It incurred a loss of Rs. 0.40 crore for the year ended March 31, 2022.

DVL will serve as an investment vehicle for the Company in order to tap the growing startup ecosystem and identify and invest in early stage to late stage startups in the agri-tech and other sectors.

iii. CFL Mauritius Limited:

CFL Mauritius Limited, a wholly-owned subsidiary, incurred a loss of $ 0.04 million during the year ended March 31, 2022. The primary source of income for this subsidiary is dividend income from Foskor (Pty) Ltd. The subsidiary did not receive any dividend from Foskor during FY 2021-22.

iv. Coromandel Brasil Limitada (CBL):

CBL, a Limited Liability Partnership, owned 100% by the Company and its subsidiary CFL Mauritius Ltd, is primarily engaged in getting product registrations in Brazil and procuring orders for supplies from India. It earned a loss of Brazilian Reals 0.80 million (equivalent to Rs.0.11 crore) for the year ended March 31, 2022.

v. Coromandel Australia Pty Ltd (CAPL) [Formerly Sabero Australia Pty Ltd]:

CAPL did not have any significant operations during the year ended March 31, 2022.

vi. Sabero Organics America SA (SOAL):

SOAL is primarily engaged in getting product registrations in Brazil and procuring orders for supplies from India. It incurred a net loss of Brazilian Reals 0.30 million (equivalent to Rs.0.43 crore) for the year ended December 31, 2021.

vii. Sabero Europe BV (SEBV):

SEBV is primarily engaged in getting product registrations in Europe and procuring orders for supplies from India. It did not have any significant operations during the year ended March 31, 2022.

viii. Coromandel Agronegocios De Mexico SA de CV (Coromandel Mexico):

Coromandel Mexico is primarily engaged in getting product registrations in Mexico and procuring orders for supplies from India. It earned a net profit of Mexican Peso 1.04 million (equivalent to Rs. 0.36 crore) for the year ended December 31, 2021.

ix. Sabero Argentina SA (Sabero Argentina):

Sabero Argentina is primarily engaged in getting product registrations in Argentina and procuring orders for supplies from India. It did not have significant operations during the year ended March 31, 2022.

x. Parry America Inc.:

Parry America Inc. is primarily engaged in the sale of bio-pesticides in America. It made a net profit of USD 1.40 million (equivalent to Rs.10.40 crore) for the year ended March 31, 2022.

xi. Coromandel International (Nigeria) Limited (CINL):

CINL is engaged in getting product registrations in Nigeria and procuring orders for supplies from India. It made a net profit of Naira 7.66 million (equivalent to Rs.0.01 crore) for the year ended December 31, 2021.

xii. Coromandel Mali SASU (CMS):

Coromandel Mali SASU (CMS) was incorporated on February 04, 2020, as a Wholly Owned Subsidiary (WOS) of the Company for the purpose of obtaining registration for the marketing of agrochemicals. CMS is registered with Ministry in Charge of Statistics, Republic of Mali and is yet to commence its business operations.

Associate Company

Sabero Organics Philippines Asia Inc (SOPA)

SOPA, an associate company based in the Philippines, did not have any significant operations during the FY 2021-22.

Joint Venture Company

Brief information on the performance of the Yanmar Coromandel Agrisolutions Private Limited (YCAPL), a Joint Venture (JV) Company, is given below:

YCAPL, a Joint Venture company between Coromandel, Yanmar, and Mitsui, is into sales and service of agri-tech equipment focussed on farm mechanisation in India. YCAPL has been consolidating its position as amongst the market leaders in India in the Combine Harvester and Rice Transplanter segments. The total income for the year was Rs. 145.96 crores, and the net profit was Rs.7.27 crore.

Strategic Investment(s):

Brief details of the performance of the Strategic Investment companies are given below:

i. Tunisian Indian Fertilisers SA, Tunisia (TIFERT):

TIFERT, a company based in Tunisia, manufactures phosphoric acid, a key raw material for operating Phosphatic Fertiliser plants. Your Company's strategic investment in TIFERT (15% equity) is aimed at securing a steady supply of phosphoric acid to the Company's operations at Kakinada and Visakhapatnam. During the year, TIFERT operations were impacted by the pandemic and other social and technical issues. Indian partners, Coromandel and GSFC, continue to provide necessary technical support to TIFERT to improve the plant performance.

ii. Foskor (Pty) Limited, South Africa (Foskor):

Your Company, along with CFL Mauritius Limited, holds 14% equity in Foskor. Foskor supplies high-quality phosphoric acid used for phosphatic fertiliser manufacturing at the Kakinada and Ennore plants of your Company. The financial performance of Foskor improved during the year with efficient mining operations resulting in higher rock production. However, acid production was affected due to the disruptions caused by the pandemic resulting in lower capacity utilisation. Your Company is working with the Foskor team on a business turnaround plan and is providing technical assistance for improving acid production and plant efficiency.

9. Risk Management Policy

The Company has constituted a Risk Management Committee. Details of the constitution of the Committee are set out in the Corporate Governance Report. The Company has formulated a Risk Management Policy under which various risks associated with the business operations are identified. Risk mitigation plans have been put in place, details of which are set out in the Management Discussion and Analysis Report.

10. Internal Financial Control Systems and their adequacy

The Company has adequate internal controls consistent with the nature of business and size of the operations to effectively provide for the safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures, and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against the approved budget on an ongoing basis.

The Company has a corporate internal audit function to monitor and assess the adequacy and effectiveness of the Internal Controls and Systems of all key processes across various locations. Deviations are reviewed periodically, and due compliance is ensured. Summary of Significant Audit Observations along with recommendations and their implementations are reviewed by the Audit Committee, and concerns, if any, are reported to the Board.

11. Related Party Transactions

All related party transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. The related party transactions entered by the Company are reviewed by independent chartered accountants to confirm that they were in the ordinary course of business and at arm's length basis. Form AOC-2 will not form part of the Board's report, as all the transactions with related parties are on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large.

As required under the Indian Accounting Standards, related party transactions are disclosed in Notes to the Company's financial statements for the financial year ended March 31, 2022. The Policy on Related Party Transaction is available on the Company's website at https://www.coromandel.biz/investors/policies/

None of the Directors had any pecuniary relationship or transactions with the Company except the payments made to them in the form of remuneration, sitting fee, commission and reimbursement of expenses if any.

12. Auditors

i. Statutory Auditors and their report

M/s. S.R. Batliboi & Associates LLP (Reg. No. FRN 101049W/E300004) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 59th Annual General Meeting until the conclusion of the 64th Annual General Meeting of the shareholders of the Company. The requirement of annual ratification of the appointment of the Statutory Auditors at each Annual General Meeting has been dispensed with; accordingly, there is no requirement to seek annual ratification of their appointment.

As required under Regulation 33 of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditor's Report given by M/s. S.R. Batliboi & Associates LLP, on the financial statements of the Company for the year ended March 31, 2022, forms part of the Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Act, therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

ii. Cost Auditors and their report

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Company is required to maintain cost accounting records in respect of certain specified products and accordingly, such accounts and records are made and maintained in the prescribed manner. The cost accounting records maintained by the Company are required to be audited and, accordingly, M/s. Narasimha Murthy & Co. and Mrs. Jyothi Satish were appointed Cost Auditors for FY 2021-22.

On the recommendation of the Audit Committee, the Board has re-appointed M/s. Narasimha Murthy & Co., Cost Accountants and Mrs. Jyothi Satish, Cost Accountant, as Cost Auditors for auditing the cost records of the Company for the financial year 2022-23. The Act mandates that the remuneration payable to the Cost Auditor is ratified by the shareholders. Accordingly, a resolution seeking ratification of the shareholders for the remuneration payable to the Cost Auditors for the financial year 2022-23 is included in the Notice convening the 60th Annual General Meeting.

During the year, the Company filed the Cost Audit Report for FY 2020-21 with the Ministry of Corporate Affairs within the prescribed time limit.

iii. Secretarial Auditor and their report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board had appointed M/s. R Sridharan & Associates, Practicing Company Secretaries, to undertake the secretarial audit of the Company for the financial year 2021-22.

The report of the Secretarial Auditor is enclosed as Annexure B and forms part of this report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

In terms of Regulation 24A of the Listing Regulations, there is no material unlisted subsidiary incorporated in India. Material unlisted subsidiary for the purpose of the said Regulation is a subsidiary whose income/net worth exceeds 10% of the consolidated income/net worth respectively of the Company and its subsidiaries in the immediately preceding accounting year. Hence, there is no requirement for a secretarial audit for any of the Company's subsidiaries in India.

13. Board, Committees of the Board and other information

i. Directors

Your Company is managed and controlled by a Board comprising an optimum blend of Executive and Non-Executive Directors. As on March 31, 2022, the Board of Directors comprised of eleven (11) Directors consisting of Executive Vice Chairman, Managing Director and nine (9) Non-Executive Directors, out of which six (6) Directors are Independent Directors, including one Independent Woman Director. The composition of the Board is in conformity with Regulation 17 of Listing Regulations and the relevant provisions of the Act. The Directors possess requisite qualifications and experience in general corporate management, strategy, finance, engineering, information technology and other allied fields, which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

Mr. Ramesh K B Menon stepped down from the Board of the Company as Director with effect from the close of business hours on March 31, 2022. The Board placed on record its appreciation of the significant contribution made and valuable services rendered by Mr. Ramesh K Menon during his tenure.

Mr. Sudarshan Venu was appointed as an Additional Director designated as Non-Executive Independent Director of the Company effective from February 3, 2022, subject to the approval of the shareholders of the Company. Subsequently, through a postal ballot on March 17, 2022, the shareholders approved the appointment of Mr. Sudarshan Venu as an Independent Director of the Company for a term of five years, effective from February 3, 2022.

Mr. Prasad Chandran ceased to be Director of the Company with effect from the close of business hours on April 20, 2022, on completion of his term of re-appointment as an Independent Director of the Company.

In accordance with Article 17.29 of the Company's Articles of Association, read with Section 152 of the Act, Mr. A Vellayan retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

ii. Board Meetings

An annual calendar of Board meetings is prepared and circulated to the Directors in advance. During the financial year 2021-22, five (5) Board Meetings were held, the details of which are given in the Corporate Governance Report.

iii. Independent Directors and their declaration of Independence

As on March 31, 2022, the Independent Directors of the Company included Mr. Prasad Chandran, Mr. Sumit Bose, Ms. Aruna B. Advani, Mr. K V Parameshwar, Dr. R Nagarajan and Mr. Sudarshan Venu. All the Independent Directors of the Company have furnished the necessary declaration in terms of Section 149(6) of the Act affirming that they meet the criteria of Independence as stipulated thereunder and under the Listing Regulations. All the Independent Directors of the Company have registered on the Independent Directors Databank as required under the Act and the applicable Rules in the said regard. In the opinion of the Board, all the Independent Directors have the integrity, expertise and experience, including the proficiency required to effectively discharge their roles and responsibilities in directing and guiding the affairs of the Company.

iv. Familiarisation Programmes for Independent Directors

The Company's Independent Directors are eminent professionals with several decades of experience in banking and financial services, technology, finance, governance, and management. They are fully conversant and familiar with the business of the Company.

The Company has an ongoing familiarisation programme for all Independent Directors regarding their roles, duties, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc.

The Independent Directors, on their appointment, are familiarised with the Company's operations and businesses. Interaction with the senior leadership team (Business Heads and key executives) of the Company is also facilitated. Detailed presentations on each division's business are made to the Directors from time to time. A manual containing all important policies of the Company is given to the Directors. Meetings with the Chairman, Executive Vice Chairman and the Managing Director are facilitated for new appointees to familiarise them with the Company, its businesses and the practices and policies of the Group.

As part of the familiarisation programme, a handbook is provided to all the Directors, including Independent Directors, at the time of their appointment. The handbook provides a snapshot to the Directors of their duties and responsibilities, rights, appointment process and evaluation, compensation, board procedure, and stakeholders' expectations. The handbook also provides the Directors with an insight into the Group's practices. Further, periodic emails are sent to all the Directors covering events that may have an impact on the business of the Company and/or the agriculture sector in general and fertiliser and crop protection industries, in particular. The details of the familiarisation programme as above are also disclosed on the Company's website.

v. Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has framed a policy for the selection and appointment of Directors, Senior Management and their remuneration. Salient features of the Remuneration Policy are set out in the Corporate Governance Report. The Remuneration Policy is available on the Company's website at https://www.coromandel.biz/investors/policies/

vi. Evaluation of the Board's performance, its Committees and Directors

In accordance with the provisions of Section 134 of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the evaluation of its own performance and the performance of Committees of the Board, namely, the Audit Committee, CSR Committee, Risk Management Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee as well as of the Directors individually. The manner of evaluation of performance and the process adopted for the purpose is explained in the Corporate Governance Report.

vii. Audit Committee

As on March 31, 2022, the Audit Committee comprised of Mr. Sumit Bose, Chairman, Ms. Aruna B. Advani, Member, Mr. K V Parameshwar, Member, Mr. Prasad Chandran, Member, and Mr. Arun Alagappan, Member. During the year, five (5) meetings of the Audit Committee were held, the details of which are provided in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

viii. Directors' Responsibility Statement

As required pursuant to the provisions of Section 134(3)(c) and 134(5) of the Act, the Directors' Responsibility Statement is enclosed as Annexure C to this Report and forms part of the report.

14. Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Arun Alagappan, Executive Vice Chairman, Mr. Sameer Goel, Managing Director, Mrs. Jayashree Satagopan, Chief Financial Officer and Mr. Rajesh Mukhija, Company Secretary, are the Key Managerial Personnel of the Company.

15. Policy on prevention, prohibition and redressal of Sexual Harassment in the workplace

The Company has in place the Prevention of Sexual Harassment Policy (POSH) in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Compliance Committee (ICC) has been constituted in compliance with the requirements of said Act to redress complaints received regarding sexual harassment. All employees are covered under this policy. Employees at all levels are being sensitised about the policy and the remedies available thereunder. During the financial year 2021-22, one complaint was received by the ICC and disposed off during the year under review, with its recommendations. No complaint was pending as of the end of the year.

16. Employee Stock Option Plans

Employee Stock Option Scheme 2007 -ESOP 2007

The Company had in the past approved an Employee Stock Option Scheme 2007 (ESOP Scheme 2007), under which employees were granted Options. The Company made grants under the said Scheme from 2007 to 2011. There were no vested Options outstanding at the end of the financial year, and there will be no grants issued under the ESOP Scheme 2007.

Employee Stock Option Plan - ESOP 2016

The Shareholders had, through Postal Ballot, on January 11, 2017, authorised the Board/ Nomination and Remuneration Committee to issue to the employees such number of Options under the ESOP 2016, as would be exercisable into not exceeding 1,45,81,000 fully paid-up equity shares of Rs. 1 each in the Company. The Nomination and Remuneration Committee is empowered to formulate detailed terms and conditions of the ESOP 2016 and administer and supervise the same. The specific employees to whom the Options would be granted and their eligibility criteria would be determined by the Nomination and Remuneration Committee at its sole discretion.

Further, the Nomination and Remuneration Committee is empowered to determine the eligible subsidiary companies, whether existing or future, whose employees will be entitled to stock options under ESOP 2016. Options granted under ESOP 2016 would vest on or after 1 (one) year from the date of grant but not later than 4 (four) years from the date of grant of such Options or any other terms as decided by the Nomination and Remuneration Committee. The Company has granted 3,31,720 options to the employees during the year under the ESOP 2016. The number of Options vested and outstanding as of the year-end was 10,39,370. The disclosure required to be made under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available on the website of the Company at https://www.coromandel.biz/investors/annual-general-meetings/

17. Vigil Mechanism/ Whistle Blower Policy

The Company has a Whistle Blower Policy, which provides the employees, customers, vendors and directors an avenue to raise concerns on ethical and moral standards and compliance with legal provisions in the conduct of the business operations of the Company. It also provides necessary safeguards for protection against victimisation for whistleblowing in good faith. The Vigil Mechanism is hosted at https://www.coromandel.biz/investors/policies/

18. Corporate Governance

The Company is committed to maintaining the highest standards of Corporate Governance. As stipulated under the Listing Regulations, the Report on Corporate Governance is appended as Annexure D to Board's Report. The requisite certificate from the M/s. R Sridharan & Associates, Practising Company Secretary confirming compliance with the conditions of Corporate Governance by the Company is also attached to the Report on Corporate Governance.

19. Management Discussion & Analysis

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns, etc., is presented in a separate section on page 109 of the Integrated Report.

20. Business Responsibility Report

Pursuant to Regulation 34 of Listing Regulations, the Company has prepared the Business Responsibility Report in line with the business principles as provided in the Business Responsibility Policy adopted by the Company. Business Responsibility Report is enclosed as Annexure E to Board's Report, and the same is also available on the website of the Company.

21. Corporate Social Responsibility

The Murugappa group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare as the core focus areas. The Company upholds the Group's tradition by earmarking a part of its income for carrying out its social responsibilities.

The Company has been carrying out Corporate Social Responsibility (CSR) activities for many years, even before mandated under the Act. The Company has put in place a CSR policy, which is available on the website of the Company at https://www.coromandel.biz/sustainability/

As per the provisions of Section 135 of the Act and the Rules made thereunder, the Company is required to spend Rs.28.12 crores for the financial year 2021-22, i.e. least 2% of the average net profits of the Company made during the three immediately preceding financial years. The Company, however, spent an amount of Rs. 24.65 crores towards CSR activities during the financial year 2021-22. The unspent amount of Rs. 3.47 crores on ongoing projects would be transferred to a separate bank account titled CSR unspent account for FY 2021-22 on or before April 30, 2022, and shall be spent within the time limits specified in the Act and the Rules made thereunder.

Details of the composition of the CSR Committee and the CSR Projects undertaken during the year are given in the Annual Report on CSR Activities, which is appended as Annexure F to this Report.

22. Health, Safety, and Environment (HSE)

Your Company gives high priority to Health, Safety, and Environment (HSE) and has formulated a policy to operate the facilities safely, efficiently and in an environmentally responsible manner. Your Company has put in robust processes and established safety performance indicators to track its HSE performance. A participative approach is adopted where employees are consistently encouraged to raise safety concerns, and these inputs are periodically monitored and actioned. The "Drive to Zero" campaign was launched across CPC sites to increase employee participation in mitigating the work hazard.

The Company has carried out a Safety Culture survey for the fourth consecutive year for fertiliser and a Safety perception survey for CPC, and an overall improvement in performance has been observed. The process safety management enhancement is being firmed up by successfully rolling out the Asset Integrity Policy, Coromandel Common Engineering Standards & Philosophies and PSMS e-learning competency modules across the fertiliser facilities. In CPC business, a framework is being developed for process safety culture in the manufacturing sites of CPC through Dupont sustainable solution and Chola MS Risk Service. The key recommendations from the technical safety audit of Ammonia facilities in the fertiliser business were implemented, thus minimising the risk from ammonia storage & handling.

All facilities of the Fertiliser & Single Super Phosphate (SSP) business and three facilities (Sarigam, Dahej, and Ankleshwar) of Crop Protection Chemical Plants (CPC) were successfully audited by an accredited third party and re-certified for Integrated Management Systems (ISO-45001, ISO 14001 and ISO 9001) in 2021-22. Mitigation of chemical exposure at the Ankleshwar site was done through the implementation of a closed loop Bromine handling system in the Phenthoate plant & installation of a Tote bin system in the Malathion Plant to eliminate H2S gas exposure.

During the year, the combined Total Recordable Injury Rate (TRIR) per million-man hours for the Company stood at 0.60. All fertiliser facilities continued with phase-3 of the structural integrity upgrading program to mitigate asset integrity risks, which has been audited and ratified by a competent third party. To enhance emergency preparedness, projects on fire protection systems upgradation were taken up at fertiliser facilities, and firewater systems have been installed and commissioned in SSP plants (Udaipur, Nandesari, Kota and Nimrani). The fire systems at Dahej and Ankleshwar sites were also upgraded to mitigate the fire hazards by installing a CO2 flooding System, sprinkler system, smoke detectors, and fire alarm & increasing the Firewater reservoir capacity.

Your Company's commitment to environmental sustainability remains firm. Fertiliser, SSP & CPC business units have obtained the unified registration for plastic waste management from CPCB. During the FY 2021 -22, the Company has successfully recycled 5462 MT of Plastic Waste. The Company has completed the plantation of around 2,25,000 saplings under the flagship programme of the Government of Andhra Pradesh known as "Green Visaka".

The Company has created a plantation Known as "HARITHA VANAM" at Visakapatnam unit, where around 9,020 saplings were planted and maintained under TERI's bioremediation Mycorrhiza technology. The Company has planted 14000 saplings under the "Miyawaki Plantation" Methodology at Visakhapatnam Unit. Across the SSP plants, the green coverage has been increased by planting additional 2,029 saplings covering 8,983 sqm. A new HDPE lining of 5 acres was completed along with the gypsum ponds of Visakhapatnam for gypsum storage. A scrubber efficiency study was carried out across fertiliser facilities to establish gaps and rectify them. At the Kakinada unit, a new De-dusting system has been installed at Screen House to improve fugitive emission. To improve efficiencies, scrubber upgradation has been undertaken at the Kota unit.

The Company has upgraded the Online Continuous Emission Monitoring System (OCEMS) at all the Fertiliser & SSP units. During the FY21-22, a new online AAQMS system was installed at the Visakhapatnam unit. The Company has undertaken many jobs for the improvements at Visakhapatnam, including constructing a garland drain with water recycling arrangements, and enhancing the greenery and aesthetics by creating additional Lawns. The plants continue to improve water efficiency by recycling and Zero Liquid Discharge (ZLD) programmes.

CPC sites also implemented green initiatives through the philosophy of 3R's - Reduce the landfilling waste, Recycle the Multi Effect Evaporator condensate in processes, and Reuse raw materials and ingredients.

About 4000 saplings were planted across CPC Business, including an external green belt area of 15,597 Sqm (1560 trees) at Ankleshwar Plant, to increase the Green Belt Area using the concept of Social Forestry.

The Bioproducts business of your Company planted 2000 saplings which comprise of Cashew nary and Eucalyptus varieties in and around the Neem Plantation boundaries at Rasipatti and Kudikdu area as a preventive measure to act as a windbreaker. In addition to this, it has developed a natural storm water drainage system inside the factory to avoid stagnation of continuous water.

Coromandel International Limited Fertiliser Business was awarded Industry Stewardship Champion Gold Award from International Fertilizer Association (IFA) in Dubai in October 2021. Kakinada Unit won Gold Award & Sectorial Topper Award from CII-SR EHS Excellence Award 2021, and Ennore Unit won Bronze Award from CII-SR EHS Excellence Award 2021. Udaipur unit received an appreciation award for the plantation campaign from the District Magistrate of Udaipur. SSP Corporate Function Won Silver Award from CII Award 2020. Nimrani Won the Platinum & Silver Award from CII Award 2020.

During Covid-19 lockdowns, your Company has ensured safe plant shutdown and start up at all manufacturing sites and continues to sustain all efforts throughout the pandemic.

23. Other disclosures

i. Share Capital

The paid-up equity share capital of the Company as on March 31, 2022, was Rs. 29.35 crore. During the year, the Company has allotted 1,17,730 equity shares of Re. 1 each under ESOP 2016 (4,22,780 shares). No equity shares were allotted under ESOP 2007 during the year.

ii. Material Subsidiary Policy

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Regulations, and the same is available on the website of the Company at https://www.coromandel.biz/investors/policies/

iii. Annual Return

In accordance with Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022, is available on the website of the Company at https://www.coromandel.biz/investors/annual-general-meetings/

iv. Conservation of energy, technology absorption, foreign exchange earnings and outgo.

The particulars of conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed under sub-section (3)(m) of Section 134 of the Act, read with Companies (Accounts) Rules, 2014, are enclosed as Annexure G to this Report and form part thereof.

v. Particulars of Employees and Remuneration

The disclosure with respect to remuneration as required under Section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure H to this report.

The statement containing names of the top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure forming part of this report.

However, the annual report is being sent to the Members, excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

vi. Particulars of Loans, Guarantees and Investments

Details of loans and guarantees given and investments made under Section 186 of the Act are shown in the Notes to the Financial Statements.

vii. Public Deposits

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014. No amount of principal or interest was outstanding as on the Balance Sheet date.

viii. Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

ix. Reporting of Frauds

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and the Rules made thereunder.

24. Declaration/Affirmations

During the year under review

- There are no significant material orders passed by the Regulators or Courts that would impact the Company's going concern status and future operations.
- There are no applications made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- The Company has not made any one time settlement with any Bank or Financial Institution as such disclosure or reporting requirements in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not required.

25. Banks and financial institutions

Your Company is prompt in paying interest and repayment of loans to the financial institutions/banks. Banks and Financial Institutions continue their unstinted support in all aspects, and the Board had placed its appreciation for the same on record.

26. Acknowledgement

Your Directors wish to express their grateful appreciation for the valuable support and cooperation received from bankers, business associates, lenders, financial institutions, shareholders, various departments of the Government of India, as well as the State Governments, the farming community and all our other stakeholders.

The Directors acknowledge and would like to place on record the commitment and dedication on the part of the employees of your Company for their continued efforts in achieving good results.

On behalf of the Board of Directors

Date: April 28, 2022
Place: Secunderabad

A Vellayan
Chairman

Annexure A to Board's Report

Statement showing salient features of the financial statements of subsidiaries and joint ventures and associates as per Companies Act, 2013

Part "A" Subsidiaries (in Lakhs)

Name of entity	Parry Chemicals Limited*	Dare Ventures Limited* (Formerly Dare Investments Limited)	CFL Mauritius Ltd.**	Coromandel Brasil Ltd.**	Coromandel Australia Pty Ltd.* (Formerly Sabero Australia Pty Ltd.)	Sabero Organics America S.A.*	Sabero Europe B. V.**	Coromandel Agronegocios de Mexico, S.A de C.V *	Sabero Argentina S.A.**	Parry America Inc**	Coromandel International (Nigeria) Limited*	Coromandel Mali SASU**
Date on which subsidiary is acquired	25 September 2003	13 April 2012	17 June 2008	24 November 2008	31 December 2014	31 December 2014	31 December 2014	31 December 2014	31 December 2014	19 April 2018	05 October 2018	04 February 2020
Share capital	1,000	1,249	10,281	471	41	888	19	29	18	38	23	7
Reserves and surplus	721	600	(10,141)	(543)	(47)	(777)	(19)	147	(20)	5,415	(11)	0
Total liabilities	502	38	15	136	8	10	-	73	2	504	75	-
Total assets	2,223	1,888	155	64	2	121	-	249	-	5,957	87	7
Investments (included in Total assets)	-	675	4,804	20	1	-	-	-	-			
Total income (including other income)	97	-	##	317	4	104	-	330	-	9,854	48	-
Profit/(Loss) before tax	54	(40)	(27)	(113)	(9)	(42)	-	38	-	1,232	1	-
Provision for tax	18	-	-	-	-	1	-	-	-	192	-	-
Profit/(Loss) after tax	36	(40)	(27)	(113)	(9)	(43)	-	36	-	1,040	1	0.09
Dividend	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	99.98%	100%	100%	95%	100%	99.99%	100%
Reporting period	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 December 2021	31 March 22	31 December 2021	31 March 2022	31 March 2022	31 December 2021	31 March 2022
Reporting currency	Indian Rupee	Indian Rupee	USD	Brazilian Real	Australian Dollar	Brazilian Real	Euro	Mexican Peso	Argentina Peso	USD	Naira	West African CFA
Closing exchange rate	-	-	75.80	16.03	56.83	13.38	84.07	3.64	0.68	75.80	0.181	1.3

##Less than a lakh

Notes:

1. There are no subsidiaries which are yet to commence operations.
2. There are no subsidiaries which have been liquidated or sold during the year.

Part "B" : Joint ventures/ Associates

Statement showing salient features of the financial statements of subsidiaries and joint ventures and associates as per Companies Act, 2013

Name of entity	Yanmar Coromandel Agrisolutions Private Limited**	Sabero Organics Philippines Asia Inc.*
Relationship	Joint venture	Associate
Latest audited/unaudited balance sheet date	31 March 2022	31 March 2022
Date on which the associate or Joint venture was associated or acquired	14 January 2014	31 December 2014
Number of shares held by the Company	1,60,00,000	320
Amount of investment (₹ in lakh)	160	#
% of shareholding	40%	40%
Networth attributable to the Company (₹ in lakh)	1,718	16
Profit/ (loss) for the year		
i. Considered in consolidation(₹ in lakh)	365	9
ii. Not considered in consolidation (₹ in lakh)	242	14

#Less than a lakh

Notes:

1. All the joint ventures/ associates have been considered for consolidation.
2. In case of Sabero Organics Philippines Asia Inc., an Associate there is significant influence due to percentage of voting share capital.

* Audited

** Unaudited

For and on behalf of the Board of Directors

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Annexure B to Board's Report

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members
COROMANDEL INTERNATIONAL LIMITED
CIN: L24120TG1961PLC000892
1-2-10, Sardar Patel Road, Secunderabad
Telangana – 500003.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coromandel International Limited **[Corporate Identification Number: L24120TG1961PLC000892]** (hereinafter called "the Company") for the financial year ended 31st March, 2022. 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder. There are no Overseas Direct Investment, External Commercial Borrowings and Foreign Direct Investment during the year under review;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018; (not applicable during the period under review);

d) The Employee Stock Option Plan, 2016 approved under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Employee Stock Option Scheme, 2007 approved under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable as the company is not registered as Registrar to an Issue and Share transfer Agent during the year under review).

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ; (not applicable during the year under review) ; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable during the year under review);

(vi) The Management has identified and confirmed the following laws as being specifically applicable to the Company:

1. Fertiliser (Control) Order, 1985;

2. Insecticides Act, 1968 and Insecticides Rules, 1971;

3. Seeds Act 1966 and Seeds Rules;

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above.

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii)The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as mentioned above.

We further report that

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

Adequate notice is given to all directors before the schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

During the year under review, directors have participated in the committees/board meetings through video conferencing, such meetings were properly convened and recorded in compliance with the provisions of Section 173 (2) of the Act read with Rule 3 & 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions at the Board / Committee Meetings were taken with the consent of the Board of Directors / Committee Members and no Director / Member had dissented on any of the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the number of votes cast against the resolution(s) have been recorded.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above mentioned Company being a listed entity and this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company does not have any Material Unlisted Subsidiary(ies) Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

We further report that during the audit period covered under the audit, the Company has made the following specific actions having a major bearing on the Company 's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

The Company filed petition before the Hon'ble National Company Law Tribunal, Hyderabad (Hon'ble NCLT) for sanction of Scheme of amalgamation of wholly owned subsidiaries of the company viz. Liberty Pesticides and Fertilizers Limited and Coromandel SQM (India) Private Limited with the Company ("Scheme"). The Hon'ble NCLT vide its order dated April 26, 2022 approved the scheme and the order of the Hon'ble NCLT , Hyderabad is awaited.

For R.SRIDHARAN & ASSOCIATES
Company Secretaries

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020
UIN : S2003TN063400
UDIN: F004775D000220892

Place : Chennai
Date : April 28, 2022

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.

Annexure -A'

The Members,

COROMANDEL INTERNATIONAL LIMITED

CIN: L24120TG1961PLC000892

1-2-10, Sardar Patel Road, Secunderabad,

Telangana – 500003.

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

1. Maintenance of secretarial records 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 as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. 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.

Place : Chennai
Date : April 28, 2022

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN
CP No. 3239
FCS No. 4775
PR NO.657/2020
UIN: S2003TN063400
UDIN: F004775D000220892

Annexure C to Board's Report

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors of Coromandel International Limited make the following statements, to the best of their knowledge and belief and according to the information and explanations obtained by them;

1) That in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed and there have been no material departures there from.

2) That the accounting policies mentioned in Note 3 of the Notes to the Standalone Financials Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profits of the Company for the year ended on that date.

3) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

4) That the annual financial statements have been prepared on a going concern basis.

5) That proper internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively and

6) That proper systems are in place to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

On behalf of the Board of Directors

Place: Secunderabad
Date: April 28, 2022

A Vellayan
Chairman

Annexure D to Board's Report

Corporate Governance Report

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations), compliance with the requirements of Corporate Governance is set out below:

1. Company's Philosophy

Coromandel International Limited ("the Company"/ "Coromandel"), a constituent of the Murugappa Group, is committed to the highest standards of corporate governance in all its activities and processes.

Coromandel looks at corporate governance as the corner stone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. Apart from drawing on the various legal provisions, the Group practices are continuously benchmarked in terms of the best business practices. The entire process begins with the functioning of the Board of Directors ('Board'), with leading professionals and experts serving as Independent Directors and represented in various Board Committees. Systematic attempt is made to eliminate informational asymmetry between Executive and Non-Executive Directors. Coromandel's commitment to ethical and lawful business conduct is a fundamental value shared by the Board of Directors, the senior management and all other employees of the Company.

Key elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity and product & service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes/ mechanisms to serve this purpose.

2. Board of Directors

i. As on March 31, 2022, the Board comprised of Mr. A Vellayan, Chairman (Non-Executive Director & Promoter), Mr. Arun Alagappan, Executive Vice Chairman (Executive Director & Promoter), Mr. Sameer Goel, Managing Director (Executive Director), Mr. M M Venkatachalam (Non-Executive Director & Promoter), and Mr. Ramesh K B Menon (Non-Executive Director), who were the Non-Independent Directors of the Company in terms of Listing Regulations. Mr. Prasad Chandran, Mr. Sumit Bose, Ms. Aruna B. Advani, Mr. K V Parameshwar, Dr. R Nagarajan and Mr. Sudarshan Venu were the Non-Executive Independent Directors of the Company in terms of Listing Regulations. None of the Directors of the Company are, inter-se, related to each other.

ii. All the Independent Directors of the Company are eminent professionals with vast experience in the fields of their expertise. The Independent Directors have been issued formal letter of appointment, and the terms and conditions of their appointment have also been disclosed on the website of the Company. The Independent Directors have given declarations to the Company about their independence to enable the Board for determining its composition as envisaged in Regulation 17 of the Listing Regulations and further confirming compliance as per Section 149 of the Companies Act, 2013 ('Act') read with the Rules made thereunder. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. All material information is circulated to the Directors, including the information that is required to be made available to the Directors under Part A of Schedule II of the Listing Regulations.

iii. Five (5) Board meetings were held during the year and the maximum gap between any of two consecutive meetings was not more than 120 days. The dates on which the meetings were held are as follows:

Date of Board meeting	Board Strength	No. of Directors present
April 29, 2021	10	10
July 26, 2021	10	10
October 28, 2021	10	10
February 3, 2022	11	10
March 23, 2022	11	11

iv. The details relating to attendance of each Director at the Board Meetings held during the year ended March 31, 2022, the last Annual General Meeting (AGM), and the number of Directorship, Membership and Chairmanship in Committees reckoned in line with Regulation 26 of Listing Regulations and the Act are given below:

Name of the Director	No. of Board meetings attended (No. of meetings held)	Attendance at last Annual General Meeting	No. of Directorships held in other public companies * (out of which as Chairperson)	No. of Board Committee membership in other public companies ** (out of which as Chairperson)
Mr. A Vellayan	5(5)	Present	2(0)	0(0)
Mr. Arun Alagappan	5(5)	Present	2(1)	0(0)
Mr. Sameer Goel	5(5)	Present	0(0)	0(0)
Mr. M Venkatachalam	5(5)	Present	6(2)	5(2)
Mr. Ramesh K B Menon@	5(5)	Present	3(0)	1(0)
Mr. Prasad Chandran$	5(5)	Present	3(0)	3(1)
Mr. Sumit Bose	4(5)	Present	5(0)	6(4)
Ms. Aruna B Advani	5(5)	Present	1(0)	2(1)
Dr. R Nagarajan	5(5)	Present	0(0)	0(0)
Mr. K V Parameshwar	5(5)	Present	10)	1(0)
Mr. Sudarshan Venu#	2(2)	N.A.	5(0)	1(0)

* Excludes foreign companies, private limited companies (not being subsidiary or holding company of a public company), alternate Directorship and companies registered under Section 8 of the Companies Act, 2013.

** Includes only membership in Audit and Stakeholders' Relationship Committees of public limited companies.

@ Mr. Ramesh K B Menon resigned as a Director of the Company with effect from close of business hours on March 31, 2022.

$ Mr. Prasad Chandran ceased to be the Director of the Company and also as member of Audit, Stakeholders Relationship and Risk Management Committee(s) of the Board, with effect from close of business hours on April 20, 2022, on completion of his term as an Independent Director.

Mr. Sudarshan Venu was appointed as an Independent Director for a term of five years with effect from February 3, 2022.

v. The details of the listed companies in which the Directors hold directorship including the Company as on March 31, 2022, and the category of Directorship are furnished below:

Name of the Director	Name of the listed company in which directorship held	Category
Mr. A Vellayan	Coromandel International Limited	Non-Executive & Promoter
	Kanoria Chemicals & Industries Limited	Non-Executive & Independent
Mr. Arun Alagappan	Coromandel International Limited	Executive & Promoter
	Lakshmi Machine Works Limited	Non-Executive & Independent
Mr. Sameer Goel	Coromandel International Limited	Executive
Mr. M M Venkatachalam	Coromandel Engineering Company Limited	Non-Executive & Promoter
	Coromandel International Limited	Non-Executive & Promoter
	E.I.D Parry (India) Limited	Non-Executive & Promoter
	The Ramco Cements Limited	Non-Executive & Independent
	Ramco Systems Limited	Non-Executive & Independent
Mr. Ramesh K B Menon	Coromandel International Limited	Non-Executive & Non- Independent
	E.I.D Parry (India) Limited	Non-Executive & Non-Independent
Mr. Prasad Chandran	Coromandel International Limited	Non-Executive & Independent
	HDFC Life Insurance Company Limited	Non-Executive & Independent
	BSE Limited	Non-Executive & Independent
Mr. Sumit Bose	BSE Limited	Non-Executive & Independent
	Coromandel International Limited	Non-Executive & Independent
	J B Chemicals and Pharmaceuticals Limited	Non-Executive & Independent
	HDFC Life Insurance Company Limited	Non-Executive & Independent
Ms. Aruna B Advani	Coromandel International Limited	Non-Executive & Independent
	Metro Brands Limited	Non-Executive & Independent
Dr. R Nagarajan	Coromandel International Limited	Non-Executive & Independent
Mr. K V Parameshwar	Coromandel International Limited	Non-Executive & Independent
Mr. Sudarshan Venu	Coromandel International Limited	Non-Executive & Independent
	TVS Motor Company Limited	Executive
	Sundaram-Clayton Limited	Non-Executive & Non-Independent

vi. The brief profiles of Directors, as given in the Annual Report, give an insight into the education, expertise, skills and experience of the Directors. In terms of the requirement of the Listing Regulations, the Board has identified the following core skills/ expertise/ competencies of the Directors in the context of the Company's business and its effective functioning:

Name of Director	Financial Management	Governance Practices	Corporate Strategy	Business Strategy	General Management
Mr. A Vellayan	√	√	√	√	√
Mr. Arun Alagappan	√	√	√	√	√
Mr. Sameer Goel	√	√	√	√	√
Mr. M M Venkatachalam	√	√	√	√	√
Mr. Ramesh K B Menon	√	√	√	√	√
Mr. Prasad Chandran	√	√	√	√	√
Mr. Sumit Bose	√	√	√		√
Ms. Aruna B Advani	√	√	√	√	√
Dr. R Nagarajan	√	√	√	√	√
Mr. K V Parameshwar	√	√	√	√	√
Mr. Sudarshan Venu	√	√	√	√	√

vii. A meeting of the Independent Directors chaired by Mr. Sumit Bose was held on March 23, 2022, which was attended by all the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Board was briefed on the deliberations made at the Independent Directors Meeting.

viii. The details of the Familiarization Program imparted to Independent Directors of the Company are available on website of the Company at https://www.coromandel.biz/investors/policies/

ix. Pursuant to the provisions of the Act and Regulation 17 of the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board, namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and CSR Committee. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgments safeguarding the interest of the Company and other stakeholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. During such evaluation, the Director whose performance was evaluated was not present at the meeting. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

x. None of the Executive Directors of the Company have served or serve as Independent Director in more than three listed Companies. None of the Independent Directors of the Company served or serve as Independent Director in more than seven listed companies. None of the Directors of the Company was a member of more than ten public Companies, ten Board level committees or a chairman of more than five such committees across all companies, in which he/she was a director.

xi. The Company has received the requisite declarations from its Independent Directors confirming that they meet the criteria of independence prescribed both under the Act and the Listing Regulations. The Board at its meeting held on April 28, 2022, has taken on record the declarations received from the Independent Directors. In the opinion of the Board, the Independent Directors of the Company fulfil the conditions specified in the Listing Regulations and are independent of the Management.

xii. The Board of Directors has laid down a 'Code of Conduct' (Code) for all the Board Members and the senior management personnel of the Company and this Code is posted on the Website of the Company. Annual declaration is obtained from every person covered by the Code. In terms of Schedule V to the Listing Regulations, a declaration signed by the Managing Director is enclosed to this report as **Annexure D(i)**.

xiii. A certificate from M/s. R Sridharan & Associates, practicing company secretary certifying that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and certificate is annexed to this report as **Annexure D(ii)**.

xiv. As per the provisions of Section 152 of the Act, Mr. A Vellayan, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. His brief profile along with the additional information required as per Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2 is given as annexure to the notice of Annual General Meeting.

3. Audit Committee

i. The terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations and, inter-alia, include:

- Overseeing the financial reporting process and disclosure of financial information.
- Recommending the appointment / re-appointment of statutory auditors and fixation of audit fee.
- Review of financial statements before submission to the Board.
- Review of adequacy of internal control system, findings of internal audit, whistle blower mechanism, related party transactions, scrutiny of intercorporate loans & investments.
- Approval and review of related party transactions.
- valuation of assets/undertakings of the Company and appointment of registered valuers
- Reviewing the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, etc., and
- Reviewing the financial statements of unlisted subsidiary companies and, in particular, the investments made by them.

ii. The Audit Committee had five (5) directors as of March 31, 2022, of which four (4) were Independent Directors. The Company Secretary acts as the Secretary to the Committee. The Managing Director, Chief Financial Officer, Heads of Business Units, Head – Internal Audit and Chief Risk Officer, along with the Statutory Auditors are invitees to the Audit Committee meetings. Cost Auditors are invited to the meeting as and when required.

iii. During the year, five (5) meetings of the Committee were held on April 29, 2021, July 26, 2021, October 28, 2021, February 3, 2022, and March 23, 2022. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings. The composition of the Audit Committee and details of attendance of the members during the financial year 2021-22 are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
Mr. Sumit Bose, Chairman	Non-Executive & Independent	5(5)
Mr. Arun Alagappan, Member	Executive	5(5)
Mr. Prasad Chandran, Member *	Non-Executive & Independent	5(5)
Ms. Aruna B. Advani, Member	Non-Executive & Independent	5(5)
Mr. K V Parameshwar, Member	Non-Executive & Independent	5(5)

* Ceased to be a member on completion of his tenure as Independent Director with effect from close of business hours on April 20, 2022.

4. Nomination & Remuneration Committee

i. The terms of reference of the Nomination & Remuneration Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations, and, inter alia, include:

- To formulate the criteria for appointment of Directors/Senior Management including determining qualifications, positive attributes, and independence of Directors.
- Recommend the remuneration and periodic increments of the Managing/Whole-time Director(s) and determine the annual incentive of the Managing/Whole-time Director(s).
- Formulate, implement, administer, and superintend the Employee Stock Option Plan/Scheme(s) of the Company.
- Devise policy on Board diversity.
- Formulate criteria for evaluation of Independent Directors/Board.
- Recommend the Remuneration policy to the Board
- Recommend to the Board, all remuneration in whatever form, payable to the Senior Management etc.

ii. During the year, three (3) meetings of the Nomination & Remuneration Committee was held on April 29, 2021, July 26, 2021, and January 10, 2022. The composition of the Nomination & Remuneration Committee and details of attendance of the members during the financial year 2021-22 are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
Mr. Sumit Bose, Chairman	Non-Executive & Independent	3(3)
Mr. A Vellayan, Member	Non-Executive	3(3)
Ms. Aruna B. Advani, Member	Non-Executive & Independent	3(3)

5. Stakeholders Relationship Committee

i. The terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 20 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations, and inter-alia include:

- Formulation of investor servicing policies.
- Review and redressal of investor complaints.
- Approval/overseeing of transfers, transmissions, transpositions, splitting, consolidation of securities, issue of new / duplicate certificates, demat/remat requests, administering the unclaimed shares suspense account.
- Allotment of shares on exercise of Options by employees under the Employees Stock Option Scheme/Plan; and
- Performing other functions as delegated to it by the Board from time to time.

ii. During the year, one (1) meeting of Stakeholders Relationship Committee was held on March 23, 2022. The composition of the Stakeholders Relationship Committee and details of attendance of the members at such meeting are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
Mr. Prasad Chandran, Member **	Non-Executive & Independent	1(1)
Mr. Sameer Goel, Member	Executive	1(1)
Mr. Ramesh K. B. Menon, Member*	Non-Executive & Non-Independent	1(1)

* Mr. Ramesh K B Menon resigned as Director of the Company with effect from close of business hours on March 31, 2022.

** Ceased to be a member on completion of his tenure as Independent Director with effect from close of business hours on April 20, 2022 and Mr. Sudarshan Venu was appointed as Chairman of the committee with effect from April 28, 2022.

iii. Mr. Rajesh Mukhija, Sr. Vice President - Legal & Company Secretary is the Compliance Officer and acts as Secretary to the Committee.

iv. During the year, the Company had received 11 complaints from the shareholders and all of them were resolved satisfactorily. There were no complaints pending at the end of the financial year.

v. To facilitate faster redressal of investors' grievances the Company has created an exclusive e-mail ID Investorsgrievance@coromandel.murugappa.com. Shareholders may lodge their query/complaints addressed to this e-mail id or to RTA 's e-mail id einward.ris@kfintech.com.

6. Risk Management Committee

i. The terms of reference of the Risk Management Committee are in accordance with and covers all the matters specified in Regulation 21 of the Listing Regulations and inter alia, include:

- To review and evaluate management's identification of all major Risks to the business and cyber security.
- To assess the adequacy of management's Risk Assessment, its plans for Risk control or mitigation.
- To review, assess and discuss with the Management.

  (i) any significant risks or exposures.

  (ii) the steps management has taken to minimize such risks or exposures.
- To review and approve/amend from time to time the Company's underlying policies with respect to risk assessment and risk management.

ii. During the year, two (2) meetings of Risk Management Committee was held on September 21, 2021, and March 17, 2022. The composition of the Risk Management Committee and details of attendance of the members at such meetings are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
Mr. Prasad Chandran, Member *	Non-Executive & Independent	2(2)
Mr. Sameer Goel, Member	Executive	2(2)
Mr. Arun Alagappan, Member	Executive	2(2)

* Ceased to be a member on completion of his tenure as Independent Director with effect from close of business hours on April 20, 2022 and Mr. K V Parameshwar was appointed as Chairman of the committee with effect from April 28, 2022.

7. Corporate Social Responsibility Committee

i. The terms of reference of the Corporate Social Responsibility are in accordance with and covers all the matters specified in Section 135 of Act and inter alia, include:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy including any amendments thereto from time to time, which shall include, inter-alia:

  a) indicate the list of projects or programs or activities (hereinafter referred to as CSR activities) to be undertaken by the Company falling under the purview of Schedule VII of the Act.

  b) specify the modalities of execution of CSR activities and monitoring process of the same.
- To recommend the amount of expenditure to be incurred on the each of the CSR activities referred above
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- To examine and report to the Board regarding the CSR activities undertaken.

ii. During the year, three (3) meetings of Corporate Social Responsibility Committee was held on April 28, 2021, May 24, 2021, and March 16, 2022. The composition of the Corporate Social Responsibility Committee and details of attendance of the members at such meetings are given as follows:

Name and Designation	Category	No. of meetings attended (No. of meetings held)
Mr. Sumit Bose, Chairman*	Non-Executive & Independent	1(1)
Mr. Arun Alagappan, Chairman*	Executive	3(3)
Mr. Sameer Goel, Member	Executive	3(3)
Dr. R Nagarajan, Member#	Non-Executive & Independent	2(2)

* Mr. Sumit Bose ceased to be Chairman/Member of Committee and Mr. Arun Alagappan was appointed as Chairman of the committee with effect from April 29, 2021.

Dr. R Nagarajan was appointed as Member of the committee with effect from April 29, 2021.

iii. Please refer to Annexure F to the Directors Report for the annual report on CSR activities for the financial year 2021-22.

8. Banking and Borrowing Committee

The Banking and Borrowing Committee consists of 3 members. Mr. Arun Alagappan is the Chairman, and the other two members of the Committee are Mr. Ramesh K. B. Menon and Mr. Sameer Goel. During the year, one (1) meeting of the Banking and Borrowing Committee was held on March 23, 2022, and all the members of the Committee attended the said meeting. Mr. Ramesh K.B.Menon has ceased to be a member with effect from close of business hours on March 31, 2022.

9. Remuneration to Directors

i. Executive Vice Chairman and Managing Director

The compensation of the Executive Vice Chairman and Managing Director comprises of fixed component and a performance incentive/commission. The compensation is determined based on various parameters including industry benchmark. The performance incentive/commission is determined as per the pre-agreed performance parameters.

The Executive Vice Chairman and Managing Director are not paid sitting fees for any Board/ Committee meetings attended by them.

ii. Non-Executive Directors

The compensation of the Non-Executive Directors is in the form of commission paid out of profits. Though the shareholders have approved payment of commission upto 1% of net profits of the Company for each year calculated as per the provisions of Sections 197, 198 and all other applicable provisions of the Act and the rules made thereunder, the commission paid to the Directors is usually restricted to a fixed sum, which is within the limits.

The sitting fees/commission is reviewed periodically taking into consideration various factors such as performance of the Company, time spent by the directors for attending to the affairs and business of the Company and extent of responsibilities cast on directors under general law and other relevant factors. Depending on the time and efforts put in by the directors towards the affairs of the Company and in proportion to their respective tenure during the year, the directors are also paid a differential commission. The aggregate commission paid to all Non-Executive Directors currently is well within the limit of 1% of net profits as computed in the manner laid down in Section 198 of Act, and as approved by the shareholders. The Non-Executive Directors are also paid sitting fees as permitted under the relevant statutory provisions for every Board/ Committee meeting attended by them.

There were no pecuniary transactions with any of the Non- Executive Directors except for Remuneration/ Sitting Fees/ Commission and reimbursement of expenses, if any, paid to them as Directors of the Company.

iii. Shareholdings

The details of Shareholdings of the Non-Executive Directors in the Company as on March 31, 2022, are as follows:

Name	No. of Shares
Mr. A. Vellayan	1,18,510
Mr. M M Venkatachalam	Nil
Mr. Ramesh K.B. Menon	Nil
Mr. Prasad Chandran	Nil
Mr. Sumit Bose	Nil
Ms. Aruna B. Advani	Nil
Dr. R. Nagarajan	Nil
Mr. K V Parameshwar	Nil
Mr. Sudarshan Venu	Nil

iv. Details of remuneration paid to the Directors for the year:

a. Mr. Arun Alagappan, Executive Vice Chairman

The details of remuneration paid/payable to Mr. Arun Alagappan, Executive Vice Chairman for the financial year ended March 31, 2022, is as follows:

Particulars	(₹ in lakhs)
Salary	428.37
Contribution to Funds	51.08
Value of Perk & Allowances	20.73
Incentives	160.23
Total	**660.41**

A sum of Rs. 19.56 lakhs paid during the year towards incentives for the financial year 2020-21, as against Rs. 18.49 lakhs provided in the financial statements for that year.

Mr. Arun Alagappan was appointed as Executive Vice Chairman of the Company for a period of five years from February 15, 2021, to February 14, 2026. Notice period for termination of contract of service is 3 months. No severance pay is payable.

b. Mr. Sameer Goel, Managing Director

The details of remuneration paid/payable to the Mr, Sameer Goel, Managing Director for the financial year ended March 31, 2022, is as follows:

Particulars	(₹ in lakhs)
Salary	369.93
Contribution to Funds	87.51
Value of Perk & Allowances	3.44
Incentives	149.81
Total	**610.69**

A sum of Rs. 145.01 lakhs was paid during the year towards incentives for the financial year 2020-21, as against Rs. 137.51 lakhs provided in the financial statements for that year.

Mr. Sameer Goel was appointed as Managing Director of the Company for a period of five years from October 01, 2015, to September 30, 2020 and re-appointed from October 01, 2020 to January 31, 2023. Notice period for termination of contract of service is 3 months. No severance pay is payable.

ESOPs

During the financial year 2016-17, Mr. Sameer Goel, Managing Director was granted 6,56,900 Options, pursuant to Employee Stock Option Scheme 2016 at an exercise price of Rs. 319.65 per equity share. The relevant details in respect of the Options Mr. Sameer Goel are summarized below:

Options Granted	6,56,900
Options Vested	6,56,900
Options cancelled	Nil
Options Lapsed	Nil
Options Exercised and allotted	90,000
Options outstanding as on March 31, 2022	5,66,900

c. Non-Executive Directors

The details of sitting fees paid and commission payable to Non-Executive Directors for the financial year ended March 31, 2022, are as under:

(₹ in Lakhs)

Non-Executive Directors	Sitting Fees@	Commission@	Total
Mr. A. Vellayan	3.40	200.00	203.40
Mr. M M Venkatachalam	2.50	10.00	12.50
Mr. Ramesh K.B. Menon	3.10	10.00	13.10
Mr. Prasad Chandran	5.90	10.00	15.90
Mr. Sumit Bose	6.70	10.00	16.70
Ms. Aruna B. Advani	5.90	10.00	15.90
Dr. R. Nagarajan	3.10	10.00	13.10
Mr. K V Parameshwar	5.00	10.00	15.00
Mr. Sudarshan Venu (pro-rata commission)	1.00	1.56	2.56

@ Excludes Goods and Services Tax

10. Annual General Meetings

During the year, the Company had conducted its 59th Annual General Meeting through video conferencing / other audio-visual means on July 26, 2021 (AGM), in accordance with the circulars and notifications issued by the the Ministry of Corporate Affairs and Securities & Exchange Board of India. All the Directors, Key Managerial Personnel, Statutory Auditors and Scrutiniser joined the AGM through video conferencing. The Chairmen of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee also attended the AGM.

11. Disclosures

i. CEO and CFO Certification

The Managing Director and the Chief Financial Officer of the Company have given a Certificate to the Board as contemplated in Regulation 17 of the Listing Regulations.

ii. Related Party Transactions

There were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. Prior omnibus approval of the Audit Committee was obtained for related party transactions. The related party transactions are reviewed by an independent audit firm to confirm that the transactions are carried out in the ordinary course of business and at arm's length basis. A statement of related party transactions is placed before the Audit Committee on quarterly basis. The transactions with the related parties as required under the Indian Accounting Standard (Ind AS) – 24, - Related Party Transactions - are disclosed under Notes the financial statements, forming part of this Annual Report.

The Board at its meeting held on March 23, 2022, approved the revised Policy on Related Party Transactions effective from April 1, 2022, and the same is available on website of the Company at https://www.coromandel.biz/investors/policies/

iii. Compliance

The Board reviews at periodic intervals the certificate(s) confirming compliance with all the applicable laws and regulations as certified by the Managing Director, Chief Financial Officer and the Company Secretary. The Board also considers material Show Cause/Demand Notices received from Statutory Authorities and the action taken by the Company in this regard. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

iv. Strictures/Penalty

No strictures or penalties have been imposed on the Company by either Stock Exchanges or Securities and Exchange Board of India or any other statutory authority for non-compliance on any matter related to capital markets during the past three years.

v. Vigil Mechanism

The Company has established a whistle blower mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees as whistle blower and for appointment of an Ombudsman to deal with the complaints received from whistle blowers. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the Chairman of the Audit Committee. During the year, no employee was denied access to the Chairman of the Audit Committee.

vi. Details of compliance with mandatory requirements and adoption of Discretionary Requirement

The Company has complied with the mandatory requirements of the Corporate Governance norms as per Listing Regulations during the financial year ended March 31, 2022. The Company has complied with the disclosure requirements under Schedule V of the Listing Regulations. Pursuant to Schedule V of the Listing Regulations, the certificate from the practicing Company Secretary regarding compliance of conditions of Corporate Governance is annexed to this report as **Annexure D(iii)**.

With respect to the non-mandatory requirements the Company has complied with such requirements to the extent stated below:

The Board	The Company maintains an office for the Non-Executive Chairman at the Company's expense and has also allowed reimbursement of expenses incurred in performance of his duties.
Shareholder Rights	Quarterly financial results are published in leading newspapers, viz. The Business Line (all India editions - English) and vernacular – Andhra Prabha (Hyderabad Edition - Telugu). The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
Modified opinion(s) in audit report	All the financial statements received during the last five (5) years were with unmodified audit opinion
Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	The Company has a separate post of Chairman. The Chairman is a non-executive director and is not related to Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Act.

vii. Subsidiary Companies

The Company does not have any material unlisted Indian subsidiary in terms of Regulation 24 of the Listing Regulations. The Minutes of the Meetings of Board of Directors of all the subsidiary companies are periodically placed before the Board of Directors of the Company. The Policy on Material Subsidiary is available on the website of the Company at https://www.coromandel.biz/investors/policies/

viii. Risk Management

The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up. The Risk Management Committee, constituted by the Board is empowered to monitor the Risk management and their mitigation processes. A detailed note on the risk identification and mitigation is included in Management Discussion and Analysis annexed to the Directors Report.

ix. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of Listing Regulations

During the year under review, the Company had not raised any money from public issue, rights issue, preferential issue, or any other issues.

x. Compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations

The Company has complied with all the relevant corporate governance requirements stipulated in the Listing Regulations.

xi. Details of recommendation of any committee of the Board which are not accepted by the Board

There was no instance of any non-acceptance by the Board of Directors of the recommendations of any Committee of the Board, where it is mandatorily required, during the financial year under review.

xii. Details of total fees for all services paid/payable by the Company and its Subsidiaries, on consolidated basis to Statutory Auditors and all their network firms/entities during the financial year 2021-2022 are furnished below:

(Rs. in Lakhs)

Particulars	Amount
Fees for audit and related services paid to M/s. S R Batliboi & Associates LLP and all their network firms/entities	160.30
Fees for non-audit services paid to M/s. S R Batliboi & Associates LLP and all their network firms/entities	39.96
Fees for audit and related services paid to M/s. Deloitte Haskins and Sells and all their network firms/entities	12.00
Fees for audit and related services paid to Shanker Giri & Prabhakar and all their network firms/entities (included due to CSQM merger with Company)	5.97
Fees for audit and related services paid to L S Nalwaya & Co and all their network firms/entities (included due to LPFL merger with Company)	**

** Less than Rs. 1 Lakhs

xiii. There are no loans and advances given by the Company and its subsidiaries to firms/companies in which directors are interested during the financial year 2021-22.

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

Particulars	FY 2021-22
No. of cases pending as at beginning of the financial year	0
No. of complaints on sexual harassments received during the year	1
No. of complaint disposed off during the year	1
No. of cases pending as at end of the financial year	0

12. Management Discussion and Analysis

Management Discussion & Analysis is annexed to the Directors' Report which forms part of this Annual Report.

13. General Shareholder Information

A separate section has been annexed to the Annual Report furnishing various details viz., the previous Annual General Meeting, time, and venue thereof, share price movement, distribution of shareholding, location of factories, means of communication etc., for information of the shareholders'.

General Shareholders Information

1. Contact Information and Plant Location(s)

Registered office and Address for correspondence	Coromandel International Limited Coromandel House 1-2-10, Sardar Patel Road, Secunderabad - 500 003 Tel. No. +91 40 6699 7300 / 7500 Fax: +91 40 2784 4117
Corporate Identification Number	L24120TG1961PLC000892
Website	www.coromandel.biz
E-mail id	investorsgrievance@coromandel.murugappa.com
Plant Location(s)	The Company's plants are located at a. Malkapuram, Visakhapatnam, Andhra Pradesh b. Beach Road, Kakinada, Andhra Pradesh c. Ennore, Chennai, Tamil Nadu d. Ranipet, North Arcot, Tamil Nadu e. Ankleshwar, Gujarat f. Baribrahmana, Jammu & Kashmir g. Hospet, Karnataka h. Udaipur, Rajasthan i. Baroda, Gujarat j. Kota, Rajasthan k. Raigad, Maharashtra l. Khargone, Madhya Pradesh m. Raebareli, Uttar Pradesh n. Sarigam, Gujarat o. Dahej, Gujarat p. Thyagavalli, Tamil Nadu

2. Compliance officer under Listing Regulations and Nodal Officer under The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

Mr. Rajesh Mukhija
Compliance Officer/Nodal Officer
Tel. No. +91 40 6699 7300 / 7500
Fax: +91 40 2784 4117
E-mail id: investorsgrievance@coromandel.murugappa.com

3. Annual General Meeting (AGM), Dividend and related information

Day and Date	Wednesday, July 27, 2022
Time	3.30 P.M.
Venue of AGM	Video Conferencing / Other Audio Visual Means
Book Closure for AGM	Monday, July 18, 2022 to Wednesday, July 27, 2022 (both days inclusive).
Dividend for FY 2021-22	**Interim Dividend:** The Company paid an Interim Dividend of Rs. 6 per equity share for the financial year 2021-22 on March 2, 2022, to all those members whose names appeared in the Register of Members on February 15, 2022.
	Final Dividend : The Board recommended a final dividend of Rs. 6 per equity share of Face Value of Re. 1 each (600%) subject to approval of the members at the 60th Annual General Meeting.
Dividend Payment date	**Final Dividend:** On or after August 12, 2022 but within 30 days from the date of AGM to all those Members whose names appear on the Register of Members on Friday, July 15, 2022.

4. Financial Calendar

The financial year of the Company is the period ending on 31st day of March every year. The tentative calendar for Board meetings for approving the quarterly financial results is given below:

Results for the quarter ending June 30, 2022	Within 45 days from end of quarter
Results for the quarter and half year ending September 30, 2022	Within 45 days from end of quarter
Results for the quarter and nine months year ending December 31, 2022	Within 45 days from end of quarter
Results for the quarter and financial year ended March 31, 2023	Within 60 days from end of quarter.

5. Listing on stock exchanges and Stock Code

Details of the stock exchange	Stock/Scrip code
The National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block – G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	COROMANDEL
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	506395

The listing fees for the financial year 2022-23 have been paid to both the above Stock Exchanges.

6. International Securities Identification Number (ISIN)

ISIN is an unique identification number of a traded scrip. This number must be quoted in each transaction relating to the dematerialized securities of the company. The ISIN of equity shares of Re.1 each of the Company is INE169A01031.

7. Last three Annual General Meeting(s)

The details of date/time and venue and special resolution passed at the last three Annual General Meetings are given below:

For the financial year	Venue	Day, Date and time	Special Resolution(s) passed
2020-21	Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	Monday, July 26, 2021, at 3:30 p.m. IST	• Appointment of Mr. Arun Alagappan as a whole-time director designated as Executive Vice Chairman of the Company.
2019-20	Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)	Friday, July 24, 2020, at 10:30 a.m. IST	• Approval for payment of remuneration to Mr. M M Murugappan, Non-Executive Chairman, for the financial year 2019-20. • Approval for re-appointment of Mr. Sumit Bose as an Independent Director of the Company for a second term.
2018-19	Hotel Minerva Grand, CMR Complex, Sarojini Devi Road, Secunderabad – 500 003	Monday, July 22, 2019, at 10:30 a.m. IST	• Re-appointment of Mr. Prasad Chandran as an Independent Director of the Company. • Approval for payment of remuneration to Non-Executive Directors. • Approval for payment of remuneration to Mr. M M Murugappan, Chairman and Non-Executive Director.

8. Postal Ballot

The postal ballot was conducted in the month of February 2022, to approve the appointment of Mr. Sudarshan Venu (DIN: 03601690) as an Independent Director of the Company by way of special resolution. The remote e-voting details on the above postal ballot were as follows:

Particulars	No.	%
Votes cast in favour	23,91,47,469	99.99
Votes cast against	17,225	0.001
Total Valid votes	**23,91,64,694**	**100.00**
Invalid Votes	-	-

The shareholders approved the above said resolution with requisite majority on March 17, 2022.

The postal ballot was conducted, as per the procedure laid down in Section 108 and 110 of the Act, the rules made thereunder read with Circulars No. 14/2020, 17/2020 and 20/2021 dated April 8, 2020, April 17, 2020, and December 8, 2021 respectively issued by Ministry of Corporate Affairs.

Mr. R. Sridharan (ICSI Membership CP No.3239-FCS No.4775) of M/s. R. Sridharan & Associates, Practicing Company Secretaries was appointed as Scrutinizer for conducting voting through remote e-voting, in a fair and transparent manner.

There is no proposal to conduct postal ballot for any matter in the ensuing annual general meeting.

9. Registrar and Transfer Agents

KFin Technologies Limited (Formerly known as Kfin Technologies Private Limited)
Selenium Building, Tower- B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally
Rangareddy, Hyderabad, Telangana – 500 032
Tel.No.(040) 67161616 - 1527
Fax No. (040) 23420814
E-mail Id: einward.ris@kfintech.com

10. Shareholding pattern and Distribution Holdings as on March 31, 2022

The shareholding pattern classified based on category and distribution of ownership, respectively is given below:

a. Shareholding Pattern as on March 31, 2022

Category	No. of shares	Percentage
Promoter	16,88,44,504	57.53
Mutual Funds	4,72,95,573	16.11
Indian Public	2,67,62,492	9.12
Foreign Institutional Investor/Foreign Portfolio Investor	2,07,74,641	7.08
Qualified Institutional Buyer	1,31,73,993	4.49
Overseas Corporate Bodies	48,01,000	1.64
Insurance Company	7,63,704	0.26
Non-Resident Indians	34,26,784	1.17
Investor Education and Protection Fund	35,31,687	1.20
Private Bodies Corporates	20,24,028	0.69
Alternate Investment Fund	10,27,387	0.35
Hindu Undivided Family	7,29,639	0.25
Banks, Financial Institutions	37,868	0.01
Clearing Members	55,773	0.02
NBFCs Registered with RBI	1,07,110	0.04
Foreign Nationals	71,607	0.02
Trusts	42,779	0.01
Foreign Companies	19,500	0.01
Societies	4,500	0.00
Foreign Bank	1,840	0.00
Total	**29,34,96,409**	**100.00**

b. Distribution of Holdings as on March 31, 2022

No. of equity shares held	No. of Shares	% of Shares	No. of Shareholders	% of Shareholders
1-5000	1,17,085	99.24	1,94,84,929	6.64
5001- 10000	389	0.33	27,82,070	0.95
10001- 20000	188	0.16	26,99,636	0.92
20001- 30000	66	0.06	15,89,175	0.54
30001- 40000	46	0.04	15,90,206	0.54
40001- 50000	28	0.02	12,55,496	0.43
50001- 100000	55	0.05	37,88,457	1.29
100001 & Above	127	0.11	26,03,06,440	88.69
Total	**1,17,984***	**100.00**	**29,34,96,409**	**100.00**

c. Mode of Holding, Dematerialisation of shares and liquidity

Particulars	No. of Shares	% of Shares	No. of Shareholders	% of Shareholders
Demat Mode	28,72,34,376	97.87	1,07,195	90.86
Physical Mode	62,62,033	2.13	10,789	9.14
Total	**29,34,96,409**	**100.00**	**1,17,984***	**100.00**

*on Non-consolidation basis.

As on March 31, 2022, 97.87% shares of the Company were in dematerialized form.

11. Means of Communication

Quarterly results are published in the Business Line (all editions - English) and Andhra Prabha (Hyderabad Edition - Telugu). The results are also posted on the Company's Website: https://coromandel.biz/. Official press releases, letters sent to Stock Exchanges and presentation made to the Analysts are all also posted on the Company's Website.

12. Nomination Facility

Section 72 of the Act provides the facility of nomination to share / debenture / deposit holders. The facility is mainly useful for all those holding the shares / debentures / deposits in single name. In cases where the securities / deposits are held in joint names, the nomination will be effective only in the event of the death of all the holders. Shareholders are advised to avail of this facility, especially investors holding securities in single name.

Shareholders are requested to note that SEBI has mandated registration of nomination or opt out of nomination for all shareholders of the Company either holding shares in physical mode or Demat mode along with valid PAN and KYC details.

Shareholders holding shares in physical mode are requested to refer to the Notice of the AGM and submit the prescribed forms along with requisite documents to RTA regarding mandatory submission of Nomination PAN, and KYC details on or before March 31, 2023.

Shareholders holding shares in demat mode are requested to submit the necessary forms to their respective depository participant regarding mandatory submission of Nomination Valid PAN, and KYC details on or before March 31, 2023.

13. Share Transfer System

As per amended Regulation 39 and 40 of Listing Regulations, the Company shall issue securities in dematerialised form only while processing any requests from shareholders holding shares in physical mode in respect of i. Issue of duplicate securities certificate; ii. Claim from Unclaimed Suspense Account; iii. Renewal / Exchange of securities certificate; iv. Endorsement; v. Sub-division / Splitting of securities certificate; vi. Consolidation of securities certificates/folios; vii. Transmission and viii. Transposition ("service requests").

Shareholders holding shares in physical mode are requested to refer to the Notice of the AGM for details regarding service requests. All queries and service requests shall be addressed to the RTA in prescribed form along with requisite documents.

14. Outstanding GDR / ADR / Warrants / Convertible instruments, Conversion Date and likely impact on Equity

The Company has not issued any GDR / ADR / Warrants or any convertible instrument, which is likely to have impact on the Company's Equity.

15. Commodity price risk or foreign exchange risk and hedging activities

Commodity price risk and foreign exchange risk are managed/hedged in accordance with the Policy framed by the Company for that purpose and periodical update is given to the Board on a quarterly basis.

16. Credit Ratings

The Company has obtained the credit rating for its fund-raising programmes from CRISIL Limited (CRISIL) and India Ratings & Research Private Limited (India Ratings & Research).

The Company's long-term credit rating by 'CRISIL' has been revised to 'CRISIL AA+ (Positive)' and short-term debt rating continued at 'CRISIL A1+'. The Company's long-term credit rating by 'India Ratings & Research (A Fitch Group Company)' has been revised to 'IND AA+ (Positive)' and short-term debt rating continued at 'IND A1+'. This reflects a very high degree of safety regarding timely servicing of financial obligations and also a vote of confidence reposed in your Company's financials.

17. Employee Stock Option Scheme

ESOP Scheme, 2007

The Company had earmarked 1,27,85,976 equity shares of Re. 1/- each under the Employee Stock Option Scheme 2007. Each Option is convertible into an equity share of Re. 1/- each. The first vesting is exercisable over a period of three years from the date of vesting. The second, third and fourth vesting are exercisable over a period of 6 years from the date of vesting. There were no vested Options outstanding as at the end of the financial year under the ESOP Scheme 2007 and there will be no grants under the ESOP Scheme 2007.

ESOP Scheme, 2016

The Company has earmarked 1,45,81,000 equity shares of Re. 1/- each under the Employee Stock Option Scheme 2016. Each Option is convertible into an equity share of Re. 1/- each. Options granted under this ESOP 2016 would vest on or after 1 (one) year from the date of grant but not later than 4 (four) years from the date of grant of such Options. The number of vested Options outstanding as on March 31, 2022, are 10,39,370. The vested Options are exercisable within a period of 5 years from the date of vesting. The Company has granted 3,31,720 options to the employees during the year under the ESOP Scheme 2016.

18. Transfer of Unpaid / Unclaimed Dividend and Shares to Investor Education and Protection Fund

Section 124 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), mandates the companies to transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). During the year under review, the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for seven consecutive years or more. Further, the Rules mandate that the shares on which dividend remains unpaid or unclaimed for a period of seven consecutive years or more are be transferred to the IEPF.

Accordingly, during the year 2021-22, the Company has transferred unpaid/unclaimed dividends, and the shares, on which the dividends remain unpaid or unclaimed for a consecutive period of 7 years, to IEPF as detailed below:

Particulars	No. of shares	Amount (Rs.)
Matured debentures	-	77,754,397
Unclaimed final dividend for FY 2013-14	89,433	19,679,095
Sale proceeds of fractional shares arising out of Amalgamation of Liberty Phosphate Limited	-	18,710
Sale proceeds of fractional shares arising out of Amalgamation of Sabero Organics Gujarat Limited	-	403,754

19 . Unclaimed shares

The reconciliation of unclaimed shares in "Coromandel International Limited
Unclaimed Suspense Account", as required pursuant to Schedule V of the Listing Regulations, is given below:.

Particulars	No. of shareholders	No. of shares
Aggregate number of equity shareholders and the outstanding shares of Re. 1/- each in the suspense account lying as on April 1, 2021	97	6,839
Number of equity shareholders who approached the Company for transfer of shares of Re.1/- each from the suspense account	-	-
Number of equity shareholders to whom shares were transferred from suspense account during the year	-	-
Number of equity shareholders whose shares were transferred to Investor Education and Protection Fund (IEPF) during the year	-	-
Aggregate number of equity shareholders and the outstanding shares of Re.1/- each in the suspense account lying as on March 31, 2022	97	6,839

All corporate benefits that accrue on these shares such as bonus shares, split, etc., shall also be credited to the Unclaimed Suspense Account and the voting rights on such shares shall remain frozen till the rightful owner of such shares claim the shares.

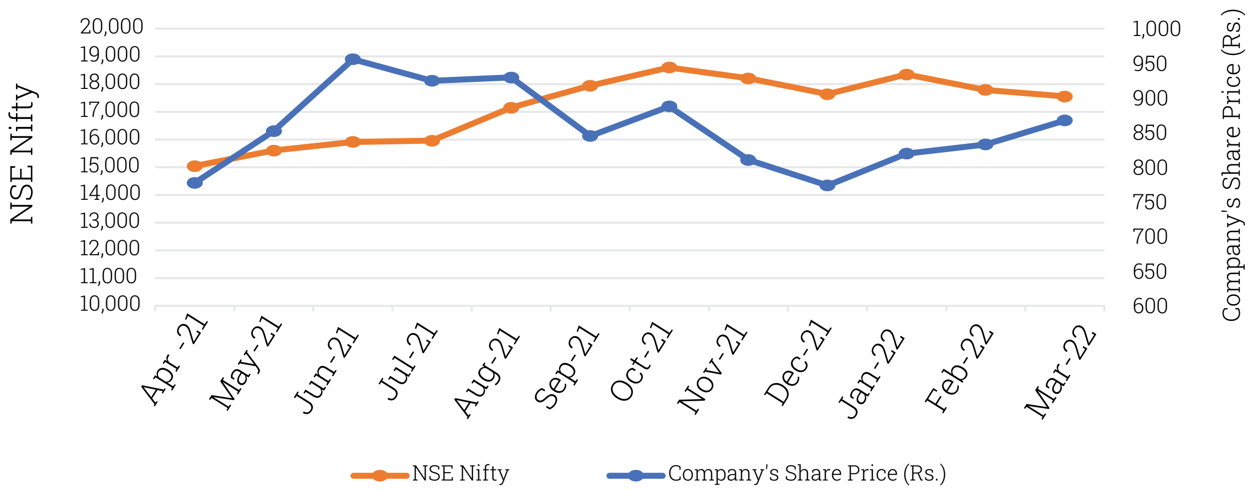
20. Market Price Data: High, Low during each month in last financial year and comparison of performance of Company's share vs NSE Nifty

a. Market Price Data: High, Low during each month in financial year 2021-22 is as follows:

Amount in Rs.

Month	BSE		NSE	
	High	Low	High	Low
April 2021	777.00	712.20	777.45	711.00
May 2021	851.80	720.75	852.45	720.10
June 2021	955.95	786.00	956.00	786.10
July 2021	924.15	852.90	924.95	852.70
August 2021	929.15	765.00	929.80	764.95
September 2021	845.00	779.40	845.35	779.15
October 2021	887.35	774.90	887.95	774.05
November 2021	810.30	730.10	810.80	730.05
December 2021	772.00	709.55	773.90	709.35
January 2022	819.00	731.25	819.80	731.15
February 2022	832.25	730.00	833.00	729.55
March 2022	869.70	754.40	867.85	741.45

b. comparison of performance of Company's share vs NSE Nifty



Annexure D(i)

Declaration on Code of Conduct

This is to confirm that the Board has laid down a for all the members of the Board and senior management personnel of the Company. The Code of Conduct has also been uploaded on the website of the Company. It is further confirmed that all the members of the Board and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2022 as envisaged in Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors

Place: Secunderabad

Date: April 28, 2022

Sameer Goel

Managing Director

Annexure D(ii)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members
COROMANDEL INTERNATIONAL LIMITED
CIN: L24120TG1961PLC000892
1-2-10, Sardar Patel Road, Secunderabad
Telangana - 500003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **COROMANDEL INTERNATIONAL LIMITED (CIN: L24120TG1961PLC000892)** having its Registered Office at 1-2-10, Sardar Patel Road, Secunderabad, Hyderabad, Telangana - 500003, (hereinafter referred to as "The Company") produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our knowledge and according to the verifications (including Director Identification Number (DIN) Status at the portal www.mca.gov.in) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such other statutory authority.

S No.	DIN	Name of the Director	Designation	Date of Appointment
1.	00148891	A Vellayan	Non-Executive Non-Independent Chairman	11/11/2020
2.	00291361	Arun Alagappan	Executive Vice Chairman	11/11/2020
3.	07298938	Sameer Goel	Managing Director	01/10/2015
4.	00152619	M M Venkatachalam	Non-Executive Non-Independent Director	23/01/2007
5.	00058215	Ramesh K B Menon**	Non-Executive Non-Independent Director	11/11/2020
6.	00200379	Prasad Chandran*	Non-Executive Independent Director	18/04/2014
7.	03340616	Sumit Bose	Non-Executive Independent Director	21/03/2016
8.	00029256	Aruna B Advani	Non-Executive Independent Director	30/08/2018
9.	02705175	R. Nagarajan	Non-Executive Independent Director	01/10/2018
10.	08244973	K V Parameshwar	Non-Executive Independent Director	01/10/2018
11.	03601690	Sudarshan Venu	Non-Executive Independent Director	03/02/2022

** Resigned as Director with effect from close of business hours on March 31, 2022.

* Ceased as Director with effect from close of business hours on April 20, 2022.

Ensuring the eligibility of, for the appointment/ continuity of, every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Chennai
Date: April 28, 2022

For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R. SRIDHARAN
CP No. 3239
FCS No. 4775
UIN : S2003TN063400
UDIN : F004775D000220958

Annexure D(iii)

Corporate Governance Certificate

The Members

COROMANDEL INTERNATIONAL LIMITED

1-2-10, Sardar Patel Road, Secunderabad

Telangana - 500003

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by COROMANDEL INTERNATIONAL LIMITED (CIN: L24120TG1961PLC000892), having its Registered Office at 1-2-10, Sardar Patel Road, Secunderabad, Telangana – 500003, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

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

In our opinion and to the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2022.

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

Place : Chennai

Date: April 28, 2022

For R. SRIDHARAN & ASSOCIATES

COMPANY SECRETARIES

CS R. SRIDHARAN

FCS No. 4775

CP No. 3239

PR No. 657/2020

UIN : S2003TN063400

UDIN : F004775D000220914

Annexure E to Board's Report

Business Responsibility Report

Preface

Coromandel International Limited presents its 'Business Responsibility Report' (BRR), as mandated by Securities and Exchange Board of India (SEBI), and in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011. The report has been prepared as prescribed and in accordance with Regulation 34 of the SEBI (LODR) Regulations, 2015.

About Coromandel International Limited

Coromandel International Limited is amongst India's pioneers and leading agri solutions provider, offering diverse products and services across the farming value chain. It operates in two major segments: Nutrient and other allied businesses and Crop Protection & Bio Products. The Company is 2nd largest manufacturer and marketer of Phosphatic fertiliser in India. The Company's Crop Protection products are marketed in India as well as in international geographies, offering wide range of technical and formulation products. The Company has a strong R&D and Regulatory setup, supporting the businesses in process development and new product introduction. The Speciality Nutrients business of the Company focuses on secondary nutrients like Sulphur products, water soluble fertiliser and secondary & micronutrients segments. The Company is a leading marketer of Organic fertiliser in India and has recently added organic nutri-booster solutions to its portfolio. It also operates a network of around **over 750** rural retail outlets across Andhra Pradesh, Telangana, and Karnataka. Through these Retail outlets, the Company offers farming services including crop advisory, soil testing and farm mechanization to around 3 million farmers. The Company has **16** manufacturing facilities, which are marketed through an extensive network of dealers and its own retail centers.

For more details, visit www.coromandel.biz

Section A: General Information about the Company[63]

1	Corporate Identity Number	L24120TG1961PLC000892
2	Name of the company	Coromandel International Limited
3	Registered address	Coromandel House, 1-2-10, Sardar Patel Road, Secunderabad - 500 003, Telangana
4	Website	www.coromandel.biz
5	E-mail id	mail@coromandel.murugappa.com
6	Financial Year reported	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Fertilisers & Chemicals Fertiliser – 20122 | Pesticides – 20211
8	List three key products/services that the Company manufactures/provides	Fertilisers, Crop Protection Products and Speciality Nutrients
9	Total number of locations where business activity is undertaken by the Company	16 Manufacturing Locations in India AP - Vizag, Kakinada | TN: Ennore, Ranipet, Thyagavalli | JK: Jammu | GJ: Ankleshwar, Dahej, Sarigam, Nandesari | RJ: Udaipur, Kota| MP: Nimrani | KA-Hospet, UP – Raebareli | MH – Pali
10	Markets served by the Company	India, Latin America, APAC, Africa, Europe, Australia, New Zealand and USA

[63] GRI 102-5

Section B: Financial Details of the Company

1	Paid up capital	Rs. 29.35 Crore
2	Total turnover	Rs. 19,111 Crore
3	Total profit after tax	Rs. 1,528 Crore
4	Total spending on CSR as percentage of PAT (%)	1.8 %
5	List of the activities in which expenditure in 4 above has been incurred	CSR Activities of Coromandel are focused on Health, Education and Community Development.

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The subsidiaries of Coromandel are primarily either investment companies or companies holding product registration in foreign countries for export of the Company's products. Hence, this is not applicable. Number of subsidiary companies: 11
3	Do any other entity/entities (e.g. suppliers, distributors) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate % of such entity/entities?	No

Section D: BR information

1	Details of Director(s) responsible for BR	Mr. Sameer Goel, Managing Director DIN: 07298938 BR Head: Mr. Sameer Goel, Managing Director DIN: 07298938 | Phone: 040 - 27841368 Email: GoelS@coromandel.murugappa.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

a. Details of compliance

S.No.	Questions	P 1	P 2	P 3	P4	P5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board of Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Polices & Codes: https://www.coromandel.biz/investors/policies/ CSR Policy: http://coromandel.biz/pdf/CSRPolicy/CSRPolicy_dec2014.pdf EQOHS Policy: https://www.coromandel.biz/investors/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

All the policies in Coromandel are governed by its guiding principles and core values. These polices are mapped to each principle hereunder:

Coromandel Policies Mapping to BR Principles

S.No	Principle	Applicable Policies
1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	• Values and Beliefs, called the 'Five Lights' • Whistle Blower policy • Code of Conduct • Coromandel Guide to Business Conduct (CGBC)
2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	• Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)
3	Businesses should promote the wellbeing of all employees	• HR Policy • Communication policy • Prevention of Sexual Harassment Policy • Training Policy • 5S policy
4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	• CSR Policy • Values and Beliefs, called the 'Five Lights'
5	Businesses should respect and promote human rights	• Values and Beliefs, called the 'Five Lights' • Whistle Blower policy • Code of Conduct
6	Business should respect, protect, and make efforts to restore the environment	• Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)
7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	• Values and Beliefs, called the 'Five Lights'. • Coromandel Guide to Business Conduct (CGBC)
8	Businesses should support inclusive growth and equitable development	• CSR Policy
9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	• Values and Beliefs, called the 'Five Lights' • Environment, Quality, Occupational Health and Safety Policy (EQOHS Policy)

3. Governance related to BR

a. Frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company:

The BR Performance revolves around a number of policies which is assessed by the BR Head monthly, quarterly and annually based upon its importance and impact on the environment and Company's operations & activities.

b. Publication of BR or a Sustainability Report and its frequency:

This is the sixth Business Responsibility Report of the Company for the Financial Year 2021-22 which forms part of the Company's Annual Report for FY 2021-22. The same can be accessed at https://www.coromandel.biz/investors/annual-report/. Previous reports were made for the financial year 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21.

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Coromandel fosters a work culture with high ethical principles and standards and encourages its employees to perform with total integrity, commitment and ownership. Commitment to ethical and lawful business conduct is a cornerstone of Coromandel's business practices. It is a fundamental shared value among the Board of Directors, the senior management and all the employees in the company. Coromandel has adopted the 'Code of Conduct' (Code), to ensure ethics, transparency and accountability in all aspects of the business, and create value for its stakeholders in a sustainable manner. All Directors and senior management personnel shall affirm compliance with this Code on an annual basis.

In line with the Murugappa Group's values and beliefs (The Five Lights), Coromandel has also adopted the 'Coromandel Guide to Business Conduct (CGBC)' to set forth the principles which guide business transactions with customers, outside businesses, governments, communities and shareholders. All policies are communicated to Coromandel's employees upon joining as well as reinforced through annual refresher sessions. Employees are rewarded and recognized for demonstrating exemplary behaviour of Group's Value and Beliefs.

Coromandel has well established policies in accordance with the statutory guidelines and the relevant SEBI Regulations.

- Code of practices for fair disclosure of unpublished price sensitive information
- Code of Conduct – Board & Senior Management
- Criteria for Senior Management
- Dividend Distribution Policy
- Environmental, Occupational Health & Safety, Quality, (EHSQ Policy)
- Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges
- Policy on preservation and archival of documents
- Policy for determining Material Subsidiaries
- Policy on Related Party Transactions
- Remuneration Policy
- Whistle Blower Policy/Vigil Mechanism

The above company policies can be accessed by anyone from the Company's website https://coromandel.biz/inv_financialresults.html

Key elements of Coromandel's corporate governance are transparency, disclosure, internal controls, risk management, internal and external communications, and adherence to high standards of safety, health, environment, accounting fidelity, products and service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has also set up adequate review processes. The Company ensures selection of vendors and contractors, who maintain and follow ethical standards. The Company endeavours to impart periodical training on Ethics to its employees and relevant stakeholders are also made aware of the same, on a regular basis.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Section 5: Corporate Governance (Reference page 35)

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.

The social and environmental concerns have been incorporated in the development of the following products at Coromandel:

- Sulphur enhanced fertiliser grades, 24-24-0-8S & 20-20-0-13S are manufactured with unique technology such that it maximizes the availability of Sulphur to the crop and minimizing leaching losses of Sulphur
- GroPlus – Enhanced SSP for improving the Phosphate efficiency of SSP
- Sulphamax – Sulphur fertiliser with high Sulphur release efficiency
- Bosmax – Sulphur fertiliser fortified with Boron that takes care of nutrition of both the nutrients
- AcuSpray and Fitsol Range of products - Unique crop and stage specific water-soluble foliar spray products under brand name AcuSpray and fertigation products under brand name Fitsol that takes care of crop requirement of multiple nutrients at various growth stages of the specific crops
- 14-35-14 fortified with zinc (GroShakti Plus) to increase yield in farmer's fields
- Liquid zinc (Acumist Zinc) for higher zinc efficiency and increase yield
- Hand-held sensors (Greenseeker) deployed for assessing the status of crops in farmers' fields
- Portable kit developed for measuring the humic acid content of soils
- Bio-Pesticides produces and delivers sustainable and environment friendly products
- Improvement in capacity and quality of Mancozeb, Malathion and Phenthoate, hence reducing wastage

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Section 16: Natural Capital (Reference page 106-107)

b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Coromandel continuously engages with the customer to educate them on safe usage of products. Also, Coromandel's Agronomic R&D team and Field Agronomist team conducts number of trials in farmers' fields to generate data on the performance of new and existing products. The Benefit Cost Ratio (BCR) and the Value Proposition for each product are determined through these trials. Education materials for farmers about the benefits of various products is prepared and shared with Marketing. Coromandel's Agronomic R&D works closely with the farmers to collect information about their practices. This knowledge is considered as Farmers' Practices and is treated as the knowledge created by the farmers. The company ensures that its R&D work gives due recognition to Farmers' Practices and works for incremental benefit cost ratio (IBCR) over the farmers' practices through technological interventions and integrated nutrients and pest management.

For further details refer to Section 15: Social and Relationship Capital (Reference page 96)

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

a. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

To ensure sustainable sourcing for manufacturing process, SSP business has entered into an annual supply agreement for Sulphuric Acid with Hindustan Zinc and inter transfer from existing fertiliser unit Kakinada. Business upgraded and revamped the Sulphuric Acid plant of the Ranipet SSP unit with 33000 MT/Annum for captive production. For other raw material i.e., Rock Phosphate the company has a sustainable source from local mines i.e. Rajasthan States Mines & Minerals Ltd., Udaipur. Imported Rock is being sourced from Egypt and Jordan which is also a sustainable source. Almost 100% of Acid is sourced on annual agreement. More than 50% Rock is sourced from local mines. For inbound logistics, the business is finalizing contracts on annual basis with RFQ – Negotiation – Finalization.

In Crop Protection BU, there is a standard process of procurement including stage wise approval and sustainable quality supplies. All main Raw Materials (RM) /Packing Materials (PM) are covered under a procurement contract with Annual volume and specifications. Duties of supplier, quality of product, quantity & payment terms, duration of contract, confidentiality, dispute addressal, anti-corruption, anti-competition, specifications, vehicle requirement and rules of transportation are also included in the agreement. RM/PM are sourced with at most sustainability approach in terms of alternatives, and volumes. Coromandel is a global leader in manufacturing neem-based pesticides. We follow a sustainable procurement mechanism for neem seeds and have partnered with local NGOs to source the seeds locally. Approximately 55-60% of inputs are sourced sustainably by following the above-mentioned process.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

a. If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Coromandel encourages the local and small vendors for supply of consumables, engineering stores and carrying out job contracts in order to develop sustainable capabilities. Coromandel has multiple local and small vendors for sourcing and supply of Organic Compost fertilizers across various states in India. Through continuous uptake of high-volume products and continuous business, Coromandel indirectly facilitates these vendors in upgrading their technologies for providing various value-added organic products for the benefit of the farming community.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Section 16: Natural Capital (Reference page 108)

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees.

Section 14: Human Capital (Reference page 85)

2. Please indicate the total number of employees hired on temporary/ contractual/casual basis.

Around 8519 off-roll/contract employees

3. Please indicate the number of permanent women employees.

Section 14: Human Capital (Reference page 85)

4. Please indicate the number of permanent employees with disability.

7 differently abled employees

5. Do you have an employee association that is recognised by Management?

Section 14: Human Capital (Reference page 91)

6. What percentage of your permanent employees are a member of this recognised employee association?

Section 14: Human Capital (Reference page 91)

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Section 14: Human Capital (Reference page 91)

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Coromandel ensures continuous skill and competence upgrading of all its employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis. The learning & development process of Coromandel aims to build employee capabilities in line with the current and future core competency requirements of the organization. The company has deployed various key developmental initiatives in 2021-22.

Coromandel Knowledge Centre (CKC) at Kakinada: CKC was launched for enriching Manufacturing capability with an integrated model of knowledge, best practices sharing for Safety, Manufacturing, Production, Operations, Engineering, Technology, 5S, TQM, TPM, etc. CKC strengthens Functional & Safety capabilities across all fertiliser manufacturing locations with training programmes such as Energy Management Techniques, Manufacturing Excellence and Simulation Training. Launched GyanPeeth in August'21 to capture knowledge of critical employees retired in the last 3 years and retiring in the next 3 years.

Sales Force Learning Academy: Sales Force Learning Academy (SFLA) is conceptualized to augment agri domain capabilities and managerial skills of its Frontline and Middle Management Fertilizers Sales and Marketing team. NAARM: SFLA conceptualized to augment capabilities in Agri. domain & Managerial skills of Frontline and Middle Management Fertilizers Sales and Marketing team. 3 programs: NEAT (New entrant assimilation training, MORE (Marketing Officer Resurgence and Excellence) and ZEAL (ZMs Excellence for Agri Leadership) and Agronomy Training organized regularly to cater to training needs of Marketing team

Vidhya Online: This initiative helped in enabling seamless access to E- Learning Platform across domains. In the last five years, we have grown our stack of learning modules to more than 70, covering a range of topics that can be used for the development of a broad cross-section of employees.

Succession Planning and Leadership Development: Structured process to identify and nurture High Potentials (HiPos) to develop a strong Leadership pipeline across all SBUs. These programs include Excel-30, STAR (Set to Augment Results), LEAD (Leadership Excellence for Acceleration and Development) and ASPIRE (Accelerate Successful Performance in Retail Excellence) Programmes for Long Term Development of High Performing Employees. The Company has also strengthened its talent review and succession management processes which include a regular review by the Leadership team, leading to recalibrated offering that helps to develop and nurture future leaders.

Coromandel Finance Academy Progress: The Program aims to improve the functional, IT and general management skills of the Finance professionals and the Company has engaged a leading Knowledge management firm for the program implementation. Further, the Company initiated a unique learning program for all finance executives through "Finance Teach Back" sessions.

All permanent employees (including women employees) and the casual/contractual employees have undergone training in the areas of safety, health, behavioral and skill upgradation. Also, Coromandel encourages and provides training and counselling to employee family members in various areas viz., home safety, home 5S, child education and family health.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders?

Section 9: Stakeholder Engagement & Materiality Assessment (Reference page 55-56)

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

Company's primary stakeholder is the farmer, who is most economically disadvantaged, followed by economically backward communities in the vicinity of its manufacturing plants.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable, and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.

Section 15: Social and Relationship Capital (Reference page 97-101)

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

Section 14: Human Capital (Reference page 91)

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

Section 14: Human Capital (Reference page 91)

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/Suppliers/Contractors/ NGOs/ others.

The environmental impact is accessed from time to time and continuous improvement is observed through sustainable practices and responsible use of natural resources through effective implementation of Integrated Environment, Occupational health & Safety, Quality (EHSQ) Policy. The policy covers the entire operations of Coromandel and applies to its Employees, Contractors, Vendors, Visitors, and other stakeholders.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

Section 7: Sustainability at Coromandel International Limited (Reference page 43-45)

3. Does the Company identify and assess potential environmental risks?

Section 10: Risk Management (Reference page 62-64)

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The company is looking for avenues for the implementation of the Clean Development Mechanism and will be accordingly explored and implemented.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N.

Coromandel is highly focused on clean technology. At Coromandel, all major Manufacturing Plants have installed continuous Emission Monitoring Systems (CEMS) in all process stacks and online (CAAQMS) Continuous Ambient Air Quality monitoring system through which real time data is uploaded to respective Pollution Control Board Websites which are open to public viewing. It has focused on power generation at its Vizag, Ennore & Ennore locations using Waste Heat Recovery System (WHRS) by utilizing the excess steam generated form the Sulphuric plant and generating the around 3.0 MW power at Ranipet unit, 5.0 MW at Vizag unit and 4.0 MW power at Ennore Unit. The Company has installed Online Continuous Emission Monitoring Systems (OCEMS) at its stacks for online monitoring of stipulated parameter.

Coromandel has also received recognition for its various environmental initiatives during 2021-22:

- Fertiliser Business was awarded Industry Stewardship Champion Gold Award from IFA at Dubai in October 2021
- Kakinada Unit won Gold Award & Sectorial Topper Award from CII-SR EHS Excellence Award 2021
- Ennore Unit won Bronze Award from CII-SR EHS Excellence Award 2021.
- Udaipur unit received appreciation award for plantation campaign from District magistrate of Udaipur.
- Ankleshwar unit received two-gold medals and two Distinguish awards from QCFI Gujarat Chapter for "Safe Bromine handling" & "Hazardous waste management & Handling" projects
- Dahej Unit Participated in QUALITY CIRCLE FORUM OF INDIA (QCFI), Ankleshwar Chapter, to present the best safety practices/ initiatives. Dahej Unit Secured 5 gold and 2 Silver category awards. Out of 7 nominated projects all projects/initiatives won the awards.

For further details refer to Section 16: Natural Capital (Reference page 106)

6. Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Section 16: Natural Capital (Reference page 107)

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

As on 31st March 2022, there are no Environmental court case which are sub-judicious presently and no open show causes from CPCB / SPCB.[64]

[64] GRI 307-1

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

8. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.

Section 15: Social and Relationship Capital (Reference page 97)

9. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (Drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Coromandel's engagement with the relevant authorities for responsible advocacy is guided by the values of integrity, respect and responsibility and with sustainable value for all stakeholders. Few of the key areas that Coromandel has advocated in last few years through industry associations for the advancement and benefits of farmers, as well as production augmentation and employment generation are mentioned below.

- Nutrient based subsidy
- Fertiliser business environment
- Integrated Nutrient Management Act
- Model Retail Stores
- Direct Benefit transfer
- Environmental Clearance for new manufacturing projects
- GST rate on Fertiliser
- Quality testing of SSP
- Priority on 'Make in India' concept for Fertiliser industry
- Balanced use of Fertiliser Nutrients
- Neem oil coating of Urea
- Micro-Nutrient Fortification
- Use of Sulphur enhanced Fertiliser
- Promoting organic manure
- Usage of Gypsum
- Indigenous sourcing of Potash
- Covid-19 related Agri recommendations

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

Section 15: Social and Relationship Capital (Reference page 97-101)

2. **Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/Government structures/ any other organisation?**

Section 15: Social and Relationship Capital (Reference page 97)

3. **Have you done any impact assessment of your initiative?**

Section 15: Social and Relationship Capital (Reference page 98-101)

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

Section 15: Social and Relationship Capital (Reference page 102)

Annexure F to Board's Report: Annual Report on CSR Activities (Reference page 209-211)

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Section 15: Social and Relationship Capital (Reference page 97-101)

Section 2: About Coromandel International Limited (Reference page 16)

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

Section 15: Social and Relationship Capital (Reference page 95)

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws?**

The products of Coromandel are in adherence with and governed by respective Government rules and regulations like Fertiliser Control Order (FCO) and Central Insecticides Board & Registration Committee (CIB&RC). Hence, there is no restriction or barrier of entry for other market players and customers are having the full freedom to select the products of their choice.

Coromandel discloses all the relevant information on safe and judicious usage of its product through various channels like packaging, labelling, leaflets and website. Crop protection chemicals/specialty nutrients products are provided with the info on safe handling, dosage to crop, time and method of application, thus encouraging consumers to use products in a responsible manner. The Toll-free (Hello Gromor center) phone number are provided in all packs for enabling customers to register their queries and complaints.

Coromandel ensures that all the claims made in advertising are backed by the results established through pilot experiments, field studies and demonstrations carried out in fields and with proper registration of products as per all legal requirements.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year?**

There are nil cases filed and pending against the Company with respect to unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Fertiliser Business also receives customer feedback directly from its Sales and agronomy teams during customer outreach activities or through retailer. Sales team attends to these complaints, and they rope in Agronomists if the complaint is related to technical knowledge and product quality. The complaint is addressed by Agronomy team or escalated further for resolution of complaint. The company has also developed an online grievance tracking and redressal tool, TIME, to address product and packing related complaints from farmers and dealers. Specialty Nutrients has launched a customer complaint app for the internal team. The same to be used by the field team to raise any complaints in markets with a proper escalation mechanism.

Customer feedback is taken with utmost seriousness and attempts are made to satisfactorily close all customer feedback or complaints expeditiously. Around 54 complaints were received and addressed through CRM calls of 'Hello Gromor' for the year 2021-22.

Coromandel conducted various market research studies through external agencies and internal teams during the year 2021-22, to understand the farmer's perception and satisfaction level across SBUs. Some of the important surveys done include:

- Retail SBU carried out **"Net promoter score"** survey covering 25194 farmers during 2021-22. The objective was to take feedback on MGC products and services from the customers and to know how likely they were willing to recommend MGC to their fellow farmers. Based on the feedback from the respondents, corrective actions were taken on MGC products and services during 2021-22
- **Cotton seed preference study**: Retail division has conducted the study with an external agency. The objective of the study is to determine the most preferred cotton seed brands by the farmers and the most stocked brands by retailers and to establish the acreage under cotton crop cultivation during the last season and estimation for the upcoming season. During 2021-22, the study was done covering 71 markets with 3550 farmers across AP, Telangana and Karnataka states.
- **Feedback study on customer services** was organized through an external agency covered 3000 farmers across 100 markets to know the preferences for the services expected from Mana Gromor stores and their willingness to pay for it during 2021-22.
- Fertiliser business conducted market research project to understand the Perception and satisfaction of our newly launched brands, GroShakti and GroSmart, through the leading market research firm Q&Q. Besides this, it also conducted market research to understand consumer needs of Cotton and Corn farmers in Maharashtra and Karnataka respectively and tested the concepts for new products. We use the insights from the research to finetune our offering in the CFG category.
- **CPC BU Survey:** Brand Recall Survey (Fantac Plus, Marlett M 45) by Karvy, Market Research Survey undertaken on Dealer Satisfaction by IPSOS for Channel partners in AP, TG, KR, MH, MP, HR, RJ and WB with the objective to measure Dealer Satisfaction and benchmark with Industry best practices and Customer Satisfaction Survey were conducted in 2021-22 . The Business intends to leverage the survey outcomes to streamline its activities for better reach of the channel partners and strengthen network.
- **Study of Prospects for Liquid Fertilizers Market in India and developing way forward** – The study was taken up through a team of Management Interns at various key states to understand the business potential, farmer perception and competition scenario, and how the liquid fertilizers are helping farmers in getting better ROI and better quality of produce. The findings helped in the launch of its first liquid fertiliser AcuMist Zinc in the market. More such products are being planned to be launched in the years to come.

Annexure F to Board's Report

Annual Report on CSR Activities

1. Brief outline on CSR Policy of the Company

The Murugappa Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service oriented philanthropic institutions in the field of education and healthcare as the core focus areas. Coromandel International Limited (Coromandel) upholds the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. We believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. Therefore, our philanthropic endeavours are a reflection of our spiritual conscience and this provides us a way to discharge our responsibilities to the various sections of the society.

The CSR Policy of the Company inter alia provides for identification of CSR projects and programmes, modalities of execution, monitoring process. The Policy can be accessed on the Company's website at https://www.coromandel.biz/sustainability/

Overview of the CSR Projects and Programmes: Coromandel is committed to identifying and supporting programmes aimed at:

- Empowerment of the disadvantaged sections of the society through education, access to and awareness about financial services and the like.
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like.
- Work towards eradicating hunger and poverty, through livelihood generation and skill development.
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programme.
- Promotion of sports through training of sportspersons.
- Undertake rural development projects.
- Any other programme that falls under our CSR Policy and is aimed at the of disadvantaged sections of the society.

2. Composition of CSR committee

Name and Designation	Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Sumit Bose, Chairman*	Non-Executive & Independent	3	1
Mr. Arun Alagappan, Chairman*	Executive	3	3
Mr. Sameer Goel, Member	Executive	3	3
Dr. R Nagarajan, Member#	Non-Executive & Independent	3	2

* Mr. Sumit Bose ceased as Chairman/Member of Committee and Mr. Arun Alagappan was appointed as Chairman of the committee with effect from April 29, 2021.

Dr. R Nagarajan was appointed as Member of the committee with effect from April 29, 2021.

3. Provide the web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Policy and CSR projects approved by Board: https://www.coromandel.biz/sustainability/

Composition: https://www.coromandel.biz/investors/committees-of-the-board/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

1. Impact Assessment on Health Interventions by Blue Sky Sustainable Business Ltd.

2. Impact Assessment on Green Visakha by Tera Nero

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs. Lakhs)	Amount required to be setoff for the financial year, if any (in Rs. Lakhs)
	-	Nil	Nil
	Total	Nil	Nil

6. Average net profit of the company as per section 135(5): Rs. 1,40,612 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 2812 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a +7b+ 7c): Rs.2,812 lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount Unspent (Rs. in Lakhs)		
	Amount (Rs. in Lakhs)	Date of Transfer	Name of the Fund	Amount	Date of Transfer
2,465.50	346.50	Refer Note	-	-	-

Note: The unspent CSR amount of 346.50lakhs for the financial year 2021-22 will be transferred to unspent CSR Account on or before April 30, 2022 in accordance with provisions of the Companies Act, 2013 read with rules made thereunder.

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the Project		Amount spent for the project (Rs. in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation-Through implementing agency	
				State	District			Name	CSR registration number
1.	Contribution to various disaster funds	Disaster Management	Yes	Andhra Pradesh, Telangana & Tamilnadu	Andhra Pradesh, Telangana & Tamilnadu	400.00	Yes	NA	NA
2.	COVID initiatives	Health	Yes	Andhra Pradesh, Tamilnadu and Gujarat	Ennore, Visakhapatnam, Kakinada, Sarigam in Valsad district	164.82	Yes	NA	NA
3.	Improving health Conditions for communities through the provision of basic medical services - Ennore, Vizag and Sarigam	Health	Yes	Andhra Pradesh, Tamilnadu and Gujarat	Ennore, Visakhapatnam, Sarigam in Valsad district	103.02	Yes	NA	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the Project		Amount spent for the project (Rs. in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation-Through implementing agency	
				State	District			Name	CSR registration number
1.	Contribution to various disaster funds	Disaster Management	Yes	Andhra Pradesh, Telangana & Tamilnadu	Andhra Pradesh, Telangana & Tamilnadu	400.00	Yes	NA	NA
2.	COVID initiatives	Health	Yes	Andhra Pradesh, Tamilnadu and Gujarat	Ennore, Visakhapatnam, Kakinada, Sarigam in Valsad district	164.82	Yes	NA	NA
3.	Improving health Conditions for communities through the provision of basic medical services - Ennore, Vizag and Sarigam	Health	Yes	Andhra Pradesh, Tamilnadu and Gujarat	Ennore, Visakhapatnam, Sarigam in Valsad district	103.02	Yes	NA	NA
4.	Coromandel Girl Child Scholarship Scheme	Education	Yes	Andhra Pradesh, Telangana, Tamilnadu, Gujarat	Kakinada, Visakhapatnam, Krishna, Prakasam, Srikakulam, East Godavari, Kurnool in Andhra Pradesh, Nizamabad & Gadwal in Telangana Sarigam (Valsad district) & Ankleswar in Gujarat, Ennore Ranipet in Tamilnadu	57.30	Yes	NA	NA
5.	Nature conservation (support to Madras Crocodile Bank Trust)	Environment	Yes	Tamilnadu	Chennai , Tamilnadu	50.00	No	Madras Crocodile Bank trust	CSR00005322
6.	Contribution to Udbhav School	Education	Yes	Telangana	Hyderabad	45.00	No	IIMAAAHC	CSR00001664
7.	Retail and Agri Skill development	Skill development	Yes	Telangana	Hyderabad	28.02	No	Access Livelihood Foundation	CSR00003088
8.	Supporting the cause of children with congenital heart diseases	Health	Yes	Telangana	Hyderabad	35.00	No	Hrudaya Foundation	CSR00004126
9.	Improving government health facilities in Kakinada	Health	Yes	Andhra Pradesh	Kakinada	37.46	Yes	NA	NA
10.	Supporting Children with hearing impairment	Education	Yes	Tamilnadu	Chennai	20.00	No	Bala Vidyalaya Trust	CSR00002710
11.	Supporting Women farmers in Sangareddy district	Rural development	Yes	Telangana	Sangareddy	15.00	No	Federation of Farmers Association	CSR00005869
12.	Evaluating the impact of biochar addition on crop yield and soil quality through farmer field trials	Research	No	Punjab	Ludhiana	1.50	No	Energy harvest Charitable Trust	CSR000004462
13.	Scholarships for class XI & XII students	Education	Yes	Andhra Pradesh, Gujarat & Tamilnadu	Kakinada, Visakhapatnam, Ennore & Sarigam (Valsad district)	3.88	Yes	NA	NA
14.	Community Development	Community development	Yes	Andhrpradesh, Tamilnadu, Gujarat	Visakhapatnam, Kakinada, Ennore, Sarigam (Valsad District)	165.24	Yes	NA	NA
15.	Oxygen generators	Health	Yes	Andhra Pradesh, Tamilnadu	Vizag, Kakinada, Ennore and Ooty	291.96	Yes	NA	NA
16.	Support to new project initiatives	Skill development, Health	Yes	Andhra Pradesh, Tamilnadu	Krishna, Coonoor, Chennai	56.62	Yes	NA	NA
17.	Murugappa Polytechnic College	Education	No	Tamilnadu	Chennai	143.64	No	AMM Foundation	CSR00000050
18.	Coromandel Kakinada Hospital	Health	No	Andhra Pradesh	Kakinada	168.71	No	AMM Foundation	CSR00000050
19.	AMM Hospital, Nellikuppam	Health	No	Tamilnadu	Sivagangai, Tamilnadu	135.53	No	AMM Foundation	CSR00000050
20.	AMM Arunachalam Hospital, Pallatur	Health	No	Tamilnadu	Cuddalore, Tamil Nadu	164.2	No	AMM Foundation	CSR00000050
21.	Valliammai Achi Hospital	Health	No	Tamilnadu	Kanyakumari, Tamilnadu	67.04	No	AMM Foundation	CSR00000050
22.	- Mobile Health Van, Sarigam	Health	No	Gujarat	Sarigam (Valsad district)	35.00	No	AMM Foundation	CSR00000050
23.	Mobile Health Van, Nagercoil	Health	No	Tamilnadu	Kanyakumari, Tamilnadu	9.35	No	AMM Foundation	CSR00000050
24	-Mobile Science Lab-Sivagangai Pudukkotai	Health	No	Tamilnadu	Sivagangai Padukkotai, Tamilnadu	13.42	No	AMM Foundation	CSR00000050
	Total					**2211.71**			

(d) Amount spent in Administrative Overheads: Rs.86.42 lakhs

(e) Amount spent on Impact Assessment, if applicable: Rs.10 lakhs

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 2,465.50 lakhs

(g) Excess amount for set off, if any:

Sl.no	Particular	Amount (Rs. in Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	2,812
ii.	Total amount spent for the Financial Year	2,465.50
iii.	Excess amount spent for the financial year [(ii)-(i)]	NA
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135 (6) (Rs. in Lakhs)	Amount spent in the reporting financial year (Rs. in Lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs. in Lakhs)
				Name of the Fund	Amount (Rs. in Lakhs)	Date of Transfer	
1.	2020-21	295.58*	295.58*	-	-	-	Nil

* The unspent amount to Rs. 295.58 lakhs include an amount of Rs.17.43 lakhs pertaining to financial year 2019-20 earmarked for medical camps. The Company had spent the said amount of Rs. 17.43 lakhs for medical camps in financial year 2021-22.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial year in which project was commenced	Project Duration	Total Amount allocated for the Project (Rs. in Lakhs)	Amount spent on the project in the reporting financial year (Rs. in Lakhs)	Cumulative amount spent at the end of reporting financial year (Rs. in Lakhs)	Status of the Project-Completed/
1.	FY21	Sir Ivan Stedford Hospital	2020-21	2 years	975.11	193.62*	193.62	Completed
2.	FY21	Vizag Green Cover	2020-21	2 years	100.00	70.73	70.73	Completed
3.		Community Development across Coromandel Plants	2020-21	1 year	13.80	13.80^	13.80	Completed
		Total				**278.15**	**278.15**	

* The Board of Directors by way of circular resolution on July 15, 2021, on recommendation of CSR committee, re-allocated the unspent amounts of Rs. 193.62 Lakhs on projects i.e Coromandel Kakinada Hospital, Murugappa Polytechnic College, Sir Ivan Stedford Hospital, AMM Hospital, AMM Arunachalam Hospital and Mobile Health Van to Sir Ivan Stedford Hospital project.

^ The Board of Directors at its meeting held on March 23, 2022 on recommendation of CSR committee, approved Rs. 13.80 Lakhs out of Rs. 84.53 lakhs earmarked for Vizag Green cover project to Community Development across coromandel plants, as Vizag Green Cover project was completed.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset wise details):

a. Date of creation or acquisition of the capital asset(s)	Nil
b. Amount of CSR spent for creation or acquisition of capital asset	Nil
c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Nil
d. Provide details of the capital asset(s) created or acquired (including complete address and location.	Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company is unable to spend the CSR expenditure in respect of the following two 'ongoing projects' for the reasons mentioned below:

- Centenary Science Project - The project has been delayed on account of delay in Identification of land for establishing the project.
- Waterbody Rejuvenation Project - Due to delay in obtaining the approvals of the Government implementation of the project also got delayed. The implementing agency received the necessary Government approvals, and seven waterbodies are identified for implementation under the project.

The unspent amount will be transferred to a separate Unspent CSR Account on or before April 30, 2022, and the said amount will be spent within time limits stipulated in the Companies Act, 2013 and the Rules made thereunder.

Sameer Goel
Managing Director

Arun Alagappan
Chairman
CSR Committee

Place: Secunderabad
Date: April 28, 2022

Annexure G to Board's Report

Information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part Report to Directors.

A. CONSERVATION OF ENERGY

Various Energy conservation steps taken by the Company, as detailed below, have yielded considerable energy savings during the year 2021-22.

Fertiliser & SSP Plants

a. Desalination plant at Ennore was restarted with own Sea water inlet , resulted in lower transportation fuel of water.

b. Reduced the specific power consumption by 14% over previous year at Ennore Unit.

c. Manufacturing automation -EMS(Energy management system) module integration with CRISP across all sites.

d. Gypsum direct loading for PAP-1 at Vizag unit.

e. C-Train improvement project at Vizag have reduced specific power consumption per Ton of product.

f. Phase-wise replacement of Energy efficiency lighting , Motors and VFDs at various locations.

g. Throughput improvement of 28:28:0 at Kakinada have reduced specific power consumption by 2.77KWH/MT and Specific gas consumption Natural gas by 0.76SM3/MT.

h. Cold well pump replacement SAP2 (20-21) with energy efficient pump.

i. Deployment of 35MT Trucks for product despatches, resulted in lower transport fuel oil consumption at Vizag.

j. ENCON and Small Group Activity teams have been constituted to constantly look at the energy conservation and other improvement schemes which has resulted in considerable energy savings across all Fertiliser and SSP units.

CPC Plants

a. Replacement of old 132KW motor by energy efficient motor

b. Impeller trimming of Process utility pumps for efficiency improvement

c. Replacement of faulty capacitor for power factor improvement

d. VFD installation for 160 KW air compressor to reduced continuous loading of compressor

e. Reduction in gas consumption by 1200-1500 SCM per day in power plant by operational efficiency improvement

f. Replacement of 1000 TR old cooling tower with energy efficient cooling tower

g. Replacement of Old Voltas make reciprocating chiller by new & advanced technology energy efficient screw chiller with improvement of specific power consumption from 1.61 to 1.41 KW/TR

h. Replacement of chilling system old higher rating/under capacity pump replaced by new energy efficient pump

i. Replacement of streetlights with solar panels with LED lighting.

j. Changed old baby boiler with recirculation type hot water generator with improved fuel efficiency

k. Installation of VFD's at the utilities and process cooling tower fans and pumps

l. Installations of timer based auto drain system in air compressors

m. Replacement of Utility cooling tower prevailing aluminium fan blades with energy efficient aerodynamic FRP blades resulting in 25% energy saving

Bio Plant

a. Replaced 65 Numbers of High-Pressure sodium vapor lamp lights to LED lamp to save energy.

b. Trials done with the alternate fuel which had given increase in Boiler & Fuel efficiency by 5-7%.

c. Altered the Finished goods storage room cooling system by replacing it with air cooled system in place of water-cooled system through which we have saved 192 MW/Annum.

d. Replaced reciprocating compressor with VFD operated screw compressor to reduce the energy consumption.

e. Replaced 22 Numbers of 250 W HPSV bay lights with LED lamps coupled with solar panels.

B. TECHNOLOGY ABSORPTION

i. Efforts made towards technology absorptions:

Fertiliser & SSP Plants

a. Intelligent MCC for 200 MTPD Evaporator at an investment of INR 37 Lakh.

b. Commissioned state of the art Liquid Fertiliser Plant at an investment of INR 778 Lakh .

c. Commissioned state of the art Internet of things (IOT), Automation & modern Process Control systems at an investment of INR 122 Lakh.

d. Upgraded Continuous Ambient Air Quality Monitoring Systems & Online Continuous emission monitoring systems across all Fert and SSP units.

Bio Plant

a. Identified and took trials with new Filtration & Concentrator system for handling low Aza fruits for purity enhancement.

b. Capacity of the plant was enhanced 1.5 times by incorporating new equipment and by process optimization.

c. Revamped the ETP system by which we had zeroed down the consumption of neutralizing agent and generation of hazardous waste.

ii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a)	The details of technology imported	Design and know-how for the new Phosphoric Acid plant
b)	The year of import	2021-22
c)	Whether the technology been fully absorbed	Fully absorbed
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable

C. RESEARCH AND DEVELOPMENT

Nutrients

Coromandel's R&D efforts in the area of plant nutrition span the entire range of activities that are required for conversion of raw materials into plant nutrient products such as NP/NPK complex fertilizers, SSP, specialty fertilizers, and organic products.

In the area of manufacturing technology, R&D work expanded the capabilities of the plants with respect to usage of new raw materials and improvement of quality. Processing knowledge was developed for a new rock phosphate source which was used successfully for production of phosphoric acid at Vishakhapatnam. The technology for removal of dark organic matter from phosphoric acid was implemented at Ennore plant. An alternate raw material was used for the production of the popular grade NP 20-20-0-13 to achieve cost efficiencies. In SSP, a new dryer was designed to achieve lower moisture in granular product.

With respect to introduction of new products, two new complex fertilizers were developed and launched in the market – NPK 14-35-14 with Zinc and Urea Ammonium Phosphate 20-20-0. Liquid Fertiliser Plant was successfully commissioned, and a liquid zinc product was launched in the market. Two new fertiliser grades fortified with magnesium were developed and are awaiting FCO approval. A new biostimulant product was developed and is undergoing field trials. Two patents were granted in 2021-22.

In the area of agronomic research, several initiatives were taken to test new agricultural technologies which can help to improve farm productivity. A new research farm was established near Hyderabad. Trials were conducted on application of nutrients through drones and boom sprayers. Hand-held sensors for assessing the status of crops were deployed in Nutriclinics. Data analytics was used for developing a model for predicting the yield of paddy and this work was presented at the International Agronomy Conference. A portable kit was developed for measuring the humic content of soil in farmers' fields.

The Coromandel lab at Monash Academy, IIT Bombay continued to work on next generation fertilizers. A nano technology-based phosphorus fertiliser was developed and is undergoing field trials. Significant progress was made towards development of slow- release fertilisers with biodegradable coatings. New formulations of water-soluble fertilizers with novel properties were prepared and are being evaluated in the field.

Crop Protection Chemicals

Crop Protection Chemicals (CPC) Business of the Company has three R&D centres at Ankleshwar, Sarigam & Hyderabad and has Technology Transfer (TT) Department at Ankleshwar. CPC R&D is focused on development of new processes for off-Patent molecules, its advanced intermediates, improving the process of existing products, developing different type of new combination products and differential formulation products. CPC R&D demonstrates the technical processes and transfers the technology to Plant team and supports all the manufacturing locations of both technical and formulation plants.

The Packaging development department is established to meet the requirements and needs of the customers and the regulatory agencies. This department mainly focuses on development of packaging systems and its test procedure for various technical and formulation products and helps to improve, optimize the packaging of existing products. In addition, this department is also working on container content compatibility (CCC) studies of existing technical and formulation products to smoothen the packaging process.

The R&D centre at Hyderabad has strong analytical research laboratory equipped with all advanced analytical instruments. The analytical laboratory at the R&D Centre has been accredited with ISO/IEC 17025: 2017 (NABL) with scope of covering all the existing and new products under the discipline of Pesticide Technical and formulation concentrates. This accreditation has resulted increase of our market presence globally.

During the year 2021-22 this Centre has received 939 samples of Mancozeb technical and 16 Propineb technical samples from Sarigam and Jammu manufacturing units. The centre has generated Certificate of Analysis with NABL symbol and ULR as per NABL requirement and issued reports to domestic and Export customers like M/s. Ourofino and M/s. Adama, Brazil.

Process Technology transfer of 4 new Technical products has been demonstrated and plants are getting ready to commercialise these products.

Recipe and manufacturing technologies of four formulation products Officer, Finio, Magnite and Optra were developed and the products were successfully launched in June 2021. In addition, recipe and manufacturing Processes for six formulation products has been transferred to respective plant and are planned to be commercialized during the FY 22-23.

During the financial year 2021-22, the packaging department has generated container content compatibility (CCC) studies for ten new combination products and six new combination products.

The R&D Centre is also focusing on the development of new combinations and differential formulation products with the goal to market at least two or three new combination products/differential formulation products each year and has taken initiatives to work on new types of formulations like Nano formulations, CS (micro encapsulation), ME (Micro emulsion), Effervescent tablets, biopesticide formulations and bio-pest control products.

During the year 2021-22, the formulation development team has developed recipes for 46 (forty-six) new combination products and three differential formulations, established their stability and prepared sample for field trials. In addition to this the team has also work on formulation development of sixteen miscellaneous products for regulatory requirement of various countries.

Intellectual Property:

During FY 21-22, the CPC R&D has developed novel processes and filed Indian patents for five technical. Two national phase applications were filed for Azoxystrobin in Brazil and Mexico. Cyproconazole Technical process Patent has received grant of registration in India on 9th Feb 2022.

For formulation product total 24 (twenty-four) patent applications were filed (twenty applications are for combination products, two for solo products and two for bio pesticides. PCT applications for five combination formulations were filed. Two design applications for composite can were filed and one has received grant.

The expenditure incurred on Research and Development:

Rs. in lakh

Expenditure on R & D	2021-22	2020-21
Revenue	1,595	1,453
Capital	224	115

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings and Outgo	2021-22	2020-21
Foreign Exchange Earnings	96,791	73,586
Foreign Exchange Outgo	11,53,178	742,811

On behalf of the Board of Directors

Place: Secunderabad
Date: April 28, 2022

A Vellayan
Chairman

Annexure H to Board's Report

Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The details of remuneration during the year 2021-22 as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

i. The ratio of remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2021-22:

Name and Designation of the Director/Key Managerial Personnel	Ratio^	% Increase in remuneration in FY 2021-22
Non-Executive Directors		
Mr. A. Vellayan, Chairman	37.45	159.07
Mr. M. M. Venkatachalam, Director	2.30	(28.16)
Mr. Ramesh K. B. Menon, Director	2.41	145.52
Mr. Prasad Chandran, Independent Director	2.93	(5.92)
Mr. Sumit Bose, Independent Director	2.89	(16.04)
Ms. Aruna B. Advani, Independent Director	2.93	(8.09)
Dr. R Nagarajan, Independent Director	2.41	(2.96)
Mr. K V Parameshwar, Independent Director	2.76	(6.25)
Mr. Sudarshan Venu, Independent Director	0.47	-
Executive Directors and Key Managerial Personnel		
Mr. Arun Alagappan, Executive Vice Chairman	95.69	511.98
Mr. Sameer Goel, Managing Director	110.42	(28.91)
Mrs. Jayashree Satagopan, Chief Financial Officer	50.02	3.83
Mr. Rajesh Mukhija, Company Secretary	28.01	138.10

^ Number of times to the median remuneration of employees.

ii. Percentage increase/(decrease) in the median remuneration of employees in the financial year 2021-22: 3.5%

iii. Number of permanent employees on the rolls of the Company as on March 31, 2022: 5042

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase in salaries of employees was around 5.6%. Increase in the managerial remuneration for the year was 13.59%.

v. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to Directors and Key Managerial Personnel during the financial year 2021-22 is as per the Remuneration Policy of the Company.

Notes:

1. There has been no change in the payment criteria for remuneration to non-executive / independent directors. The variation reflected in the column % increase in remuneration in FY 2021-22 for Mr. M M Venkatachalam, Mr. Prasad Chandran, Mr. Sumit Bose, Ms. Aruna B Advani, Dr. R Nagarajan and Mr. K V Parameshwar is either due to the change in the committee composition, or payment of sitting fees for attendance at meetings.
2. Mr. Sudarshan Venu is appointed as an Independent Director with effect from February 3, 2022. As such ratio is not comparable and the percentage increase in remuneration is not applicable.
3. Mr. A Vellayan, Mr. Ramesh K B Menon, Mr. Arun Alagappan and Mr. Rajesh Mukhija were appointed during the previous financial year 2020-21 and hence percentage increase is not comparable with other directors.
4. The variation in the remuneration of Mr. Sameer Goel for FY 2021-22 is due to inclusion of perquisite value of ESOPs granted in earlier years and exercised in FY 2020-21. Had the perquisite value of ESOPs not been considered in FY 2020-21, the % increase in the remuneration of Mr. Sameer Goel for FY 2021-22 was 14.23%.

On behalf of the Board of Directors

Place: Secunderabad
Date: April 28, 2022

A Vellayan
Chairman

21. Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Coromandel International Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Coromandel International Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the standalone 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 standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Recognition and measurement of revenues	

Refer to note 2.3 'Revenue recognition', note 2.27.1 'Key sources of estimation uncertainty' and note 24 'Revenue from operations' to the standalone financial statements.
 	
Revenue from sale of goods is recognised, when the control of goods is transferred to the customers. In accordance with the accounting policy, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms.
 	
Revenue recognition involves significant management judgements and estimates and has accordingly been identified as a key audit matter.
	Our audit procedures amongst others included the following:
	
	• We understood the revenue recognition process, evaluated the design and implementation of internal controls relating to revenue recognised.
	• We selected samples and tested the operating effectiveness of internal controls, relating to transfer of control. We carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls.
	• We tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue.
	• In respect of the selected sample of transactions:
	  • We obtained the customer contracts and understood the terms and conditions including delivery and shipping terms.
	  • We tested whether the revenue is recognised upon transfer of control to customer.
	  • We tested the location stock reports from Company warehouses, where applicable, for confirmation on sales quantity made during the year.
	  • We tested on a sample basis (including for sales near to the period end) the acknowledgments of customers. In respect of sales of fertiliser products, we have also agreed the quantities sold as per the Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers.
	  • We tested the data used by the Company in assessing the provision for rebates for completeness and evaluated the rebates accrued, on a sample basis, by agreeing amounts recognised to the terms of agreements and marketing circulars for rebate schemes announced by the Company.
	• We assessed relevant disclosures in the standalone financial statements of the Company.

Key audit matters	How our audit addressed the key audit matter
Recognition, measurement, valuation of Subsidy income/ Government subsidies and related receivables	
Refer to note 2.3 'Revenue recognition', note 2.27.1 'Key sources of estimation uncertainty' and note 24 'Revenue from operations' to the standalone financial statements. The Company has recognised subsidy income of Rs. 677,528 lakhs for the year ended March 31, 2022. Subsidy income pertaining to the Nutrient and other allied business is recognised on the basis of the rates notified from time to time in accordance with the Nutrient Based Subsidy ('NBS') policy by the Department of Fertilisers ('DOF'), Government of India ('GOI') and the conditions attached to subsidy income under Direct Benefit Transfer ('DBT') System. The principles of Ind AS 20 requires matching of subsidy income with the related costs which it is intended to compensate and accordingly, subsidy income is recognized over a period on a systematic basis to match it with the related costs and on satisfaction of relevant conditions specified in the notifications. Recognition of subsidy income and assessment of its recoverability is subject to exercise of significant judgement and interpretation of relevant notifications by the management, which includes satisfaction of conditions specified in notifications, assessment of applicable rates for fertilizers sold, evaluation of recoverability of receivables etc and has accordingly been considered as a key audit matter.	Our audit procedures amongst others included the following: • We understood the subsidy income recognition process, evaluated the design and implementation, and operating effectiveness of internal controls relating to subsidy income and related receivables. • We enquired with the relevant personnel in the Company, read and understood their interpretations of the relevant circulars and notifications issued by GOI from time to time with regard to the subsidy policies that impact subsidy income and related receivables. • We tested the NBS rates considered by the Company for the product subsidy with the applicable circulars and notifications and discussed with the management and Those Charged With Governance, the appropriateness of the subsidy rates applied to recognise subsidy income. • We correlated the sales quantity considered for subsidy income with the actual sales made by the Company and customer acknowledgements as per the iFMS portal of the DOF. • We reviewed the quantities and rates considered for the purpose of recognising freight subsidy. • We evaluated Management's assessment and reviewed underlying calculations regarding compliance with relevant conditions as specified in the notifications and policies. • We analysed and discussed the status of outstanding subsidy receivables and its realisability with the Management and assessed the reasonability of provisions made towards outstanding subsidy receivables • We tested the sanction notes received from the GOI for receipts and traced credits to bank statements for the receipts during the year and also the subsequent receipts. • We assessed the presentation of subsidy income along with related receivables and related disclosures in the standalone financial statements.

Other Information

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 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

The financial statements of the Company for the year ended March 31, 2021, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on April 29, 2021.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2022 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended 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 standalone financial statements – Refer note 36 to the standalone 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 amounts, 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, other than as disclosed in the note 6 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("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 have been received by the company from any persons or entities, including foreign entities ("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; and

c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. As stated in note 17 to the standalone financial statements,

a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act, to the extent it applies to payment of dividend.

b) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

----

per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AHYVUJ4040
Place of Signature: Hyderabad
Date: April 28, 2022

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Coromandel International Limited ("the Company")

In terms of the information and explanations sought by us and given by 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 and equipment.

(b) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular program of verification, which, in our opinion, provides for physical verification of all the Property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Description of property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
446.92 acres of freehold land located at Pattamadai	75	E.I.D.-Parry (India) Limited	Yes – held by holding company	2017-2022	Acquired through business combination, pending to be registered in the name of the Company

In respect of immovable properties of land and buildings that have been taken on lease, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement as at the balance sheet date, except the following:

Description of property	Gross carrying value (Rs. in lakhs)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
321.22 acres of leasehold land at Vishakhapatnam	21,662	NA	No	2014-2022	Lease deed pending to be renewed in the name of the Company
3.52 acres of leasehold land at Madri, Udaipur	17	Liberty Pesticides and Fertilizers Limited	No	1997-2022	Lease deed pending to be transferred in the name of the Company

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets 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 management has conducted physical verification of inventory including inventory lying with third parties at reasonable intervals during the year. In our opinion, the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

(b) As disclosed in note 18 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) According to the information and explanations given by the management, during the year the Company has the Company has provided loans and stood guarantee to other entities, the details of which are tabulated below: (Rs. In Lakhs)

Particulars	Loans	Advance in nature of loans	Guarantees (Financial guarantees)	Security
Aggregate amount granted / provided during the year				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others (term deposits placed with a financial institution)	92,000	-	-	-
Balance outstanding as at the balance sheet date in respect of above cases				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others (Balance of term deposits placed with a financial institution and loans to others)	195,600	-	7,194	-

(b) According to the information and explanations given to us and based on audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, securities given and the terms and conditions of all loans granted are not prejudicial to the company's interest.

(c) According to the information and explanations given to us and based on audit procedures performed by us, in respect of loans provided by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Renewal of term deposits placed with financial institutions (HDFC Limited) in the normal course of business is not considered for reporting under this clause.

(f) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Act are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(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 made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of fertilizers, pesticides, other goods and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Forum where the dispute is pending	Period to which the amount relates	Issue amount (Rs. Lakhs)	Amount paid (Rs. Lakhs)
The Income Tax Act, 1961	Income tax	Income Tax Appellate Tribunal	2015-16	46	9
The Income Tax Act, 1961	Income tax	CIT (Appeals)	2016-17	64	13
The Income Tax Act, 1961	Income tax	CIT (Appeals)	2017-18	634	112
West Bengal Sales Tax Act,1994	Sales tax	Sales Tax Appellate Tribunal	2008-2009, 2013-14	1,058	100
West Bengal Sales Tax Act,1994	Sales tax	Special Joint Commissioner	2012-13	2	-
Andhra Pradesh General Sales Tax Act, 1957	Sales tax	Sales Tax Appellate Tribunal	2013-2014	14	-
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Deputy Commissioner	2008-2009	125	14
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Deputy Commissioner (Appeals)	2012-13	1	-
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Sales Tax Appellate Tribunal	2012-13	35	-
Uttar Pradesh Value Added Tax Act, 2008	Sales tax	Various Appellate Authorities	2012-13 and 2013-14	11	1
Gujarat Value Added Tax Act, 2003	Sales tax	Appellate Deputy Commissioner (Appeals)	1999-00	13	-
Gujarat Value Added Tax Act, 2003	Sales tax	Various Appellate Authorities	2005-06, 2007-09, 2010-11, 2012-13 and 2015-16	64	-
Gujarat Value Added Tax Act,2003	Sales tax	Sales Tax Appellate Tribunal	2008-09 to 2013-14	91	-
The Jammu & Kashmir Value Added Tax Act, 2005	Sales tax	Joint Commissioner (Appeals)	2013-14	13	-
Electricity Supply Act, 1948	Electricity Cess	High Court for the State of Telangana	2003-2004 to 2013-2014	293	-
Central Excise Act, 1944	Excise duty	High Court for the State of Telangana	2003 to2007	368	-
Central Excise Act, 1944	Excise duty	High court of madras	2001-2003	7	-
Central Excise Act, 1944	Excise duty	Commissioner (Appeals)	2004-05, 2008-09 to 2016-17	149	-
The Customs Act, 1962	Customs duty	CESTAT	2009-10 to 2011-12 & 2017-18	67	5
The Customs Act, 1962	Customs duty	Commissioner of Customs (Appeals)	2006-2011	383	23
The Customs Act, 1962	Customs duty	Commissioner of Customs (Appeals)	2006-2011	383	23
The Customs Act, 1962	Customs duty	High Court for the state of Telangana	2018-2019	461	-
The Customs Act, 1962	Customs duty	Commissioner of Customs	2015-16	12	-
Central Goods and Services Taxes	GST	Additional Commissioner (Appeals)	2017-2018	37	-
The Finance Act,1994	Service tax	Commissioner (Appeals)	2014-15 to 2017-18	48	-
The Finance Act,1994	Service tax	CESTAT	2009-2010 to 2016-2017	269	21

(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 repayment of loans or other 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 government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. 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 fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system 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) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(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 has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(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) There are 2 registered Core Investment Companies (CICs) as a part of the Group as defined under Core Investment Companies (Reserve Bank) Directions.

(xvii) The Company has not incurred cash losses in the current or immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors 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 disclosed in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 38 to the financial statements.

(b) The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a Special Account, till the date of our report. However, the period for such transfer i.e., thirty days from the end of the financial year as permitted under sub section (6) of section 135 of the Companies Act, has not elapsed till the date of our report. This matter has been disclosed in note 38 to the financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AHYVUJ4040

Place of Signature: Hyderabad
Date: April 28, 2022

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of Coromandel International Limited

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 with reference to standalone financial statements of Coromandel International Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements 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 issued by the ICAI.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

____

per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AHYVUJ4040
Place of Signature: Hyderabad
Date: April 28, 2022

Standalone Balance Sheet

(₹ in Lakhs, unless otherwise stated)

		Notes	As at 31 March 2022	As at 31 March 2021
I	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	3	1,70,103	1,61,579
	(b) Capital work-in-progress	3	11,982	7,568
	(c) Right-of-use assets	4	37,548	38,300
	(d) Other intangible assets	5	628	790
	(e) Intangible assets under development	5	2,139	1,347
	(f) Financial assets			
	i) Investments	6	26,678	33,434
	ii) Loans	14	40,000	-
	(g) Other non-current assets	8	6,347	5,434
			2,95,425	2,48,452
2	Current assets			
	(a) Inventories	9	3,65,531	2,59,331
	(b) Financial assets			
	i) Investments	10	*	*
	ii) Trade receivables	11	24,249	55,907
	iii) Government subsidies receivable		29,414	58,966
	iv) Cash and cash equivalents	12	65,765	65,393
	v) Bank balances other than cash and cash equivalents	13	1,04,727	2,999
	vi) Loans	14	1,54,000	1,50,012
	vii) Other financial assets	7	3,461	3,632
	(c) Other current assets	15	78,732	50,121
			8,25,879	6,46,361
	Total assets		11,21,304	8,94,813
II`	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	16	2,935	2,934
	(b) Other equity	17	6,26,866	5,18,326
	Total equity		6,29,801	5,21,260
2	Non-current liabilities			
	(a) Financial liabilities			
	i) Lease liabilities	4	37,089	36,191
	ii) Other financial liabilities	19	195	176
	(b) Provisions	20	1,428	1,372
	(c) Deferred tax liabilities (net)	21.1	6,377	5,587
	(d) Other non-current liabilities	22	779	827
			45,868	44,153
3	Current liabilities			
	(a) Financial liabilities			
	i) Borrowings	18	4	121
	ii) Lease liabilities	4	2,403	2,143
	iii) Trade payables	23		
	Total outstanding dues of micro enterprises and small enterprises		2,996	936
	Total outstanding dues of creditors other than micro enterprises and small enterprises		3,88,322	2,91,227
	iv) Other financial liabilities	19	24,137	22,094
	(b) Provisions	20	1,898	2,160
	(c) Current tax liabilities (net)	21.4	7,493	3,586
	(d) Other current liabilities	22	18,382	7,133
			4,45,635	3,29,400
	Total liabilities		4,91,503	3,73,553
	Total equity and liabilities		11,21,304	8,94,813
	*less than ₹ 1 lakh			
	Corporate Information and Significant accounting policies	1 and 2		
	See accompanying notes to the financial statements			

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel, Managing Director
A Vellayan, Chairman

Jayashree Satagopan, Chief Financial Officer
Rajesh Mukhija, Company Secretary

Standalone Statement of Profit and Loss

(₹ in Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I Income			
Revenue from operations	24	19,08,826	14,15,620
Other income	25	14,317	7,449
Total income		19,23,143	14,23,069
II Expenses			
Cost of materials consumed		11,89,224	7,01,465
Purchases of stock-in-trade		2,43,307	2,12,542
Changes in inventories of finished goods, work-in-process and stock-in-trade	26	(11,511)	54,183
Employee benefits expense	27	58,316	53,483
Finance costs	28	7,543	10,562
Depreciation and amortisation expenses	29	17,202	17,245
Other expenses	30	2,25,921	1,96,985
Total expenses		17,30,002	12,46,465
III Profit before tax (I - II)		1,93,141	1,76,604
IV Tax expense:			
(1) Current tax		51,662	45,653
(2) Deferred tax		234	(307)
Total tax expense		51,896	45,346
V Profit for the year (III-IV)		1,41,245	1,31,258
VI Other comprehensive income			
A (i) Items that will not be reclassified subsequently to profit or loss			
(a)Remeasurement of defined benefit plan	34(a)	293	(996)
(b)Net fair value gain on investments in equity shares at FVTOCI		2,072	478
(c) Gain on Bargain Purchase (refer note 47)		-	266
(d) Gain on remeasurement of previously held interest as per Ind AS 103 (refer note 47)		-	760
(ii) Income tax relating to items that will not be reclassified to profit or loss	21.3	(557)	140
B (i) Items that will be reclassified subsequently to profit or loss			
(a) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		(20)	1,633
(ii) Income tax relating to items that will be reclassified to profit or loss	21.3	5	(411)
Total other comprehensive income (A+B)		1,793	1,870
VII Total comprehensive income for the year (V + VI)		1,43,038	1,33,128
VIII Earnings per equity share (Face value of ₹ 1 each):	35		
Basic ₹		48.14	44.77
Diluted ₹		48.03	44.65
Corporate Information and Significant accounting policies	1 and 2		
See accompanying notes forming part of the financial statements			

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel, Managing Director
A Vellayan, Chairman

Jayashree Satagopan, Chief Financial Officer
Rajesh Mukhija, Company Secretary

Standalone Statement of Cash flows

(₹ in Lakhs, unless otherwise stated)

		For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities			
Profit before tax		1,93,141	1,76,604
Adjustments for:			
Depreciation and amortisation expense		17,202	17,245
Loss on sale/ scrap of property, plant and equipments (net)		671	468
(Profit)/loss on sale of investment		-	17
Exchange differences (net)		2,884	(8,189)
Gain on measuring investments at FVTPL (net)		(353)	(162)
Impairment allowance recognised for doubtful trade receivables, loans and advances and other liabilities no longer required, written back (net)		(3,764)	(949)
Provision for impairment of investment		10,281	-
Provision for employee benefits		84	(1,056)
Share-based payments		281	399
Finance costs		7,543	10,562
Interest income		(10,115)	(4,107)
Dividend income		(7)	(5)
Others		(66)	(27)
Operating profit before working capital changes		2,17,782	1,90,800
Changes in working capital:			
Trade payables		1,01,211	(28,833)
Other liabilities		12,455	(3,142)
Trade receivables		31,858	1,15,534
Government subsidies receivable		29,552	1,72,656
Inventories		(1,06,200)	11,062
Other assets		(29,579)	840
Cash generated from operations		2,57,079	4,58,917
Direct taxes paid (net of refunds)		(47,755)	(46,405)
Net cash flows from operating activities	(A)	2,09,324	4,12,512
Cash flows from investing activities			
Purchase of property, plant and equipments and other intangible assets including capital work-in-progress and capital advances		(27,781)	(18,813)
Purchase of leasehold land		-	(682)
Proceeds from sale of property, plant and equipments		101	252
Investment in subsidiaries and joint ventures		(1,100)	(1,200)
Proceeds from sale of non-current investments		-	40
Inter-corporate deposits/ loans given (refer note 14)		(92,000)	(1,31,001)
Inter-corporate deposits matured/ loans received (refer note 14)		48,012	23,000
Interest received		10,451	3,130
Dividend received from current and non-current investments		7	5

Standalone Statement of Cash flows

(₹ in Lakhs, unless otherwise stated)

		For the year ended 31 March 2022	For the year ended 31 March 2021
Movement in restricted bank balances and investment in short term deposits		(1,02,434)	(1)
Net cash used in investing activities	(B)	(1,64,744)	(1,25,270)
Cash flows from financing activities			
Proceeds from issue of equity shares on exercise of employee stock options		434	1,438
Movement in short-term borrowings		(117)	(1,62,391)
Dividend paid		(35,212)	(52,772)
Interest and other borrowing costs paid		(3,419)	(7,155)
Repayment of lease liability		(5,894)	(5,471)
Net cash used in financing activities	(C)	(44,208)	(2,26,351)
Net increase in cash and cash equivalents (A + B + C)		372	60,891
Cash and cash equivalents at the beginning of the year		65,393	3,263
Add: Cash and cash equivalents acquired on account of common control business combination (refer note 47)		-	1,239
Cash and cash equivalents at the end of the year (as per Note 12)		65,765	65,393

Note:

1. Statement of Cash Flows has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Statement of Cash Flows comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

2. Reconciliation of Short-term borrowings:

	31 March 2022	31 March 2021
Opening balance	121	1,62,512
Movement in short-term borrowings	(117)	(1,62,391)
Closing balance	4	121

3. Reconciliation of lease liabilities (Current and Non-current):

	31 March 2022	31 March 2021
Opening balance	38,334	39,397
Lease liabilities addition during the year	3,400	829
Lease liabilities deletion during the year	(395)	-
Interest	4,047	3,579
Repayment (including interest)	(5,894)	(5,471)
Closing balance	39,492	38,334

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Standalone Statement of Changes in Equity

a. Equity share capital

(₹ in Lakhs, unless otherwise stated)

	Number of shares	Amount
Balance as at 1 April 2020	29,29,53,749	2,930
Add: Equity shares allotted pursuant to exercise of stock options	4,24,930	4
Balance as at 31 March 2021	29,33,78,679	2,934
Add: Equity shares allotted pursuant to exercise of stock options	1,17,730	1
Balance as at 31 March 2022	29,34,96,409	2,935

b. Other equity

	Reserves and Surplus (refer note 17)							Items of other comprehensive income (refer note 17)		
	Capital reserve	Capital redemption reserve	Securities premium	Central subsidy	General reserve	Share Based Payment reserve	Retained earnings	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Total
Balance at 1 April 2020	20	986	15,041	11	2,63,592	1,241	1,62,449	(6,450)	(916)	4,35,974
Profit for the year	-	-	-	-	-	-	1,31,258	-	-	1,31,258
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	(745)	367	1,222	844
Effect of common control business combination (refer note 47)	429	-	-	-	-	-	760	-	-	1,189
Total comprehensive income for the year	-	-	-	-	-		1,31,273	367	1,222	1,33,291
Recognition of share-based payments	-	-	-	-	-	399	-	-	-	399
Dividend on equity shares including dividend distribution tax	-	-	-	-	-	-	(52,772)	-	-	(52,772)
Amount received on exercise of employee stock options	-	-	1,434	-	-	-	-	-	-	1,434
Amounts transferred within the reserves	-	-	538	-	-	(538)	-	-	-	-
Balance at 1 April 2021	449	986	17,013	11	2,63,592	1,102	2,40,950	(6,083)	306	5,18,326
Profit for the year	-	-	-	-	-	-	1,41,245	-	-	1,41,245
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	219	1,589	(15)	1,793
Total comprehensive income for the year	-	-	-	-	-		1,41,464	1,589	(15)	1,43,038
Recognition of share-based payments	-	-	-	-	-	281	-	-	-	281
Dividend on equity shares including dividend distribution tax	-	-	-	-	-	-	(35,212)	-	-	(35,212)
Amount received on exercise of employee stock options	-	-	433	-	-	-	-	-	-	433
Amounts transferred within the reserves	-	-	169	-	-	(169)		-	-	-
Balance at 31 March 2022	449	986	17,615	11	2,63,592	1,214	3,47,202	(4,494)	291	6,26,866

See accompanying notes to the financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Standalone Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

1. General information

Coromandel International Limited ("the Company") is a limited company incorporated in India, equity shares of which are listed on the Bombay Stock Exchange and the National Stock Exchange in India. Its parent Company is E.I.D. Parry (India) Limited.

The address of its registered office is "Coromandel House", 1-2-10, Sardar Patel Road, Secunderabad - 500003, Telangana. The Company is engaged in the business of farm inputs comprising fertiliser, crop protection, specialty nutrients and organic compost.

Our operating segments are defined by the organisation and reporting structure through which we operate our business. We categorise our operating segments into Nutrient and other allied business, and Crop Protection.

The Company has 18 manufacturing facilities located across India. The Company also operates a network of retail outlets across Andhra Pradesh, Telangana, Karnataka and Maharashtra. The Company's products are marketed all over the Country through an extensive network of dealers and its own retail centers. The crop protection products are exported to various countries.

2. Significant Accounting Policies

2.1 Statement of compliance

The financial statements which comprise the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, and the Statement of Changes in Equity ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable. The Company has consistently applied accounting policies to all periods.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, and on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Based on the nature of activities of the Company and the average time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

The principal accounting policies are set out below.

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

a) Sale of goods is recognised net of returns and trade discounts, volume discounts and scheme allowances as specified in the contracts with customer when the control over the goods is transferred to the customers. Accruals for discounts/ incentives are estimated using the most likely method based on accumulated experience and underlying schemes and agreements with customers. The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the goods are shipped to the customers or on delivery to the customer, as per applicable terms.

b) The Company recognizes subsidy income as per Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy.

As required by Ind AS 20, the Company matches subsidy income with related costs which the subsidy is intended to compensate and accordingly, subsidy income is recognized over a period on a systematic basis to match it with the related costs and on satisfaction of relevant conditions.

c) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered by measuring progress towards satisfaction of performance obligation for such services.

d) Export benefits and other excise benefits are accounted for on accrual basis.

2.4 Other Income

a) Dividend income from investments is recognised in the year in which the right to receive the payment is established.

b) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Leasing

The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently amortised using the straight-line method from the commencement date to the end of the lease term.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

2.6 Insurance claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.7 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e., the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company and rounded to the nearest Lakhs.

2.8 Foreign currencies

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.10 Employee benefits

2.10.1 Defined contribution plans

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the profit or loss each year when employees have rendered service entitling them to the contributions.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.10.2 Defined benefit plans

The Company's Gratuity scheme for its employees is a defined benefit retirement plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year.

The Company makes contributions to two Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates. Liability on account of such shortfall, if any, is provided for based on the actuarial valuation carried out as at the end of the year.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

2.10.3 Short-term employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

2.10.4 Other long-term employee benefits

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.11 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.12 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.13 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14 Property, plant and equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalization in the case of assets involving material investment and substantial lead time.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Asset	Useful lives (in years)
Plant and equipment	5 – 25
Vehicles	5 – 7
Office equipment, furniture and fixtures	3 – 5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets individually costing ₹ 5,000 and below are depreciated over a period of one year. Land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.15 Biological assets

The Company recognises neem plantation as Biological assets and are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on biological assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost incurred for new plantations are capitalised and depreciated over their estimated useful life which has been ascribed to be 20 years.

2.16 Intangible assets

Intangible assets are carried at cost, net of accumulated amortization and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortized on the straight-line method. Technical know-how is amortized over their estimated useful lives ranging from 5-10 years and product registration is amortized over the period of the registration subject to a maximum of 10 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

2.17 Impairment

Tangible and Intangible assets

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognized. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognized impairment loss no longer exists or may have decreased such reversal of impairment loss is recognized in the profit or loss.

Impairment of Subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.18 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods and are measured at the lower of cost and net realisable value. Net realisable value represents the estimated selling price (including subsidy income, where applicable) of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Stores and spares and packing materials – Weighted average cost.
2. Raw material – First-in-First-out basis. Cost includes purchase cost and other attributable expenses.
3. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
4. Stock-in-trade – Weighted average cost.

2.19 Cash and Cash equivalents

Cash comprises cash on hand, in bank and demand deposits with banks and with financial institutions. The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments for the year. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.20 Exceptional item

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional item'.

2.21 Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

2.22 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.23 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.23.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.23.2 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

2.23.3 Investments in subsidiaries, joint ventures and associates

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.23.4 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognized in profit or loss are included in the 'Other income' line item.

2.23.5 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortized cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.23.6 Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognized in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.23.7 Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.23.8 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income

2.24 Financial liabilities and equity instruments

2.24.1 Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.24.2 Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.24.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.24.4 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.25 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, option contracts and interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income net of applicable deferred income taxes. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of income.

2.26 Business Combination

The Company accounts for its business combinations under acquisition method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair value of the assets transferred and liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in standalone statement of profit and loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire, if any over the net of the acquisition–date amounts of the identifiable assets acquired and the liabilities assumed. Such goodwill is tested annually for impairment.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date and is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations arising from entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the entity are recorded in other equity

2.27 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2.27.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Fair value measurements and valuation processes	Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of directors of the Company annually to explain the cause of fluctuations in the fair value of the assets and liabilities.
Revenue recognition	The Company provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Subsidy income and related receivables	Subsidy income has been recognized when there is reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy including those under the Direct Benefit Transfer system which was introduced by the Government of India which includes satisfaction of conditions specified and compliance with reasonable margin guidelines, assessment of applicable rates for fertilizers sold, evaluation of recoverability of receivables.
Provision for doubtful receivables	The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Company makes an estimate of future selling prices, Subsidy and costs necessary to make the sale.
Provision for employee benefits	The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Leases	Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.28 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

Interest Rate Benchmark Reform

Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the Standalone financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS. includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e., definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the Standalone financial statements of the Company.

Ind AS 16 – Property Plant and equipment

The amendments clarify that, excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Company does not expect the amendments to have any impact in its recognition of its Property, plant and equipment in its Standalone financial statements.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its Standalone financial statements.

Ind AS 103 – Business Combinations

The amendment states 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 Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the Standalone financial statements of the Company.

Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the Standalone financial statements of the company.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

3. Property, plant and equipment and capital work-in-progress

	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Land	27,284	27,284
Buildings	24,553	24,100
Road	1,057	953
Railway sidings	1,668	1,467
Plant and equipment	1,09,980	1,03,089
Biological assets	77	51
Office equipment	2,719	2,351
Furniture and fixtures	908	922
Vehicles	1,857	1,362
	1,70,103	1,61,579
Capital work-in-progress	11,982	7,568

Details of Property, plant and equipment

	Land	Buildings	Road	Railway sidings	Plant and equipment	Biological assets	Office equipment	Furniture and fixtures	Vehicles	Total
Cost or deemed cost										
Balance as at 01 April 2020	**27,261**	**32,050**	**2,905**	**3,117**	**2,12,840**	**45**	**6,870**	**3,672**	**3,288**	**2,92,048**
On account of merger	-	274	-	-	158	-	32	6	-	470
Additions	23	2,265	90	80	9,720	12	1,188	206	346	13,930
Disposals/ adjustments	-	31	-	-	2,775	-	216	95	535	3,652
Balance at 31 March 2021	**27,284**	**34,558**	**2,995**	**3,197**	**2,19,943**	**57**	**7,874**	**3,789**	**3,099**	**3,02,796**
Additions	-	1,602	301	388	17,811	30	1,196	123	952	22,403
Disposals/ adjustments	-	96	5	15	4,744	-	360	1	226	5,447
Balance at 31 March 2022	**27,284**	**36,064**	**3,291**	**3,570**	**2,33,010**	**87**	**8,710**	**3,911**	**3,825**	**3,19,752**
Accumulated depreciation and impairment										
Balance as at 01 April 2020	**-**	**9,442**	**1,860**	**1,546**	**1,08,227**	**3**	**4,928**	**2,863**	**1,855**	**1,30,724**
Disposals/ adjustments	-	19	-	-	2,163	-	187	96	471	2,936
Depreciation expense	-	1,035	182	184	10,790	3	782	100	353	13,429
Balance at 31 March 2021	**-**	**10,458**	**2,042**	**1,730**	**1,16,854**	**6**	**5,523**	**2,867**	**1,737**	**1,41,217**
Disposals/ adjustments	-	31	1	14	4,198	-	337	1	202	4,784
Depreciation expense	-	1,084	193	186	10,374	4	805	137	433	13,216
Balance at 31 March 2022	**-**	**11,511**	**2,234**	**1,902**	**1,23,030**	**10**	**5,991**	**3,003**	**1,968**	**1,49,649**
Net book value as at 31 March 2021	27,284	24,100	953	1,467	1,03,089	51	2,351	922	1,362	1,61,579
Net book value as at 31 March 2022	27,284	24,553	1,057	1,668	1,09,980	77	2,719	908	1,857	1,70,103

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Notes:

1. Refer Note 18.1 for details of assets pledged.
2. Interest capitalised during the year nil (2021: Nil).
3. Details of immovable properties whose title deeds are not held in the name of the company:

Description of item of property	Gross carrying value	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Land- 446.92 Acres located at Pattamadai	Rs 75 Lakhs	E.I.D.- Parry (India) Limited	Holding company	May 2018	Transfer of land acquired as part of Business combination, application pending with Tamil Nadu Government for completing registration to Coromandel International Limited

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

4. Company had carried out various merger/amalgamations, etc across various years. Pursuant to these actions, Company holds certain immovable properties wherein the title of the property has been conveyed/transferred to the Company pursuant to such scheme of amalgamation/arrangement and these are considered as valid title to the immovable property and no further actions such as name change/additional registrations are necessary.

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	9,706	1,793	474	9	11,982
Projects temporarily suspended	-	-	-	-	-
Total	**9,706**	**1,793**	**474**	**9**	**11,982**

As at 31 March 2021	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6,331	939	213	85	7,568
Projects temporarily suspended	-	-	-	-	-
Total	**6,331**	**939**	**213**	**85**	**7,568**

For capital-work-in progress, whose completion is overdue compared to its original plan, details of when the project is expected to be completed is given below as of 31 March 2022 and 31 March 2021:

As at 31 March 2022	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Asset Expansion	-	470	-	-	470
	-	**470**	**-**	**-**	**470**

As at 31 March 2021	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Asset Expansion	-	-	539	-	539
	-	**-**	**539**	**-**	**539**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

4. Right-of-use asset

	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Land	25,307	26,335
Buildings	11,482	10,953
Plant and equipment	759	1,012
	37,548	38,300

Details of Right-of-use asset:

	Lease hold land (refer notes below)	Buildings	Plant and equipment	Total
Gross carrying value				
Balance at 01 April 2020	27,698	14,858	1,518	44,074
Additions	682	829	-	1,511
Disposals/adjustments	-	-	-	-
Balance at 31 March 2021	28,380	15,687	1,518	45,585
Additions	-	3,400	-	3,400
Disposals/adjustments	-	507	-	507
Balance at 31 March 2022	28,380	18,580	1,518	48,478
Accumulated amortisation				
Balance at 01 April 2020	1,025	2,324	253	3,602
Amortisation	1,020	2,410	253	3,683
Disposals/adjustments	-	-	-	-
Balance at 31 March 2021	2,045	4,734	506	7,285
Amortisation	1,028	2,543	253	3,824
Disposals/adjustments	-	179	-	179
Balance at 31 March 2022	3,073	7,098	759	10,930
Carrying Amount				
Balance at 31 March 2021	26,335	10,953	1,012	38,300
Balance at 31 March 2022	25,307	11,482	759	37,548

Notes:

1. Includes net carrying value of the Land reclassified on adoption of Ind AS 116 "Leases".

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2. Details of leasehold properties whose title deeds are not held in the name of the Company:

Description of item of property	Gross carrying value (₹ Lakhs)	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
1. Leasehold Land-321.22 Acres of located at Visakapatnam	21,662	NA	No	2014-15	Lease deed is pending to be renewed.
2. Leasehold Land-3.52 Acres of located at Madri, Udaipur	17	Liberty Pesticides and Fertilisers Limited*	No	1996-97	Lease deed is pending to be transferred in the name of the Company.

*Pursuant to common control business combination, Liberty Pesticides and Fertilisers Limited has merged with the Company (refer note 47).

Lease liabilities:	As at 31 March 2022	As at 31 March 2021
Current	2,403	2,143
Non-current	37,089	36,191
	39,492	38,334

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

5. Other intangible assets and intangible assets under development

	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Product registrations	582	744
Technical know-how	46	46
	628	790
Intangible assets under development	2,139	1,347

Details of Intangible assets

	Product Registrations	Technical know-how	Total
Cost or deemed cost			
Balance as at 01 April 2020	1,457	997	2,454
Additions	428	-	428
Disposals/ adjustments	-	-	-
Balance as at 31 March 2021	1,885	997	2,882
Additions	-	-	-
Disposals/ adjustments	-	-	-
Balance at 31 March 2022	1,885	997	2,882
Accumulated amortisation and impairment			
Balance as at 01 April 2020	1,008	951	1,959
Amortisation expense	133	-	133
Disposals/ adjustments		-	-
Balance as at 31 March 2021	1,141	951	2,092
Amortisation expense	162	-	162
Disposals/ adjustments	-	-	-
Balance at 31 March 2022	1,303	951	2,254
Carrying amount			
Balance at 31 March 2021	744	46	790
Balance at 31 March 2022	582	46	628

Intangible Assets under development Ageing Schedule*

As at 31 March 2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	803	497	92	747	2,139
Projects temporarily suspended	-	-	-	-	-
Total	803	497	92	747	2,139

As at 31 March 2021

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	507	92	278	470	1,347
Projects temporarily suspended	-	-	-	-	-
Total	507	92	278	470	1,347

* Intangible Assets under development by nature generally takes 4 to 5 years of development time.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

6. Non-current investments

	As at 31 March 2022	As at 31 March 2021
Quoted equity instruments		
(a) Investments in quoted equity instruments at FVTPL		
Rama Phosphate Limited	59	18
13,719 (2021: 13,719) Equity shares of ₹10 each, fully paid-up		
Total aggregate quoted investments (A)	59	18
Unquoted equity instruments		
(b) Investment in subsidiaries at cost		
Parry Chemicals Limited	1,000	1,000
1,00,00,000 (2021: 1,00,00,000) Equity shares of ₹10 each, fully paid-up		
Dare Ventures Limited (formerly Dare Investments Limited) (refer note 1 below)	1,600	500
1,24,93,188 (2021: 50,00,000) Equity shares of ₹10 each, fully paid-up		
CFL Mauritius Limited	-	10,281
2,20,25,000 (2021: 2,20,25,000) Ordinary shares of USD 1 each, fully paid-up [(Less: Impairment allowance of ₹ 1,081 (2021: Nil)] (refer note 2 below)		
Parry America, Inc	24	24
776 (2021: 776) shares of USD 100 each, fully paid-up		
Coromandel Australia Pty Ltd.(formerly known as Sabero Australia Pty Ltd.)	41	41
5,578 (2021: 5,578) Equity shares of Australian Dollar 14 each fully paid-up		
Sabero Europe B.V.	8	8
61 (2021: 61) Equity shares of Dutch Guilder 453.78 each fully paid-up		
Sabero Argentina S.A.	17	17
1,61,500 (2021: 1,61,500) Equity Shares of Argentina Peso 1 each fully paid-up		
Sabero Organics America S.A.	927	927
39,90,310 (2021: 39,90,310) Equity Shares of Brazilian Real 1 each fully paid-up		
Coromandel Agronegocios de Mexico, S.A de C.V (formerly Sabero Organics Mexico S.A de C.V)	29	29
4,99,477 (2021: 4,99,477) Equity shares of Mexican Peso 1 each fully paid-up		
Coromandel International (Nigeria) Limited	21	21
99,99,000 (2021: 99,99,000) Ordinary shares of Nigerian Naira 1 each fully paid-up		
Coromandel Brasil Limitada, Limited Liability Partnership**	466	466
18,315 (2021: 18,315) Quotas of Brazilian Real 100 each, fully paid-up		
Coromandel Mali SASU	7	7
500 (2021: 500) Equity shares of CF Francs 10,000 each, fully paid-up		
Total aggregate investments in subsidiaries (B)	4,140	13,321
(c) Investment in joint ventures at cost		
Yanmar Coromandel Agrisolutions Private Limited	1,600	1,600
1,60,00,000 (2021: 1,60,00,000) Equity shares of ₹10 each, fully paid-up		
Less: Impairment allowance	(832)	(832)
	768	768
Total aggregate investments in joint ventures (C)	768	768
(d) Investment in associate at cost		
Sabero Organics Philippines Asia Inc. - Associate	*	*
320 (2021: 320) Equity shares of PHP$100 each fully paid-up		
Total aggregate investments in associate (D)	*	*
(e) Other equity instruments at FVTOCI		
Tunisian Indian Fertilisers S.A.#	-	-
41,79,848 (2021: 41,79,848) Ordinary shares of Tunisian Dinars (TND) 10 each, fully paid-up		

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Foskor (Pty) Limited		
i) 1,99,590 (2021: 1,99,590) Ordinary shares of South African Rand 1 each, fully paid-up	-	-
ii) 46 (2021: 46) Class D shares of South African Rand 7,05,088 each, fully paid-up	1,901	1,901
Indian Potash Limited	3,824	2,576
180,000 (2021: 1,80,000) Equity shares of ₹10 each, fully paid-up		
Andhra Pradesh Gas Power Corporation Limited	13,067	12,391
53,92,160 (2021: 53,92,160) Equity shares of ₹10 each, fully paid-up		
Murugappa Management Services Private Limited (formerly Murugappa Management Services Limited)	73	73
16,139 (2021: 16,139) Equity shares of ₹100 each, fully paid-up		
Nandesari Environment Control Limited	45	21
3,600 (2021: 3,600) Equity shares of ₹10 each, fully paid-up		
Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)	2	2
10,01,000 (2021: 10,01,000) Equity shares of ₹10 each, fully paid-up		
BEIL Infrastructure Limited (formerly known as Bharuch Enviro Infrastructure Limited)	553	444
16,100 (2021: 16,100) Equity shares of ₹10 each, fully paid-up		
Narmada Clean Tech	54	39
2,75,000 (2021: 2,75,000) Equity shares of ₹10 each, fully paid-up		
Total aggregate Equity investments at FVTOCI (E)	**19,519**	**17,447**
(f) Investments in unquoted mutual funds at FVTPL		
Faering Capital India Evolving Fund	**578**	**266**
19,442 (2021: 19,442) units of ₹1,000 each, fully paid-up		
Total aggregate other investments (F)	**578**	**266**
(g) Others		
Share application money pending allotment - at cost (refer note 40(E))	5	5
Loans at FVTOCI***	1,609	1,609
Total aggregate others (G)	**1,614**	**1,614**
Total investments (A) + (B) + (C) + (D) + (E) + (F)+ (G)	**26,678**	**33,434**
*less than ₹1 lakh		
Aggregate amount of quoted investments and market value thereof	59	18
Aggregate amount of unquoted investments	26,619	33,416
Aggregate amount of impairment in value of investments	832	832

Notes:

1. The Board of Directors of the company at its meeting held on 29 April 2021 approved to invest in the equity share capital of its wholly owned subsidiary, Dare Ventures Limited (DVL) for the purpose of further investing in early stage to late- stage start-ups in AgTech and other sectors. Pursuant to this, the company has made an investment of ₹ 1,100 lakhs (74,93,188 equity shares) on 25 March 2022 (refer note 40).

   Above transactions are in compliance with the provisions of Companies Act and not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

2. During the year ended 31 March 2022, the company recorded an amount of ₹10,281 lakhs towards Impairment of its investment in its wholly owned subsidiary CFL Mauritius Limited as per "Ind AS 38- Impairment of Assets" after considering the forecasts and long term outlook of the business of such subsidiary and its investments.

   # The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Company have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

   ** The Company holds 100% of the quotas and is the only partner in the Limited Liability Partnership.

   *** Represents loan amounting ₹1,609 Lakhs (2021: ₹1,609 Lakhs) to TIFERT which was compulsorily convertible to equity shares at the end of three years from June 2017. During the previous year, the period has been extended for further 2 years.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

7. Other financial assets

	As at 31 March 2022	As at 31 March 2021
Financial assets carried at fair value through profit or loss (FVTPL)		
Derivatives that are not designated in hedge accounting relationships		
Foreign currency forward contracts	777	965
	777	**965**
Financial assets carried at fair value through other comprehensive income (FVTOCI)		
Derivatives that are designated in hedge accounting relationships		
Foreign currency forward contracts	400	412
	400	**412**
Financial assets carried at amortised cost		
Advances with related parties (refer note 40(E))	241	422
Interest accrued but not due on deposits, loans, others*	924	1,260
Gratuity and super-annuation fund related receivables	573	-
Insurance claims receivable	546	573
	2,284	**2,255**
	3,461	**3,632**
Current	3,461	3,632
Non-current	-	-
	3,461	**3,632**

*Includes ₹ Nil lakhs (2021: ₹3 lakhs) interest receivable from related party. refer note 40(E)

8. Other non-current assets

	As at 31 March 2022	As at 31 March 2021
Capital advances	2,352	2,243
Deposits	3,546	3,042
Others	449	149
	6,347	**5,434**

9. Inventories

	As at 31 March 2022	As at 31 March 2021
Raw materials	1,14,072	69,221
Raw materials in-transit	1,01,661	53,833
Work-in-process	6,536	3,898
Finished goods	1,18,560	1,05,636
Stock-in-trade	14,419	18,470
Stores and spares	7,411	5,609
Packing materials	2,872	2,664
	3,65,531	**2,59,331**

10. Current investments

	As at 31 March 2022	As at 31 March 2021
Unquoted other investments at FVTPL		
UTI Master Shares	*	*
1,000 (2021: 1,000) shares of ₹10 each, fully paid-up		
Total unquoted investments	*	*
Total current investments	*	-
*less than ₹ 1 lakh		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	*	*
Aggregate amount of impairment in value of investments	-	-

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

11. Trade receivables

	As at 31 March 2022	As at 31 March 2021
(a) Secured, considered good	5,424	5,673
(b) Unsecured, considered good*	21,061	55,439
Less: Allowance for expected credit loss	2,236	5,205
Total Considered good	**24,249**	**55,907**
(c) Considered doubtful	10,862	10,433
Less: Allowance for doubtful receivables	10,862	10,433
Total Considered doubtful	-	-
Total Trade receivables	**24,249**	**55,907**

* Includes ₹702 lakhs (2021: ₹2,954 lakhs) receivable from related parties. Also refer note 40(E)

The credit period on sales of goods varies with seasons and business segments/ markets and generally ranges between 30 to 180 days.

Before accepting any new customer, the Company has a credit evaluation system to assess the potential customer's credit quality and to define credit limits for the customer. Credit limits attributed to customers are reviewed on an annual basis.

In accordance with Ind AS 109, the Company uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates.

1. Ageing of Trade receivables as at 31 March 2022

(a) Undisputed Trade receivables

Particulars	Considered good	Considered doubtful
Not due	18,331	21
Less than 6 months	5,501	13
6 months -1 year	24	421
1-2 years	698	332
2-3 years	50	513
More than 3 years	1,835	2,659
	26,439	**3,959**

(b) Disputed Trade receivables

Particulars	Considered good	Considered doubtful
Not due	-	-
Less than 6 months	39	2
6 months -1 year	1	13
1-2 years	0	439
2-3 years	5	579
More than 3 years	1	5,870
	46	**6,903**

(c) Total Trade receivables (a+ b)

Considered good	26,485
Considered Doubtful	10,862
Less: Allowance for for expected credit loss and doubtful receivables	(13,098)
	24,249

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2. Ageing of Trade receivables as at 31 March 2021

(a) Undisputed Trade receivables

Particulars	Considered good	Considered doubtful
Not due	35,869	25
Less than 6 months	18,687	586
6 months -1 year	1,094	70
1-2 years	1,261	339
2-3 years	95	1,636
More than 3 years	4,099	2,837
`	**61,105**	**5,493**

(b) Disputed Trade receivables

Particulars	Considered good	Considered doubtful
Not due	-	-
Less than 6 months	4	1
6 months -1 year	-	9
1-2 years	3	338
2-3 years	-	638
More than 3 years	-	3,954
	7	**4,940**

(c) Total Trade receivables (a+ b)

Considered good	61,112
Considered Doubtful	10,433
Less: Allowance for for expected credit loss and doubtful receivables	(15,638)
	55,907

3. Movement in the allowance for doubtful receivables

	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at beginning of the year	15,638	13,540
Impairment losses recognised on receivables	410	2,123
Provision reversed due to collections	(2,016)	-
Amounts written off during the year as uncollectible	(934)	(25)
Balance at end of the year	**13,098**	**15,638**

The concentration of risk with respect to trade receivables is reasonably low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. No single customer constitutes more than 5% balance of the total trade receivables as of the Balance Sheet date.

4. Relationship with Struck off companies

Name of struck off company	Nature of transaction and relationship	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021
Bijinepally Farmer Producer Company Limited	Sales -Customer	*	*

* Less than ₹ 1 lakhs

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

12. Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	19	29
Balances with Banks:		
in Current accounts	4,225	6,186
in Deposit accounts	61,521	59,178
	65,765	65,393

13. Bank balances other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Deposit accounts	1,02,430	-
Restricted balances		
Dividend accounts	2,283	2,211
Bonus debenture redemption and interest	-	778
Margin money/ deposit	14	10
	1,04,727	2,999

Unclaimed dividend accounts

If the dividend has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of transfer to unpaid dividend account.

The company had transferred an amount of ₹201 lakhs (31 March 2021 : ₹194 lakhs) to IEPF during the current year.

Bonus debenture redemption and interest

If the proceeds on maturity of debentures and interest thereon has not been claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount which remains unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid debenture account". The unclaimed amounts lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of transfer to unpaid debenture account.

The unclaimed amounts lying in such account have been transferred to IEPF during the current year.

Margin money / deposit

Amounts in margin money/deposit accounts represents amounts deposited with certain government agencies.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

14. Loans

	As at 31 March 2022	As at 31 March 2021
At amortised cost		
Unsecured, considered good		
- Loans and advances to related parties (refer note 40 (E))	-	12
- Inter-corporate deposits *	1,94,000	1,50,000
	1,94,000	1,50,012
* Inter-corporate deposits placed with financial institution (HDFC Limited) yield fixed interest rate.		
Current	1,54,000	1,50,012
Non-current	40,000	-
	1,94,000	1,50,012

15. Other current assets

	As at 31 March 2022	As at 31 March 2021
Advances recoverable in kind or for value to be received		
Considered good #	28,870	31,304
Considered doubtful	325	442
	29,195	31,746
Less: Impairment allowance	325	442
	28,870	31,304
Others (including Goods and Services Tax balances)	49,862	18,817
6.20% Fertiliser companies' Government of India special bonds 2022	*	*
10,000 (2021: 10,000) bonds of ₹100/- each		
6.65% Fertiliser companies' Government of India special bonds 2023	*	*
5,000 (2021: 5,000) bonds of ₹100/- each		
	78,732	50,121

#Includes receivables from Related parties Nil (2021: ₹3 lakhs). refer note 40(E).

* Less than ₹ 1 lakhs

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

16. Equity

16.1 Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorised Share capital :		
55,00,00,000 (2021: 35,00,00,000) equity shares of ₹1 each (refer note 47)	5,500	3,500
Issued, subscribed and fully paid-up:		
29,34,96,409 (2021: 29,33,78,679) fully paid equity shares of ₹1 each	2,935	2,934
	2,935	2,934

16.2 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year:

	As at 31 March 2022	As at 31 March 2021
	Numbers of Shares	Amount
Balance as at 1 April 2020	**29,29,53,749**	**2,930**
Add: Equity shares allotted pursuant to exercise of stock options	4,24,930	4
Balance as at 31 March 2021	**29,33,78,679**	**2,934**
Add: Equity shares allotted pursuant to exercise of stock options	1,17,730	1
Balance as at 31 March 2022	**29,34,96,409**	**2,935**

16.3 Rights, preferences and restriction relating to each class of share capital:

Equity shares: The Company has one class of equity shares having a face value of ₹1 each . Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

16.4 As at 31 March 2022, E.I.D.-Parry (India) Limited (Parent Company) held 16,54,55,580 (2021: 16,54,55,580) equity shares of ₹1 each fully paid-up representing 56.37%(2021: 56.40%) of the paid up capital. There are no other shareholders holding more than 5 % of the issued capital.

16.5 Share options granted under the Company's employee share option plan

As at 31 March 2022, balance number of shares reserved for issue under the 'ESOP 2007' scheme is 81,32,966 (2021: 81,32,966) equity shares of ₹1 each and under the 'ESOP 2016' scheme is 1,34,14,900 (2021: 1,35,32,630) equity shares of ₹1 each.

Share options granted under the Company's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in Note 33.

16.6 There are no bonus shares issued and no shares were issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

16.7 Details of shares held by promoters

As at 31 March 2022

Particulars	No of shares	% of total Shares *	% Change during the year **
Promoter			
E.I.D.Parry (India) Limited	16,54,55,580	56.37%	-
Arun Venkatachalam	2,03,010	0.07%	-
V Narayanan	1,40,370	0.05%	-
V Arunachalam	1,34,770	0.05%	-
A Venkatachalam	1,22,670	0.04%	-
A Vellayan	1,18,510	0.04%	-
Arun Alagappan	1,03,340	0.04%	-
M A M Arunachalam	78,660	0.03%	-
M A Alagappan	34,298	0.01%	-
Ambadi Investments Limited	7,453	0.00%	-
Murugappa & Sons (M V Subbiah, M A Alagappan and M M Murugappan hold shares on behalf of the firm)	5,670	0.00%	-
M V Murugappan HUF rep. by Valli Arunachalam, Karta	2,060	0.00%	-
Carborundum Universal Limited	330	0.00%	-
Promoter Group			
M M Muthiah Family Trust(M M Murugappan & M M Muthiah holds shares on behlaf of Trust)	3,78,520	0.13%	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan holds shares on behlaf of Trust)	3,78,520	0.13%	-
Shambho Trust (M V Subbiah, S Vellayan, Kanika Subbiah holds shares on behlaf of Trust)	2,16,217	0.07%	-
Valli Arunachalam	1,90,345	0.06%	100.00%
Vellachi Murugappan	1,90,315	0.06%	634283.33%
Meyammai Venkatachalam	1,30,800	0.04%	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy holds shares on behlaf of Trust)	1,09,900	0.04%	-
Lalitha Vellayan	1,03,400	0.04%	-
Saraswathi Trust (M V Subbiah, S Vellayan, M V Seetha Subbiah holds shares on behalf of Trust)	1,03,273	0.04%	-10.80%
A M Meyammai	72,340	0.02%	-
M V AR Meenakshi	71,300	0.02%	-
M V Muthiah Family Trust (M M Venkatachalam and M V Muthiah hold shares on behlaf of Trust)	65,472	0.02%	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian hold shares on behlaf of Trust)	65,472	0.02%	-
Lakshmi Venkatachalam Family Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	-
M M Venkatachalam Family Trust, (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	-
Sigappi Arunachalam	63,580	0.02%	-
Valli Annamalai	41,200	0.01%	-
AR Lakshmi Achi Trust	25,140	0.01%	-
M.A.Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai holds shares on behlaf of Trust)	17,000	0.01%	-
Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam holds shares on behalf of Trust)	15,000	0.01%	-
Pranav Alagappan	13,295	0.00%	-
Dhruv M Arunachalam	10,500	0.00%	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
A M M Vellayan Sons P Limited	6,310	0.00%	-
Kadamane Estates Company (M A Alagappan hold shares on behalf of the firm)	4,540	0.00%	-
Umayal R	4,000	0.00%	-
Solachi Ramanathan	3,600	0.00%	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan hold shares on behlaf of Trust)	3,300	0.00%	-
V Vasantha	2,500	0.00%	-
Uma Ramanathan	2,000	0.00%	-

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Particulars	No of shares	% of total Shares *	% Change during the year **
Valliammai Murugappan	1,832	0.00%	-
Lakshmi Chockalingam	400	0.00%	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam,M A M Arunachalam & A M Meyyammai holds shares on behalf of Trust)	330	0.00%	-
Meenakshi Murugappan	90	0.00%	-
M.M. Muthiah Sons Private Limited	90	0.00%	-
M V Valli Murugappan	-	0.00%	-100.00%

As at 31 March 2021

Particulars	No of shares	% of total Shares *	% Change during the year **
Promoter			
E.I.D.Parry (India) Limited	16,54,55,580	56.40%	-6.60%
Arun Venkatachalam	2,03,010	0.07%	-
V Narayanan	1,40,370	0.05%	-
V Arunachalam	1,34,770	0.05%	-
A Venkatachalam	1,22,670	0.04%	-
A Vellayan	1,18,510	0.04%	-
Arun Alagappan	1,03,340	0.04%	0.39%
M A M Arunachalam	78,660	0.03%	-
M A Alagappan	34,298	0.01%	0.88%
Ambadi Investments Limited	7,453	0.00%	-
Murugappa & Sons (M V Subbiah, M A Alagappan and M M Murugappan hold shares on behalf of the firm).	5,670	0.00%	-
M V Murugappan HUF rep. by Valli Arunachalam, Karta	2,060	0.00%	-
Carborundum Universal Limited	330	0.00%	-
Promoter Group			
M V Valli Murugappan	3,80,630	0.13%	-
M M Muthiah Family Trust(M M Murugappan & M M Muthiah holds shares on behlaf of Trust)	3,78,520	0.13%	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan holds shares on behlaf of Trust)	3,78,520	0.13%	-
Shambho Trust (M V Subbiah, S Vellayan, Kanika Subbiah holds shares on behlaf of Trust)	2,16,217	0.07%	-
Meyammai Venkatachalam	1,30,800	0.04%	-
Saraswathi Trust (M V Subbiah, S Vellayan, M V Seetha Subbiah holds shares on behlaf of Trust)	1,15,773	0.04%	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy holds shares on behlaf of Trust)	1,09,900	0.04%	-
Lalitha Vellayan	1,03,400	0.04%	-
A M Meyammai	72,340	0.02%	-
M V AR Meenakshi	71,300	0.02%	-
M V Muthiah Family Trust (M M Venkatachalam and M V Muthiah hold shares on behlaf of Trust)	65,472	0.02%	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian hold shares on behlaf of Trust)	65,472	0.02%	-
Lakshmi Venkatachalam Family Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	-
M M Venkatachalam Family Trust, (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	2210.18%
Sigappi Arunachalam	63,580	0.02%	-
Valli Annamalai	41,200	0.01%	-
AR Lakshmi Achi Trust	25,140	0.01%	-
M.A.Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai holds shares on behlaf of Trust)	17,000	0.01%	-
Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam holds shares on behalf of Trust)	15,000	0.01%	-
Pranav Alagappan	13,295	0.00%	4.27%
Dhruv M Arunachalam	10,500	0.00%	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Particulars	No of shares	% of total Shares *	% Change during the year **
A M M Vellayan Sons P Limited	6,310	0.00%	-
Kadamane Estates Company (M A Alagappan hold shares on behalf of the firm)	4,540	0.00%	-
Umayal R	4,000	0.00%	-
Solachi Ramanathan	3,600	0.00%	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan hold shares on behlaf of Trust)	3,300	0.00%	-
V Vasantha	2,500	0.00%	-
Uma Ramanathan	2,000	0.00%	-
Valliammai Murugappan	1,832	0.00%	-
Lakshmi Chockalingam	400	0.00%	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam,M A M Arunachalam & A M Meyyammai holds shares on behalf of Trust)	330	0.00%	-
Meenakshi Murugappan	90	0.00%	-
M.M. Muthiah Sons Private Limited	90	0.00%	-
Vellachi Murugappan	30	0.00%	-
Lakshmi Venkatachalam	-	0.00%	-100.00%

* Represents % of shares held , computed based on total number of shares as at 31 March 2022 and 31 March 2021 respectively.

**Represents change in share holding %, computed based on the shares held at the beginning of the year and end of the year of respective holder.

16.8 Cumulative redeemable preference shares

	As at 31 March 2022	As at 31 March 2021
Authorised capital		
50,00,000 (2021: 50,00,000) cumulative redeemable preference shares of ₹10 each	500	500

Cumulative redeemable preference shares: The Company has a class of cumulative redeemable preference shares having face value of ₹10 each with such rights, privileges and conditions respectively attached thereto as may be from time to time confirmed by the regulations of the company. Pursuant to the Scheme of Amalgamation, the cumulative redeemable preference shares carry cumulative dividend of 8% per annum in relation to capital paid upon them and are on original terms and conditions in which they were issued by erstwhile Liberty Phosphate Limited, the amalgamating company.

No such cumulative redeemable preference shares are issued and outstanding as of 31 March 2022 (2021: Nil).

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

17. Other equity

	As at 31 March 2022	As at 31 March 2021
General reserve	2,63,592	2,63,592
Retained earnings	3,47,202	2,40,950
Capital reserve	449	449
Capital redemption reserve	986	986
Securities Premium	17,615	17,013
Central subsidy	11	11
Share Based Payment reserve	1,214	1,102
Equity Instruments through OCI	(4,494)	(6,083)
Cash flow hedge reserve	291	306
	6,26,866	**5,18,326**
(i) General reserve	**2,63,592**	**2,63,592**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

(ii) Retained earnings		
Balance at beginning of year	2,40,950	1,62,449
Profit for the year	1,41,245	1,31,258
Remeasurement of net defined benefit plans	219	(745)
Effect of common control business combination (refer note 47)	-	760
Dividend on equity shares	(35,212)	(52,772)
	3,47,202	**2,40,950**

Retained earnings represents the Company's undistributed earnings after taxes. In respect of the current year ended 31 March 2022, the Board at its meeting held on 03 February 2022 had approved payment of interim dividend of ₹6 per equity share (600% on face value of ₹1 per share). The total amount paid with respect to interim dividend is ₹17,610 Lakhs. The Board of Directors at their meeting held on 28 April 2022 have recommended a final dividend of ₹6 per equity share (600% on face value of ₹1 per share). The proposed final dividend is subject to approval by the shareholders at the Annual General Meeting. The total estimated amount to be paid with respect to final dividend is ₹17,610 Lakhs. The total dividend is ₹12 per share (1200 % on face value of ₹1 per share) for the year ended 31 March 2022.

In respect of the year ended 31 March 2021, the Board at its meeting held on 01 February 2021 had approved payment of interim dividend of ₹6 per equity share (600% on face value of ₹1 per equity share). The total amount paid with respect to interim dividend is ₹17,595 lakhs. The Board of Directors at their meeting held on 29 April 2021 have recommended a final dividend of ₹6 per equity share (600% on face value of ₹1 per equity share). The proposed final dividend was approved by the shareholders at the Annual General Meeting. The total dividend was ₹12 per equity share (1200% on face value of ₹1 per equity share) for the year ended 31 March 2021. The total amount paid with respect to final dividend was ₹17,602 Lakhs.

In respect of the year ended 31 March 2020, the Board of Directors at their meeting held on 26 May 2020 have recommended a final dividend of ₹12 per equity share (1200% on face value of ₹1 per equity share). The proposed final dividend was approved by the shareholders at the Annual General Meeting. The total amount paid with respect to final dividend was ₹35,177 Lakhs.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
(iii) Capital Reserve (refer note 47)	**449**	**449**
(iv) Capital Redemption reserve	**986**	**986**

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on buyback of Company's own shares and on redemption of the preference shares. The Company has bought back its own shares and also redeemed the underlying preference shares in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.

(v) Securities premium		
Balance at beginning of year	17,013	15,041
Amount transferred on exercise of employee stock option	169	538
Amount received on exercise of employee stock option	433	1,434
	17,615	**17,013**

Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium is governed by the Section 52 of the Act.

(vi) Central subsidy	11	11
(vii) Share Based Payment reserve		
Balance at beginning of year	1,102	1,241
Amount transferred on exercise/ cancellation of employee stock option	(169)	(538)
Recognition of share based payment expense	281	399
	1,214	**1,102**

Share based payment reserve relates to share options granted by the Company to its employees under its employee share option plans. These will be transferred to Securities premium after the exercise of the underlying options.

(viii) Reserve for equity instruments through other comprehensive income		
Balance at the beginning of the year	(6,083)	(6,450)
Net fair value gain/ (loss) on investments in equity instruments at FVTOCI (net of tax)	1,589	367
	(4,494)	**(6,083)**

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

(ix) Cash flow hedge reserve		
Balance at beginning of year	306	(916)
Effective portion of cash flow hedges (net of tax)	(15)	1,222
	291	**306**

Cash flow hedge reserve represents effective portion of cash flow hedges taken to Other comprehensive income.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

18. Borrowings

Secured- at amortised cost		
Loan repayable on demand from banks	4	121
	4	**121**
Long term borrowings	-	-
Short term borrowings	4	121
	4	**121**
Quarterly returns, statements of current assets filed by the Company with banks are in agreement with the books of accounts.		

18.1 Summary of borrowing arrangements

i) There are no outstanding long-term borrowings as at 31 March 2022 and as at 31st March 2021.

ii) Secured loans repayable on demand comprises cash credit balances secured by a pari-passu charge on current assets of the Company. Further, some of these are also secured by second charge on moveable fixed assets of the Company at an interest rates between 4.45% p.a to 6.9% p.a.

18.2 Breach of loan agreement

There is no breach of loan agreement

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

19. Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Financial liabilities measured at fair value through profit or loss (FVTPL)		
Derivatives not designated in hedge accounting relationships		
Foreign currency forward contracts	1,366	249
Financial liabilities measured at fair value through Other comprehensive income (FVTOCI)		
Derivatives designated in hedge accounting relationships		
Foreign currency forward contracts	12	4
	1,378	**253**
Financial liabilities carried at amortised cost		
Security and trade deposits received (includes non-current portion of ₹195 lakhs (2021: ₹176 lakhs)	17,644	16,124
Interest accrued but not due on borrowings	1	1
Interest accrued but not due on others	1,331	1,253
Unclaimed dividends	2,283	2,211
Unclaimed debentures	-	778
Payables on purchase of fixed assets	1,195	1,150
Others	500	500
	22,954	**22,017**
	24,332	**22,270**
Current	24,137	22,094
Non-current	195	176
	24,332	**22,270**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

20. Provisions

	As at 31 March 2022	As at 31 March 2021
Employee benefits*	3,326	3,532
	3,326	3,532
Current	1,898	2,160
Non-current	1,428	1,372
	3,326	3,532

* The provision for employee benefits represents leave entitlements and gratuity. Refer note 34(a)(i) for details of gratuity obligation.

21. Income tax

21.1 Deferred tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities	13,798	13,747
Deferred tax assets	(7,421)	(8,160)
	6,377	5,587

2021-2022	Opening balance 1 April 2021	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance 31 March 2022
Deferred tax liabilities/(assets) in relation to:				
Property, plant and equipment	13,747	51	-	13,798
Investments at FVTOCI	(1,796)	-	484	(1,312)
Provision for doubtful debts and advances	(4,047)	668	-	(3,379)
Statutory dues allowable on payment basis	(334)	(92)	-	(426)
Employees separation and retirement costs	(918)	29	73	(816)
Others	(1,065)	(422)	(5)	(1,488)
Total	**5,587**	**234**	**552**	**6,377**

2020-2021	Opening balance 1 April 2020	Recognised in Profit or loss	Recognised in other comprehensive income	On account of merger	Closing balance 31 March 2021
Deferred tax liabilities/(assets) in relation to:					
Property, plant and equipment	14,114	(363)	-	(4)	13,747
Investments at FVTOCI	(1,907)	-	111	-	(1,796)
Provision for doubtful debts and advances	(3,529)	(518)	-	-	(4,047)
Statutory dues allowable on payment basis	(315)	(19)	-	-	(334)
Employees separation and retirement costs	(826)	161	(251)	(2)	(918)
Others	(1,908)	432	411	-	(1,065)
Total	**5,629**	**(307)**	**271**	**(6)**	**5,587**

21.2 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

	As at 31 March 2022	As at 31 March 2021
long-term capital loss	65	44
	65	44

Long-term capital loss of ₹ 35 lakhs is available for set-off till 31 March 2025 and ₹ 9 lakhs till 31 March 2027 and ₹ 21 lakhs till 31 March 2029 (2021: ₹ 35 lakhs till 31 March 2025 and ₹ 9 lakhs till 31 March 2027).

21.3 Income tax credit/(expense) recognised directly in equity

	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax effect on changes in fair value of other investments	(483)	(111)
Tax effect on actuarial gains/(losses) on defined benefit obligations	(74)	251
Tax effect on Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	5	(411)
`	(552)	(271)

21.4 Current tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Income tax payable (net of advance tax)	7,493	3,586
	7,493	3,586

21.5 Reconciliation of tax expense to the accounting profit is as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Accounting profit before tax	**1,93,141**	**1,76,604**
Tax expense at statutory tax rate of 25.17% (2021: 25.17%)	48,614	44,451
Adjustments:		
Effect of expenses that are not deductible in determining taxable profit	706	885
Effect of concessions (research and development and other allowances)	(15)	(21)
Effect on account of Impairment of investments	2,588	-
Others	3	31
Tax expense reported in the Statement of Profit and Loss	**51,896**	**45,346**

22. Other liabilities

	As at 31 March 2022	As at 31 March 2021
Advances from customers	15,923	5,904
Other liabilities (including statutory remittances)	3,238	2,056
	19,161	7,960
Current	18,382	7,133
Non-current	779	827
	19,161	7,960

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

23. Trade payables

	As at 31 March 2022	As at 31 March 2021
Acceptances	1,82,138	1,13,353
Other than Acceptances	2,09,180	1,78,810
	3,91,318	**2,92,163**
of the above:		
i) Total outstanding dues of micro enterprises and small enterprises*	2,996	936
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises**	3,88,322	2,91,227
	3,91,318	**2,92,163**

*Dues to MSME have been determined to the extent such parties have been identified on the basis of information collected by the Management.Refer note 44.

**Includes amount payable to related party ₹ 395 Lakhs (2021:₹ 314 lakhs). Refer note 40(E)

1.Ageing of Trade payables as at 31 March 2022

(a) Other than disputed Trade payables		
Particulars	MSME	Other than MSME
Not due	2,986	2,98,040
Less than 1 Year	10	26,295
1-2 years	-	930
2-3 years	-	3,593
More than 3 years	-	-
	2,996	3,28,858
(b) Disputed Trade payables		
Not due	-	-
Less than 1 Year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	4
	-	4
(c) Unbilled Trade payables		59,460
(d) Total Trade Payables (a+ b + c)	2,996	3,88,322

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2. Ageing of Trade payables as at 31 March 2021

(a) Other than disputed Trade payables		
Particulars	MSME	Other than MSME
Not due	932	1,72,992
Less than 1 Year	4	52,964
1-2 years	-	3,431
2-3 years	-	1,444
More than 3 years	-	1,131
	936	2,31,962
(b) Disputed Trade payables		
Not due		-
Less than 1 Year	-	-
1-2 years	-	79
2-3 years	-	155
More than 3 years	-	*
	-	234
(c) Unbilled Trade payables		59,031
(d Total Trade Payables (a+ b + c)	936	2,91,227

3. Relationship with Struck off companies

Name of struck off company	Nature of transaction and relationship	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021
Solar Lights And Infra (India) Pvt Ltd	Purchases- Vendor	*	*

* Less than ₹ 1 lakhs

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

24. Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
The following is an analysis of the Company's revenue:		
Sales	12,26,914	10,79,402
Government subsidies	6,77,528	3,32,468
Other operating revenue	4,384	3,750
Total revenue from operations	**19,08,826**	**14,15,620**

Revenue is recognised at the point in time when control of the goods is transferred to the customer.		
Other operating revenues comprise:		
Service income	617	421
DEPB income/ excise benefits	1,210	1,696
Insurance claim	26	274
Others	2,531	1,359
	4,384	**3,750**

25. Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income	10,115	4,107
Provision for liabilities no longer required, written back	3,764	3,153
Dividend income from investments carried at FVTOCI	7	5
Gain on measuring investments at FVTPL (net)	353	162
Net gain on modification of lease	66	-
Others	12	22
	14,317	**7,449**

26. Changes in inventories of finished goods, work-in-process and stock-in-trade

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock		
Work-in-process	3,898	3,847
Finished goods	1,05,636	1,41,110
Stock-in-trade	18,470	36,936
	1,28,004	**1,81,893**
Add: Impact on account of common control business combination (refer note 47)	-	294
Less: Closing Stock		
Work-in-process	6,536	3,898
Finished goods	1,18,560	1,05,636
Stock-in-trade	14,419	18,470
	1,39,515	1,28,004
Net (increase)/ decrease	**(11,511)**	**54,183**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

27. Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	48,562	45,229
Share based payments (refer note 33.3)	281	399
Contribution to provident and other funds (refer note 34)	4,223	3,974
Staff welfare expenses	5,250	3,881
	58,316	**53,483**

28. Finance cost

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense	2,737	6,255
Other borrowing costs and charges	759	728
Lease interest cost	4,047	3,579
	7,543	**10,562**

29. Depreciation and amortisation expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer note 3)	13,216	13,429
Amortisation of intangible assets (refer note 5)	162	133
Depreciation on right-of-use assets (refer note 4)	3,824	3,683
	17,202	**17,245**

30. Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Stores and spares consumed	14,805	11,343
Power, fuel and water	34,027	31,480
Rent	1,214	1,086
Repairs to:		
Buildings	709	569
Machinery	5,915	4,368
Others	3,746	2,900
Insurance charges	3,317	2,756
Rates and taxes	473	1,404
Freight and distribution	1,03,336	89,236
Exchange differences (net)	6,238	4,828
Loss on sale/scrap of property, plant and equipments (net)	671	468
Impairment allowance recognised for doubtful trade and other receivables, loans and advances (net of provision reversal of ₹ 1,081)	-	2,204
Impairment allowance for Investment (refer note 6)	10,281	-
Loss on sale of investments	-	17
Corporate Social Responsibility expense (refer note 38)	2,771	2,354
Miscellaneous expenses	38,418	41,972
	2,25,921	**1,96,985**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

31. Segment information

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. Accordingly, the Company's reportable segments under Ind AS 108 are as follows:

1. Nutrient and other allied business
2. Crop protection

The following is an analysis of the Company's revenue and results from operations by reportable segment:

	Segment revenue		Segment profit	
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
Nutrient and other allied business	16,71,423	12,20,019	1,67,069	1,65,319
Crop protection	2,48,795	2,05,824	35,697	33,328
	19,20,218	**14,25,843**	**2,02,766**	**1,98,647**
Less: Inter - segment	(11,392)	(10,223)	(175)	(328)
Total	**19,08,826**	**14,15,620**	**2,02,591**	**1,98,319**
Other income			14,317	7,449
Unallocable expense			(16,224)	(18,602)
Finance costs			(7,543)	(10,562)
Profit before tax			**1,93,141**	**1,76,604**

The accounting policies of the reportable segments are same as the Company's accounting policies. Segment profit represents the profit before interest and tax earned by each segment without allocation of central administrative costs and other income. This is the measure reported to the CODM.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

31.2 Segment assets and liabilities

	As at 31 March 2022	As at 31 March 2021
Segment assets		
Nutrient and other allied business	5,72,520	4,93,106
Crop protection	1,52,409	1,43,833
Unallocable assets	3,96,375	2,57,874
Total assets	**11,21,304**	**8,94,813**
Segment liabilities		
Nutrient and other allied business	4,28,027	2,91,068
Crop protection	41,283	65,163
Unallocable liabilities	22,193	17,322
Total liabilities	**4,91,503**	**3,73,553**

For the purposes of monitoring segment performance and allocating resources between segments:

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

1. All assets are allocated to reportable segments other than inter-corporate deposits, investments, cash and cash equivalents and derivative contracts.

2. All liabilities are allocated to reportable segments other than borrowings, defined benefit obligation and long-term employee benefits, derivative contracts, current and deferred tax liabilities.

31.3 Other segment information

	Depreciation and amortisation		Additions to non- current assets	
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
Nutrient and other allied business	12,794	13,026	43,431	24,114
Crop protection	4,408	4,219	11,227	7,084

31.4 Revenue from major products

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Phosphatic Fertilisers	7,86,498	6,66,878
Urea	32,886	33,321
Muriate of Potash	9,297	32,065
Single Super Phosphate	41,150	43,873
Others	1,24,064	1,11,414
	9,93,895	**8,87,551**
Government subsidies	6,77,528	3,32,468
Nutrient and other allied business	**16,71,423**	**12,20,019**
Crop protection	2,48,795	2,05,824
Total	**19,20,218**	**14,25,843**
Less: Inter - segment	(11,392)	(10,223)
Revenue from operations	**19,08,826**	**14,15,620**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32. Financial instruments

32.1 Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents , Bank deposits and inter-corporate deposits with financial institutions.

The following table summarises the capital of the Company:

	As at 31 March 2022	As at 31 March 2021
Equity	**6,29,801**	**5,21,260**
Short-term borrowings	4	121
Inter-corporate deposits with financial institution	(1,94,000)	(1,50,000)
Cash and cash equivalents and Bank Deposits	(1,68,195)	(65,393)
Net debt	**(3,62,191)**	**(2,15,272)**
Total capital (equity + net debt)	**2,67,610**	**3,05,988**
Net debt to capital ratio *		
Interest coverage ratio	46.32	22.27

* As at 31 March 2022 and 31 March 2021, borrowings are lower than the balances of Inter corporate deposits with financial institutions and Cash and Cash equivalents and Bank Deposits resulting in a negative net debt.

32.2 Categories of financial instruments

	As at 31 March 2022	As at 31 March 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)*		
(i) Derivative instruments not designated in hedge accounting relationship	777	965
(ii) Equity investments	59	18
(iii) Other investments	578	266
Measured at amortised cost		
(a) Cash and cash equivalents	65,765	65,393
(b) Bank balances other than cash and cash equivalents	1,04,727	2,999
(c) Other financial assets at amortised cost	2,49,947	2,67,140
(d) Investments in equity instruments in subsidiaries, joint ventures and associate	4,913	14,094
Measured at FVTOCI*		
(a) Investments in equity instruments designated upon initial recognition	19,519	17,447
(b) Investments in other instruments designated upon initial recognition	1,609	1,609
(c) Derivative instruments designated in hedge accounting relationship	400	412
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)*		
(a) Derivative instruments not designated in hedge accounting relationship	1,366	249
Measured at FVTOCI*		
(a) Derivative instruments designated in hedge accounting relationship	12	4
Measured at amortised cost	4,53,768	3,52,635

*Refer Note 32.9 for fair valuation methods and assumptions

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, option contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Company's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, buyer's credit, exports, short-term and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 32.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 32.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 32.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 32.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 32.6

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.4 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

32.4.1 Foreign currency risk management

The Company is exposed to foreign exchange risk on account of following:

1. Nutrient and other allied business has foreign exchange exposure for its imports of raw materials, intermediates and traded goods.

2. Crop Protection segment has foreign exchange exposure on both exports of finished goods and imports of raw materials, intermediates and traded goods.

3. Foreign currency borrowings in the form of buyers credit, packing credit etc. are availed for meeting its funding requirements.

The Company has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts, options contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Company follows netting principle for managing the foreign exchange exposure for each operating segment.

There are no long-term borrowings outstanding as on 31 March 2022 and 31 March 2021.

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
USD (millions)	393.87	256.81	33.71	37.30
INR (₹ in Lakhs)	2,98,547	1,87,764	25,546	27,266
EURO (millions)	0.01	0.04	2.99	1.52
INR (₹ in Lakhs)	12	36	2,511	1,305

b. Foreign currency forward and option contracts outstanding as at the Balance Sheet date:

	As at 31 March 2022		As at 31 March 2021	
	Buy	Sell	Buy	Sell
Forward contracts				
USD (millions)*	325.40	82.22	191.29	66.22
INR (₹ in Lakhs)	2,46,645	62,310	1,39,865	48,190
Number of contracts	84	62	63	59
Forward contracts				
EUR (millions) *	-	0.70	-	-
INR (₹ in Lakhs)	-	588	-	-
Number of contracts	-	1	-	-

The forward contracts have been entered into to hedge the purchase of raw materials and stock-in-trade and the related buyer's credit and in certain cases the foreign currency trade receivables.

*Includes USD 83.02 (millions) (31 March 2021 : 66.22 USD (millions)) Sell contracts outstanding under past performance facility as per Reserve Bank of India (RBI) Master Direction on Risk Management and Inter-Bank Dealings.

c. Net open exposures outstanding as at the Balance Sheet date:

	Liabilities		Assets	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
USD (millions)	68.47	65.51	-	-
INR (₹ in Lakhs)	51,902	47,899	-	-
EURO (millions)	0.01	0.04	2.29	1.52
INR (₹ in Lakhs)	12	36	2,511	1,305

d. Summary of hedging instruments outstanding at the end of the year designated as cash flow hedges:

	As at	No. of contracts	USD (millions)	Amount in ₹ lakhs	Closing exchange rate
Sell Currency - USD with tenor less than a year	31 March 2022	45	58.25	44,146	75.79
	31 March 2021	43	46.83	34,235	73.11

Foreign currency forward contracts designated as hedging instruments in cash flow hedges of forecast sales in USD are measured at fair value through OCI. While the Company enters into other foreign exchange forward contracts to reduce the foreign exchange risk, these other contracts are not designated in hedge relationships and are measured at FVTPL.

The terms of the hedging instruments match the terms of the forecast transactions. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss.

e. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a ₹1 increase and decrease against the US Dollar. ₹1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹1 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by ₹1 against the US Dollar. For a ₹1 weakening against the US Dollar, there would be a comparable impact on the profit or equity.

	Amount in ₹ lakhs	
Currency USD impact on:	2021-22	2020-21
Impact of ₹1 strengthening against US Dollar on profit or loss for the year	512	490
Impact of ₹1 weakening against US Dollar on profit or loss for the year	(512)	(490)
Impact of ₹1 strengthening against US Dollar on Equity as at the end of the reporting period	512	490
Impact of ₹1 weakening against US Dollar on Equity as at the end of the reporting period	(512)	(490)

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.4.2 Interest rate risk management

The Company issues commercial papers, draws working capital demand loans, avails cash credit, foreign currency borrowings including buyers credit, Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Company manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/ lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Company's profit for the year ended 31 March 2022 would decrease/ increase by ₹ 0.02 lakhs (31 March 2021: ₹ 0.61 lakhs)

32.4.3 Other price risks

The Company is exposed to equity price risks arising from equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes. The Company also holds certain other equity investments for trading purposes.

a. Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower other comprehensive income/ equity for the year ended 31 March 2022 would increase/ decrease by ₹ 730 Lakhs (31 March 2021:₹ 653 lakhs) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant.

32.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. In case of Government subsidy receivables, credit risk is nil.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. The Company uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.

The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

32.6 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 32.8 sets out details of additional undrawn facilities that the Company has at its disposal to reduce liquidity risk.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2022:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	3,91,318	3,91,318	-	-	3,91,318
Borrowings and interest thereon#	5	5	-	-	5
Other financial liabilities**	22,954	22,734	-	1,500	24,234
Lease Liability	39,492	2,403	4,393	32,696	39,492
Foreign currency forward contracts	1,378	1,378	-	-	1,378
Total	**4,55,147**	**4,17,838**	**4,393**	**34,196**	**4,56,427**

The table below provides details of financial assets as at 31 March 2022:

	Carrying amount
Investments	*
Trade receivables	24,249
Government subsidies receivable	29,414
Cash and cash equivalents including other bank balances	1,70,492
Loans	1,54,000
Other financial assets	2,284
Foreign currency forward contracts	1,177
Total`	**3,81,616**

*less than ₹ 1 lakh

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2021:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	2,92,163	2,92,163	-	-	2,92,163
Borrowings and interest thereon#	122	122	-	-	122
Other financial liabilities**	22,017	21,821	-	1,500	23,321
Lease Liability	38,334	2,143	3,817	32,374	38,334
Foreign currency forward contracts	253	253	-	-	253
Total	**3,52,889**	**3,16,502**	**3,817**	**33,874**	**3,54,193**

The table below provides details of financial assets as at 31 March 2021:

	Carrying amount
Investments	*
Trade receivables	55,907
Government subsidies receivable	58,966
Cash and cash equivalents including other bank balances	68,392
Loans	1,50,012
Other financial assets	2,255
Foreign currency forward contracts	1,377
Total	**3,36,909**

#Included in Borrowing and interest theron are certain borrowings which are subject to variable interest rates. Amount included in the above maturity analysis assumes interest outflows based on the year end benchmark interest rates, the actual interest rates may differ based on the changes in the benchmark interest rates.

**Other financial liabilities include deposits received from customers amounting to ₹17,449 Lakhs (31 March 2021: ₹15,948 Lakhs). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Company does not have an unconditional right to defer the payment, these deposits have been classified as current balances. For including these amounts in the above mentioned maturity analysis, the Company has assumed that these deposits, including interest thereon, will be repayable at the end of the reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.7 Financial guarantee contract

The Company has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of instalment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on 28 March 2017. The loan instalment was immediately paid on 30 March 2017 by TIFERT. However, on 4 April 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (Coromandel's share USD 35.25 million outstanding as on 31 March 2017). The Company alongwith other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

Considering the discussions held with Lenders and operational improvement achieved by TIFERT during the year, the Company reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly instalments that were due as per the payment schedule. The sponsor guarantee was valid upto 31 March 2018. The Company's obligation under this corporate guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ 7,194 Lakhs (31 March 2021: ₹ 10,299 Lakhs).

32.8 Financing facilities

The Company has access to financing facilities of which ₹ 3,51,822 Lakhs (as at 31 March 2021: ₹ 3,52,253 Lakhs) were unused at the end of the reporting period. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

32.9 Fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/ financial liabilities	Fair Value as at *		Fair value hierarchy	Valuation techniques & key inputs used
	As at 31 March 2022	As at 31 March 2021		
1) Foreign currency forward contracts	(201)	1,124	Level 2	Refer Note 3(a) below
2) Investments in quoted equity instruments at FVTPL	59	18	Level 1	Refer Note 2 below
3) Investments in unquoted venture capital fund at FVTPL	578	266	Level 3	Refer Note 4(a) below
4) Investments in unquoted equity instruments at FVTOCI	14,968	14,292	Level 3	Refer Note 4(b) below
	4,551	3,155	Level 3	Refer Note 4(c) below
5) Loans at FVTOCI	1,609	1,609	Level 3	Refer Note 4(b) below

*positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:

1. There were no transfers between Level 1 and 2 in the period.

2. The Level 1 financial instruments are measured using quotes in active market.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
(a) Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Company uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/ decrease in the value of unquoted investments of the fund would increase/ decrease the carrying amount of investment by ₹ 15 lakhs (2021: ₹ 15 lakhs).
(b) Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 0 to 3% (2021: 0 to 3%)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/ decrease by ₹ 1,357 lakhs (2021: ₹ 1,203 lakhs)
		Weighted average cost of capital (WACC) as determined ranging from 13% to 17% (2021: 13% to 17%)	A 100 basis points increase/ decrease in the WACC or discount rate used while holding all other variables constant would decrease/ increase the carrying amount by ₹ 1,676 lakhs (2021: ₹ 1,335 lakhs)
(c) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (2021: 30% to 50%)	A 10% increase/ decrease in the discount for lack of marketability used in isolation would decrease/ increase the carrying amount by ₹ 395 lakhs (2021: ₹ 291 lakhs)

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at 31 March 2022		As at 31 March 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
- Trade receivables	Level 2	24,249	24,249	55,907	55,907
- Government subsidies receivable	Level 2	29,414	29,414	58,966	58,966
- Cash and cash equivalents	Level 2	65,765	65,765	65,393	65,393
- Bank balances other than cash and cash equivalents	Level 2	1,04,727	1,04,727	2,999	2,999
- Loans	Level 2	1,94,000	1,94,000	1,50,012	1,50,012
- Other financial assets	Level 2	2,284	2,284	2,255	2,255

	Fair value hierarchy	As at 31 March 2022		As at 31 March 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
- Borrowings	Level 2	4	4	121	121
- Trade payables	Level 2	3,91,318	3,91,318	2,92,163	2,92,163
- Other financial liabilities	Level 2	22,954	22,954	22,017	22,049
- Lease liabilities	Level 2	39,492	39,492	38,334	38,334

1. In case of trade receivables, government subsidies receivables, cash and cash equivalents, loans, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2022:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	266	17,447	17,713
Total gains or losses:			
- in profit or loss	312	-	312
- in other comprehensive income (net)	-	2,072	2,072
Sold	578	19,519	20,097
Closing balance	**266**	**17,447**	**17,713**

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2021:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	174	16,969	17,143
Total gains or losses:			
- in profit or loss	148	-	148
- in other comprehensive income (net)	-	478	478
Sold	(56)	-	(56)
Closing balance	**266**	**17,447**	**17,713**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

33 Share based payments

Particulars	Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme')	Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):
Approval of shareholders	24th July 2007	11th January 2017
Administration	Remuneration and Nomination Committee of the Board of Directors	
Eligibility	The committee determines which eligible employees will receive options	
Number of equity shares reserved under the scheme	1,27,85,976	1,45,81,000
Number of equity shares per option	1	1
Vesting period	1-5 years	1-4 years
Exercise period	Within 6* years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	

* In partial modification of the special resolution passed for establishing ESOP 2007, the shareholders in their meeting held on 23 July 2012 decided to approve the extension of the exercise period of options granted under the ESOP 2007 from three years to six years.

33.1 Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme'):

a) Pursuant to the ESOP 2007 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	-	-	2,150	287.50
Granted	-	-	-	-
Exercised	-	-	2,150	287.50
Cancelled	-	-	-	-
Lapsed	-	-	-	-
At the end of the year	-	-	-	-

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of nil years (2021: nil years). The exercise price of the outstanding options is Nil (2021: nil). The weighted average share price during the year is ₹ 811 (2021: ₹ 740).

c) Number of options exercisable at the end of the year Nil (2021: nil).

d) The fair values of the option with modified terms were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 3-4 years.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

33.2 Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):

a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	13,98,740	420.87	17,55,990	357.49
Granted*	3,31,720	759.56	2,13,400	734.21
Exercised	1,17,730	368.71	4,22,780	338.84
Cancelled	-	-	1,47,870	354.92
Lapsed	-	-	-	-
At the end of the year	16,12,730	`494.34	13,98,740	420.87

* the weighted average fair value of options granted during the year is ₹ 251.55 (2021: ₹ 265.68)

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 1.59 years (2021: 1.93 years). The exercise price of the outstanding options range from ₹ 319.65 to ₹ 799.35 (2021: ₹ 319.65 to ₹ 799.35). The weighted average share price during the year is ₹ 811 (2021: ₹ 740).

c) Number of options exercisable at the end of the year are 10,39,370 (2021: 9,68,110).

d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend yield (%)	1.54 to 1.62	1.54 to 1.62
Expected volatility (%)	0.30 to 0.32	0.32 to 0.33
Risk free interest rate (%)	5.17 to 6.38	4.77 to 5.86
Expected term (in years)	3.50 to 6.51	3.50 to 6.51

33.3 Share based payments

The Company recorded employee share based payments of ₹ 281 Lakhs (2021: ₹ 399 Lakhs) under 'Employee benefits expense'.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

34 Employee benefits plan

a) Defined benefit plans

(i) Gratuity plan	2021-2022	2020-2021
Change in Defined Benefit Obligation (DBO) during the year		
Present value of DBO at the beginning of the year	6,511	5,854
Current service cost	684	636
Interest cost	410	371
Actuarial loss/(gain) arising from changes in financial assumptions	(122)	(9)
Actuarial loss/(gain) arising from changes in experience adjustments	(161)	505
Benefits paid	(1,085)	(846)
Present value of DBO at the end of the year	**6,237**	**6,511**
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	6,078	5,624
Interest income	422	400
Employer contributions	788	1,400
Benefits paid	(1,085)	(846)
Remeasurements – return on plan assets (excluding interest income)	10	(500)
Fair value of assets at the end of the year	**6,213**	**6,078**
Amounts recognised in the Balance Sheet		
Present value of DBO at the end of the year	6,237	6,511
Fair value of plan assets at the end of the year	(6,213)	(6,078)
Funded status of the plans – (asset)/ liability	**24**	**433**
(Asset) / liability recognised in the Balance Sheet	**24**	**433**
Components of employer expense		
Current service cost	684	636
Interest income on net defined benefit obligation	(12)	(29)
Expense recognised in Statement of Profit and Loss	672	607
Remeasurement on the net defined benefit obligation		
Return on plan assets (excluding interest income)	10	500
Actuarial loss/(gain) arising from changes in financial assumptions	(122)	(9)
Actuarial loss/(gain) arising from changes in experience adjustments	(161)	505
Remeasurements recognised in other comprehensive income	**(293)**	**996**
Total defined benefit cost recognized	**379**	**1,603**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Employee who has completed five years of service is entitled to specific benefit depending on the employee's length of service and salary at retirement or relieving age. The fund has the form of trust and it is governed by the Board of Trustees which consists of employer and employee representatives. The Board of Trustees is responsible for the administration of plan assets.

The Board of Trustees reviews the level of funding and asset-liability matching strategy in the gratuity plan to keep the scheme adequately funded for settlement of obligations under the plan.

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

	31 March 2022	31 March 2021
Assumptions		
Discount rate	7.15%	6.86%
Estimated rate of return on plan assets	7-12%	7.54%
Expected rate of salary increase	5- 7%	5-7%
Attrition rate	5%	5%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(405)	461	(430)	492
Future salary growth (1% movement)	403	(365)	431	(386)
Attrition rate (1% movement)	2	(2)	31	(27)

	31 March 2022	31 March 2021
Weighted average duration of DBO	11 Years	11 Years
Expected cash flows		
1. Expected employer contribution in the next year	643	636
2. Expected benefit payments		
Year 1	912	889
Year 2	694	805
Year 3	529	621
Year 4	528	482
Year 5	498	485
Beyond 5 years	1,996	1,920

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

ii) Contributions to PF Trust:

Provident Fund Trust is exempted under Section 17 of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Conditions for the grant of exemption stipulate that the employer shall make good the deficiency, if any, in the interest rate declared by the Trust over the statutory limit.

The Company has obtained the actuarial valuation of interest rate obligation in respect of provident fund and having regards to the assets of the Fund and the return on the investments, the Company did not recognize any deficiency based on the actuary report obtained.

Particulars	31 March 2022
Plan assets at the end of the year	26,168
Defined benefit obligation at the end of the year	25,280

An amount of ₹ 1,229 Lakhs (2021: ₹ 1,103 lakhs) has been recognised as an expense in the Statement of Profit and Loss during the year towards Provident fund contribution to trust.

Assumptions

Particulars	31 March 2022
Discount rate	5.15% to 7.15%
Expected guarantee rate	8.50%
Attrition	5.00%

b) Defined contribution plans

In respect of the defined contribution plans, an amount of ₹ 2,312 Lakhs (2021: ₹ 2,259 lakhs) has been recognised as an expense in the Statement of Profit and Loss during the year.

35 Earnings per share

Earnings Per Share (face value of ₹1/- each)			
		For the year ended 31 March 2022	For the year ended 31 March 2021
i) Profit after tax (₹ in Lakhs)	[a]	1,41,245	1,31,258
Basic			
ii) Weighted average number of equity shares of ₹1/- each outstanding during the year	[b]	29,34,33,933	29,31,65,645
Dilution			
iii) Effect of potential equity shares on employees stock options outstanding		6,36,887	7,94,319
iv) Weighted average number of equity shares of ₹1/- each outstanding during the year	[c]	29,40,70,820	29,39,59,964
Earnings Per Share (face value of ₹1/- each)			
v) Basic – [a]/[b] – (₹)		48.14	44.77
vi) Diluted – [a]/[c] – (₹)		48.03	44.65

Standalone Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

36 Contingent liabilities (to the extent not provided for)

Claims against the Company not acknowledged as debt:

	As at 31 March 2022	As at 31 March 2021
In respect of matters under dispute:		
Excise duty	322	344
Customs duty	831	820
Sales tax	1,203	1,267
Income tax	553	406
Service tax	292	264
Goods and Services Tax	37	37
Others	4,902	5,634

The amounts disclosed above represent our best estimate and the uncertainties are dependent on the outcome of the legal processes initiated by the Company or the claimant as the case may be.

37 Commitments

a) Capital commitments

	As at 31 March 2022	As at 31 March 2021
Capital expenditure commitments	19,805	6,026

38 Corporate social responsibility

As per Section 135 of the Companies Act, 2013 ('Act), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are Education and Health care & while also pursuing CSR activities for the benefit of community around its local areas of operations. The CSR activities of the Company are in line with the Schedule VII of the Act. A CSR committee has been formed by the Company as per the Act. The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company as specified in Schedule VII of the Act, as amended from time to time.

a) Gross amount required to be spent by the company during the year is ₹ 2,812 Lakhs (31 March 2021-₹ 2,322 lakhs.)

b) Amount spent during the year on:

Particulars	31 March 2022	31 March 2021
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	2,466	2,178

c) Nature of CSR activities:

- Providing basic health care facilities to economically backward societies
- Improving health Conditions for communities through the provision of basic medical services
- Improving access to education
- Rural development projects
- Environmental sustainability
- Contribution to various disaster funds

d) Details of amount unspent relating to Ongoing projects:

Opening balance	Amount deposited in unspent CSR account	Amount required to be spent during the year	Amount spent during the year (Refer Note below)	Closing balance
296	296	2,812	2,466	346

Note:

The Company was unable to spend the allocated/budgeted amount on Ongoing Projects due to COVID-19 pandemic. The unspent CSR amount of ₹ 346 lakhs for the financial year 2021-22 will be transferred to unspent CSR Account on or before 30 April 2022 in accordance with provisions of the Companies Act, 2013 read with rules made thereunder.

39 Research and development expenses incurred on the following heads have been accounted under the natural heads:

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Salaries, wages and bonus	1,086	945
Contribution to provident and other funds	105	91
Consumption of stores and spare parts	130	134
Power and fuel	59	58
Repairs to machinery	47	47
Miscellaneous expenses	168	178
	1,595	**1,453**

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

40 Related party disclosures

(A) Names of the related parties and their relationship:

(i) Details of subsidiaries, joint ventures and associates:

Names	Nature of relationship	Country of incorporation	Percentage of holding as at	
			31 March 2022	31 March 2021
Sabero Organics America S.A. (SOAL)	Subsidiary	Brazil	99.98	99.98
Coromandel Australia Pty Ltd (Coromandel Australia), formerly known as Sabero Australia.	Subsidiary	Australia	100	100
Sabero Europe B.V. (Sabero Europe)	Subsidiary	Netherlands	100	100
Sabero Argentina S.A. (Sabero Argentina)	Subsidiary	Argentina	95	95
Coromandel Agronegocios de Mexico, S.A de C.V. (Coromandel Mexico)	Subsidiary	Mexico	100	100
Parry Chemicals Limited (PCL)	Subsidiary	India	100	100
Dare Ventures Limited (DVL) (formerly known as Dare Investments Limited)	Subsidiary	India	100	100
CFL Mauritius Limited (CML)	Subsidiary	Mauritius	100	100
Coromandel Brasil Limitada (CBL)	Subsidiary	Brazil	100	100
Parry America, Inc. (PAI)	Subsidiary	USA	100	100
Coromandel International (Nigeria) Limited (CINL)	Subsidiary	Nigeria	99.99	99.99
Coromandel Mali SASU (w.e.f. 4 February 2020) (CMS)	Subsidiary	Mali	100	100
Sabero Organics Philippines Asia Inc.- (Sabero Philippines)	Associate	Philippines	40	40
Yanmar Coromandel Agrisolutions Private Limited (YCAS)	Joint venture	India	40	40

(ii) Details of other related parties:

Names	Nature of relationship
E.I.D.-Parry (India) Limited	Parent company
Parry Infrastructure Company Private Limited (PICPL)	Fellow subsidiary
Parry Enterprises (India) Limited (PEIL)	Associate of parent company
Coromandel Provident Fund (PF Trust)	Employee benefit plan
Coromandel Provident Fund No. 1 (PF Trust)	Employee benefit plan
CFL Gratuity Fund	Employee benefit plan
Coromandel Gratuity Fund – I	Employee benefit plan
Coromandel Gratuity Fund – II	Employee benefit plan
Coromandel Management Staff Pension Fund	Employee benefit plan
Coromandel Superannuation Fund	Employee benefit plan
Coromandel Benevolent Fund	Employee benefit plan
Mr. A. Vellayan	Key management personnel (appointed as Additional Director w.e.f. 11 November 2020 and as Chairman w.e.f. 12 November 2020)
Mr. Arun Alagappan	Key management personnel (appointed as Additional Director w.e.f. 11 November 2020 and as Executive Vice Chairman w.e.f. 15 February 2021)
Mr. Arun Vellayan	Relative of Key management personnel –son of Chairman.
Mr. Narayanan Vellayan	Relative of Key management personnel -son of Chairman.
Mr. Sameer Goel	Key management personnel (Managing director)
Ms. Jayashree Satagopan	Key management personnel (Chief Financial Officer)
Mr. Rajesh Mukhija	Key management personnel (Company Secretary)
Mr. S Suresh	Key management personnel of Parent company
Mr. M M Venkatachalam	Non-Executive Director
Ms Aruna B. Advani	Non-Executive Director
Mr. Prasad Chandran	Non-Executive Director
Mr. Sumit Bose	Non-Executive Director
Dr. R. Nagarajan	Non-Executive Director
Mr. K V Parameshwar	Non-Executive Director
Mr. Ramesh K B Menon	Non-Executive Director
Mr. Sudarshan Venu	Non-Executive Director

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

(B) Transactions during the year:

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
i) Sale of finished goods/raw materials/services		
a) Subsidiary- PAI	7,526	7,178
ii) Rent received		
a) Fellow subsidiary – PICPL	95	95
b) Associate – PEIL	4	-
iii) Expenses reimbursed by		
a) Subsidiary – PAI	3	6
b) Subsidiary – PCL	27	26
c) Subsidiary - DVL	39	-
iv) Purchase of finished goods and services		
a) Parent company	604	842
b) Associate – PEIL	65	157
c) Joint Venture-YCAS	35	-
v) Commission on sales		
a) Subsidiary – PCL	31	31
b) Subsidiary – CBL	389	263
c) Subsidiary – Coromandel Mexico	231	161
d) Subsidiary – SOAL	137	91
e) Subsidiary – Coromandel Australia	6	20
f) Subsidiary – CINL	42	43
g) Associate – Sabero Philippines	158	46
vi) Expenses reimbursed to		
a) Parent company	242	195
b) Subsidiary-PCL	2	-
vii) Interest received on Inter corporate deposit/Loan		
a) Subsidiary - DVL	1	1
viii) Investment made in Equity shares of		
a) Subsidiary- DVL	1,100	-
ix) Purchase of assets and spares		
a) Joint venture – YCAS	35	34
x) Dividend paid (including interim dividend payable)		
a) Parent company	19,855	30,484
xi) Rent paid		
a) Parent company	59	65
b) Subsidiary – PCL	3	3
xii) Loan		
a) Loan repayment by Subsidiary – DVL	12	-
b) Interest repaid by DVL	4	-

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

(C) Transactions with key management personnel

a) Dividends paid to directors during the year ended 31 March 2022 ₹ 28 Lakhs (2021: ₹ 32 Lakhs).

b) Compensation of key management personnel of the Company:

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Short-term employee benefits	1,791	1,652
Others *	307	332
Total compensation	**2,098**	**1,984**

* excludes Goods and Services Tax

c) During the year, the Company has not granted any employee stock options to its key managerial personnel.

d) During the previous year, the company has sold car and laptop to its key managerial personnel for ₹ 7 lakhs.

(D) Refer Note 34 for transactions with Employee benefit funds.

(E) Outstanding balances as at the year end

	As at 31 March 2022	As at 31 March 2021
a) Trade receivables		
- Parent company	218	725
- Subsidiary – PCL	142	-
- Subsidiary – PAI	326	2,215
- Associate – PEIL	7	5
- Fellow subsidiary – PICPL	3	3
- Associate – Sabero Philippines	6	6
b) Loans and Advances		
PF Trust	241	422
- Subsidiary – DVL	-	15
c) Share Application money		
- Associate – Sabero Philippines	5	5
d) Trade payables		
- Parent company	238	295
- Subsidiary – PCL	150	-
- Associate – PEIL	6	8
- Joint venture – YCAS	1	11
e) Other financial liabilities		
- Fellow subsidiary – PICPL	998	1,019

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

41 Disclosure as per Regulation 34(3) and 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015:

Loans and advances in the nature of loans to subsidiaries:

	Relationship	As at 31 March 2022	Maximum balance outstanding during the year
Dare Ventures Limited (DVL) (Refer note b)	Subsidiary	-	12
		(12)	(12)

Figures in bracket relate to previous year.

Note: The loan was repayable on demand and carried interest.

42 Payments to Auditors

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Audit fees	75	75
Tax audit fees	15	15
Limited reviews	36	36
Certifications	45	70
Other services	-	-
Reimbursement of expenses	2	2
Total	**173**	**198**

Note: Amounts given above excludes Goods and Services Tax.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

43 During the year ended 31 March 2020, pursuant to the requirements of SEBI circular no SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, the Company has listed commercial papers on a recognised stock exchange. There are no Commercial papers outstanding as on 31 March 2022.

44 Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Sl. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	2,996	936
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

Standalone Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

45 Ratio Analysis and its elements:

Ratio	31 March 2022	31 March 2021	% Change	Reasons for variance
Current Ratio	2	2	-6%	
Debtors Turnover ratio (days)	19	71	-73%	Due to higher realizations.
Inventory turnover (days)	80	100	-19%	
Debt-Equity ratio	*	*	-97%	Due to repayment of Debt.
Debt Service coverage ratio	46	22	108%	Due to repayment of Debt.
Return on Equity	24.54%	27.34%	-10%	
Trade payables turnover ratio (days)	82	122	-33%	Due to repayment of trade payables
Net capital turnover ratio	5	4	12%	
Net profit ratio	7%	9%	-20%	
Return on capital employed	29%	34%	-14%	
Return on investment	3.57%	3.27%	9%	Due to higher realizations and deployment of funds in Inter corporate deposits & fixed deposits

*Less than 0.00

Formula used to compute ratios:

Ratio	Formula
Current Ratio	Current assets/Current liabilities
Debtors Turnover ratio (days)	Revenue from Operations /Average receivables (including Government subsidy receivables)
Inventory turnover (days)	(Cost of materials consumed, Purchases of stock-in-trade, Changes in inventories of finished goods, work-in- process and stock-in-trade)/ Average Inventory
Debt-Equity ratio	Total Debt/ Shareholders equity
Debt Service coverage ratio	(Profit after tax and before Depreciation and Amortisation Expense, Finance Costs excluding lease interest, Exceptional Items)/(Finance Costs excluding lease interest + Principal Repayment of Long term borrowings)
Return on Equity	Net Profit after tax / Average share-holders equity
Trade payables turnover ratio	Purchases/ Avg Trade payables * Number of days
Net capital turnover ratio	Net sales / Working capital
Net profit ratio	Net Profit after tax / Net sales
Return on capital employed	Earnings before Interest and taxes / capital employed
Return on investment	Interest Income/ Avg. Investment in Inter-corporate deposits & fixed deposits.

Standalone Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

46 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

47 Subsequent events

On 01 February 2021, the Board of Directors had earlier approved the proposed Scheme of Amalgamation of Liberty Pesticides and Fertilizers Limited (LPFL) and Coromandel SQM (India) Private Limited (CSQM) with the Company subject to approval of the Hon'ble National Company Law Tribunal, Hyderabad (NCLT) under Section 230 and 232 of the Companies Act 2013. Subsequent to 31 March 2022, the Hon'ble National Company Law Tribunal, Hyderabad (NCLT) has approved the Scheme of Amalgamation ('Scheme') of and Liberty Pesticides and Fertilizers Limited (LPFL) and Coromandel SQM (India) Private Limited (CSQM) (wholly owned subsidiaries) on 26 April 2022, with the Company with effect from 01 April 2021, being the appointed date under the said Scheme.

The Company has accounted for this merger under the "Pooling of interests" method for common control transactions as per the requirements of Ind AS 103 "Business Combinations". Accordingly, the company has recognised Gain on Bargain purchase of ₹ 266 Lakhs and Gain on re-measurement of previously held interest of ₹ 760 Lakhs under Other comprehensive income and Gain on Bargain purchase of ₹ 163 Lakhs in Capital reserve.

Further, in accordance with Ind AS 103 'Business Combinations', the Company has restated the figures for previous year presented in the Standalone financial statements. This merger did not have material impact on Standalone financial statements.

48 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company does not have any such 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Standalone Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

49 Previous period / year figures have been regrouped/reclassified, where necessary, to conform to the current period / year classification.

50 Approval of financial statements

The financial statements were approved by the Board of Directors on 28th April 2022.

In terms of our report attached
For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

22. Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of Coromandel International Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Coromandel International Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associate and joint venture comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").[65]

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, associates, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the consolidated 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 financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

[65] GRI 102-45

Key audit matters	How our audit addressed the key audit matter
Recognition and measurement of revenues	
Refer to note 2.6 'Revenue recognition', note 2.33.1 'Key sources of estimation uncertainty' and note 24 'Revenue from operations' to the consolidated financial statements. Revenue from sale of goods is recognised, when the control of goods is transferred to the customers. In accordance with the accounting policy, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the applicable terms. Revenue recognition involves significant management judgements and estimates and has accordingly been identified as a key audit matter.	Our audit procedures amongst others included the following: • We understood the revenue recognition process, evaluated the design and implementation of internal controls relating to revenue recognised. • We selected samples and tested the operating effectiveness of internal controls, relating to transfer of control. We carried out a combination of procedures involving enquiry, observation and inspection of evidence in respect of operation of these controls. • We tested the relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • In respect of the selected sample of transactions: » We obtained the customer contracts and understood the terms and conditions including delivery and shipping terms. » We tested whether the revenue is recognised upon transfer of control to customer. » We tested the location stock reports from Holding Company warehouses, where applicable, for confirmation on sales quantity made during the year. » We tested on a sample basis (including for sales near to the period end) the acknowledgments of customers. In respect of sales of fertiliser products, we have also agreed the quantities sold as per the Holding Company books with the customer acknowledgements as per the iFMS portal of the Department of Fertilisers. » We tested the data used by the Holding Company in assessing the provision for rebates for completeness and evaluated the rebates accrued, on a sample basis, by agreeing amounts recognised to the terms of agreements and marketing circulars for rebate schemes announced by the Holding Company. • We assessed relevant disclosures in the consolidated financial statements of the Company.

Key audit matters	How our audit addressed the key audit matter
Recognition, measurement and valuation of Subsidy income/ Government subsidies and related receivables	
Refer to note 2.6 'Revenue recognition', note 2.33.1 'Key sources of estimation uncertainty' and note 24 'Revenue from operations' to the consolidated financial statements. The Holding Company has recognised subsidy income of Rs. 677,528 lakhs for the year ended March 31, 2022. Subsidy income pertaining to the Nutrient and other allied business is recognised on the basis of the rates notified from time to time in accordance with the Nutrient Based Subsidy ('NBS') policy by the Department of Fertilisers ('DOF'), Government of India ('GOI') and the conditions attached to subsidy income under Direct Benefit Transfer ('DBT') System. The principles of Ind AS 20 requires matching of subsidy income with the related costs which it is intended to compensate and accordingly, subsidy income is recognized over a period on a systematic basis to match it with the related costs and on satisfaction of relevant conditions specified in the notifications. Recognition of subsidy income and assessment of its recoverability is subject to exercise of significant judgement and interpretation of relevant notifications by the management, which includes satisfaction of conditions specified in notifications, assessment of applicable rates for fertilizers sold, evaluation of recoverability of receivables etc. and has accordingly been considered as a key audit matter.	Our audit procedures amongst others included the following: • We understood the subsidy income recognition process, evaluated the design and implementation, and operating effectiveness of internal controls relating to subsidy income and related receivables. • We enquired with the relevant personnel in the Holding Company, read and understood their interpretations of the relevant circulars and notifications issued by GOI from time to time with regard to the subsidy policies that impact subsidy income and related receivables. • We tested the NBS rates considered by the Holding Company for the product subsidy with the applicable circulars and notifications and discussed with the management and Those Charged With Governance, the appropriateness of the subsidy rates applied to recognise subsidy income. • We correlated the sales quantity considered for subsidy income with the actual sales made by the Holding Company and customer acknowledgements as per the iFMS portal of the DOF. • We reviewed the quantities and rates considered for the purpose of recognising freight subsidy. • We evaluated Management's assessment and reviewed underlying calculations regarding compliance with relevant conditions as specified in the notifications and policies. • We analysed and discussed the status of outstanding subsidy receivables and its realisability with the Management and assessed the reasonability of provisions made towards outstanding subsidy receivables. • We tested the sanction notes received from the GOI for receipts and traced credits to bank statements for the receipts during the year and also the subsequent receipts. • We assessed the presentation of subsidy income along with related receivables and related disclosures in the consolidated financial statements.

Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture 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.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 and its associate and joint venture of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated 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 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 the consolidated financial statements for the financial year ended March 31, 2022 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 Matters

(a) We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of Rs. 4,102 lakhs as at March 31, 2022, and total revenues of Rs. 33 lakhs and net cash inflows of Rs. 2,449 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

One subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in that respective country and which have been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial results / financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of nine subsidiaries whose financial statements and other financial information reflect total assets of Rs 6,603 lakhs as at March 31, 2022, and total revenues of Rs. 10,591 lakhs and net cash outflows of Rs. 1,430 lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 374 lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of one associate and one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint venture and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint venture and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

(c) The consolidated financial statements of the Company for the year ended March 31, 2021, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on April 29, 2021.

Our opinion above on the consolidated 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 and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 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 the subsidiary companies and joint venture, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" 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, associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of 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 books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint venture, none of the directors of the Group's companies and joint venture, incorporated in India, 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 with reference to consolidated financial statements of the Holding Company and its subsidiary companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associate and joint venture in its consolidated financial statements – Refer note 36 to the consolidated financial statements;

ii. The Group, its associate and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint venture, incorporated in India during the year ended March 31, 2022;

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, other than as disclosed in the note 6 to the consolidated financial statements, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("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 respective Holding Company or any of such subsidiaries ("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 subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively 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 respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries 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; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. As stated in note 17 to the consolidated financial statements,

a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act, to the extent it applies to payment of dividend.

b) The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

c) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AHYWJU3860
Place of Signature: Hyderabad
Date: April 28, 2022

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Coromandel International Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and to the best of our knowledge and belief, we state that:

3(xxi) There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports issued by us for the Holding Company and by the respective auditors in the CARO reports of the subsidiary companies included in the consolidated financial statements. The report of a joint venture included in the consolidated financial statements has not been issued by its auditor till the date of our auditor's report.

S.No	Name of the joint venture company	Corporate Identification Number
1.	Yanmar Coromandel Agrisolutions Private Limited	U29253TG2014PTC094854

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 22213271AHYWJU3860

Place of Signature: Hyderabad

Date: April 28, 2022

Annexure 2 to the Independent Auditor's Report of even date on the consolidated financial statements of Coromandel International Limited

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 financial statements of Coromandel International Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to two subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 22213271AHYWJU3860
Place: Hyderabad
Date: April 28, 2022

Consolidated Balance Sheet

(₹ in lakhs, unless otherwise stated)

	Note	As at 31 March 2022	As at 31 March 2021
I ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	3	1,70,144	1,61,633
(b) Capital work-in-progress	3	11,981	7,570
(c) Right-of-use assets	4	38,244	39,013
(d Goodwill		32	32
(e) Other intangible assets	5	737	866
(f) Intangible assets under development	5	2,139	1,408
(g) Financial assets			
(i) Investments			
(a) Investments in joint ventures and associate	6	1,733	1,359
(b) Other investments	6	22,613	20,020
(ii) Loans		40,000	-
(h) Income tax assets (net)		481	83
(i) Other non-current assets	8	6,347	5,434
		2,94,451	2,37,418
2 Current assets			
(a) Inventories	9	3,66,323	2,60,088
(b) Financial assets			
(i) Investments	10	*	*
(ii) Trade receivables	11	26,487	55,442
(iii) Government subsidies receivable		29,414	58,966
(iv) Cash and cash equivalents	12	70,601	69,210
(v) Bank balances other than cash and cash equivalents	13	1,04,727	2,999
(vi) Loans	14	1,54,000	1,51,368
(vii) Other financial assets	7	3,496	3,658
(c) Other current assets	15	78,975	50,400
		8,34,023	6,52,131
Total assets		11,28,474	8,89,549
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	16	2,935	2,934
(b) Other equity	17	6,32,892	5,12,125
Equity attributable to owners of the Company		6,35,827	5,15,059
2 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	37,089	36,191
(ii) Other financial liabilities	19	195	176
(b) Provisions	20	1,428	1,372
(c) Deferred tax liabilities (net)	21.1	6,597	5,756
(d) Other non-current liabilities	22	779	827
		46,088	44,322
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	4	161
(ii) Lease liabilities	4	2,403	2,143
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		2,996	936
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,88,358	2,91,280
(iv) Other financial liabilities	19	24,638	22,594
(b) Provisions	20	1,943	2,172
(c) Current tax liabilities (net)	21.4	7,544	3,609
(d) Other current liabilities	22	18,673	7,273
		4,46,559	3,30,168
Total liabilities		4,92,647	3,74,490
Total equity and liabilities		11,28,474	8,89,549
*less than ₹ 1 lakh			
Corporate Information and Significant accounting policies	1 and 2		
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number :101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Consolidated Statement of Profit and Loss

(₹ in lakhs, unless otherwise stated)

		Note	For the year ended 31 March 2022	For the year ended 31 March 2021
I	Income			
	Revenue from operations	24	19,11,085	14,18,195
	Other income	25	14,427	7,506
	Total income		19,25,512	14,25,701
II	Expenses			
	Cost of materials consumed		11,89,698	6,97,920
	Purchases of stock-in-trade		2,43,501	2,16,926
	Changes in inventories of finished goods, work-in-process and stock-in-trade	26	(11,545)	53,946
	Employee benefits expense	27	58,718	53,857
	Finance costs	28	7,547	10,567
	Depreciation and amortisation expenses	29	17,265	17,308
	Other expenses	30	2,15,727	1,97,122
	Total expenses		17,20,911	12,47,646
III	Profit before tax (I-II)		2,04,601	1,78,055
IV	Share of profit/(loss) of joint venture and associate	41	374	540
V	Profit for the year (III+IV)		2,04,975	1,78,595
VI	Tax expense:			
	(1) Current tax		51,872	45,989
	(2) Deferred tax		257	(309)
	Total tax expense		52,129	45,680
VII	Profit for the year (V-VI)		1,52,846	1,32,915
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurement of defined benefit plan	34(a)	293	(995)
	(b) Share of other comprehensive income as reported by Joint ventures and associate		-	-
	(c) Net fair value (loss)/gain on investments in equity shares at FVTOCI		2,240	858
	(ii) Income tax relating to items that will not be reclassified to profit or loss	21.3	(575)	121
	(iii) Gain on Bargain Purchase (refer note 45)		-	266
B	(i) Items that will be reclassified subsequently to profit or loss			
	(a) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		(20)	1,633
	(b) Exchange differences on translating foreign operations		478	(163)
	(ii) Income tax relating to items that will be reclassified to profit or loss	21.3	5	(411)
	Total other comprehensive income (A+B)		2,421	1,309
IX	Total Comprehensive Income for the year (VII+VIII)		1,55,267	1,34,224
X	Earnings per equity share of (Face value of ₹1 each):	35		
	Basic ₹		52.09	45.34
	Diluted ₹		51.98	45.22
	Corporate Information and Significant accounting policies	1 and 2		
	See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number :101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Consolidated Cash flow statement

(₹ in lakhs, unless otherwise stated)

		For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities			
Profit before tax		2,04,975	1,78,595
Adjustments for:			
Depreciation and amortisation expense		17,265	17,308
Loss on sale/ scrap of property, plant and equipments (net)		652	468
(Profit)/loss on sale of investment		-	17
Exchange differences (net)		2,884	(8,189)
Share of profit of joint ventures accounted using equity method		(374)	(540)
Gain on measuring investments at FVTPL (net)		(353)	(162)
Impairment allowance recognised for doubtful trade receivables, loans and advances and other liabilities no longer required, written back (net)		(3,764)	(949)
Provision for employee benefits		119	(1,044)
Share-based payments		281	399
Finance costs		7,547	10,567
Interest income		(10,183)	(4,164)
Dividend income		(7)	(5)
Others		(66)	(27)
Operating profit before working capital changes		2,18,976	1,92,274
Changes in working capital:			
Trade payables		1,01,627	(28,956)
Other liabilities		12,608	(2,720)
Trade receivables		29,038	1,16,975
Government subsidies receivable		29,552	1,72,656
Inventories		(1,06,235)	10,825
Other assets		(29,426)	702
Cash generated from operations		2,56,140	4,61,756
Direct taxes paid (net of refunds)		(48,335)	(46,741)
Net cash flows from operating activities	(A)	2,07,805	4,15,015
Cash flows from investing activities			
Purchase of property, plant and equipments and other intangible assets including capital work-in-progress and capital advances		(27,792)	(18,822)
Purchase of leasehold land		-	(682)
Proceeds from sale of property, plant and equipments		133	248
Payment towards acquisition of Business		-	(1,200)
Proceeds from sale of non-current investments		-	40
Inter-corporate deposits/ loans given (refer note 14)		(92,000)	(1,32,368)
Inter-corporate deposits matured/ loans received (refer note 14)		49,368	23,857
Interest received		10,522	3,200
Dividend received from current and non-current investments		7	5
Movement in restricted bank balances and investment in short term deposits		(1,02,437)	(1)
Net cash used in investing activities	(B)	(1,62,199)	(1,25,723)
Cash flows from financing activities			
Proceeds from issue of equity shares on exercise of employee stock options		434	1,438
Movement in short-term borrowings (net)		(157)	(1,62,351)
Dividend paid		(35,213)	(52,772)
Interest and other borrowing costs paid		(3,422)	(7,160)
Repayment of Lease liability		(5,894)	(5,471)
Net cash used in financing activities	(C)	(44,252)	(2,26,316)
Net increase in cash and cash equivalents (A + B + C)		1,354	62,976
Cash and cash equivalents at the beginning of the year		69,210	5,054
Add: Cash and cash equivalents acquired on account of common control business combination (refer note 46)		-	1,239
Exchange (loss)/ gain on cash and cash equivalents		37	(59)
Cash and cash equivalents at the end of the year (as per Note 12)		70,601	69,210

(₹ in lakhs, unless otherwise stated)

Note:

1. Cash Flow Statement has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements. Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

2. Reconciliation of Short-term borrowings:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	161	1,62,512
Movement in short-term borrowings (net)	(157)	(1,62,351)
Closing balance	4	161

3. Reconciliation of lease liabilities (Current and Non-current):

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance	38,334	39,397
Lease liabilities addition during the year	3,400	829
Lease liabilities deletion during the year	(395)	-
Interest	4,047	3,579
Repayment (including interest)	(5,894)	(5,471)
Closing balance	**39,492**	**38,334**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number :101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Consolidated Statement of Changes in Equity

(₹ in lakhs, unless otherwise stated)

a. Equity share capital

	Number of shares	Amount
Balance as at 1 April 2020	29,29,53,749	**2,930**
Add: Equity shares allotted pursuant to exercise of stock options	4,24,930	4
Balance as at 31 March 2021	29,33,78,679	2,934
Add: Equity shares allotted pursuant to exercise of stock options	1,17,730	1
Balance as at 31 March 2022	**29,34,96,409**	**2,935**

b. Other equity

	Reserves and Surplus (refer Note 17)							Items of other comprehensive income (refer Note 17)			
	Capital reserve	Capital redemption reserve	Securities premium	Central subsidy	General reserve	Share Based Payment reserve	Retained earnings	Foreign currency translation reserve	Equity instruments through other comprehensive income	Effective portion of cash flow hedges	Total
Balance at 1 April 2020	352	986	15,041	11	2,63,592	1,241	1,65,048	5,727	(22,242)	(916)	4,28,840
Profit for the year	-	-	-	-	-	-	1,32,915	-	-	-	1,32,915
Other comprehensive income for the year, net of income tax	266	-	-	-	-	-	(744)	(163)	728	1,222	1,309
Total comprehensive income for the year							1,32,171	(163)	728	1,222	1,34,224
Recognition of share-based payments	-	-	-	-	-	399	-	-	-	-	399
Amount received on exercise of employee stock options	-	-	1,434	-	-	-	-	-	-	-	1,434
Dividend on equity shares including dividend distribution tax	-	-	-	-	-	-	(52,772)	-	-	-	(52,772)
Amounts transferred within the reserves	-	-	538	-	-	(538)	-	-	-	-	-
Balance at 31 March 2021	618	986	17,013	11	2,63,592	1,102	2,44,447	5,564	(21,514)	306	5,12,125
Balance at 1 April 2021	618	986	17,013	11	2,63,592	1,102	2,44,447	5,564	(21,514)	306	5,12,125
Profit for the year	-	-	-	-	-	-	1,52,846	-	-	-	1,52,846
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	219	478	1,738	(15)	2,420
Total comprehensive income for the year	-						1,53,065	478	1,738	(15)	1,55,266
Recognition of share-based payments	-	-	-	-	-	281	-	-	-	-	281
Dividend on equity shares including dividend distribution tax	-	-	-	-	-	-	(35,213)	-	-	-	(35,213)
Amount received on exercise of employee stock options	-	-	433	-	-	-	-	-	-	-	433
Amounts transferred within the reserves	-	-	169	-	-	(169)	-	-	-	-	-
Balance at 31 March 2022	618	986	17,615	11	2,63,592	1,214	3,62,299	6,042	(19,776)	291	6,32,892

See accompanying notes to the consolidated financial statements

In terms of our report attached

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number :101049W/E300004

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

For and on behalf of the Board of Directors
Coromandel International Limited

Sameer Goel
Managing Director

A Vellayan
Chairman

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

1. General information

Coromandel International Limited ("the Company") is a limited Company incorporated in India, equity shares of which are listed on the Bombay Stock Exchange and the National Stock Exchange in India. Its parent Company is E.I.D.-Parry (India) Limited.

The address of its registered office is "Coromandel House", 1-2-10, Sardar Patel Road, Secunderabad – 500003, Telangana. The Company is engaged in the business of farm inputs comprising fertiliser, crop protection, specialty nutrients and organic compost.

Our operating segments are defined by the organisation and reporting structure through which we operate our business. We categorise our operating segments into Nutrient and other allied business and Crop Protection.

2. Significant Accounting Policies

2.1 Statement of compliance

The Consolidated financial statements which comprise the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity ("consolidated financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015, along with relevant amendment rules issued thereafter and other relevant provisions of the Act, as applicable. The Group has consistently applied accounting policies to all periods.

2.2 Basis of preparation and presentation

The consolidated financial statements include accounts of Coromandel International Limited ("the Company") and the following entities: (all together referred to as 'the Group')

Subsidiaries:

- Sabero Organics America S.A.,
- Coromandel Australia Pty Ltd (formerly known as Sabero Australia Pty Ltd)
- Sabero Europe B.V.,
- Sabero Argentina S.A.
- Coromandel Agronegocios de Mexico S.A de C.V (formerly Sabero Organics Mexico S.A de C.V)
- Parry Chemicals Limited
- Dare Ventures Limited (formerly known as Dare Investments Limited)
- CFL Mauritius Limited
- Coromandel Brasil Limitada (a Limited Liability Partnership)
- Parry America Inc
- Coromandel International (Nigeria)
- Coromandel Mali SASU

Joint venture company:

- Yanmar Coromandel Agrisolutions Private Limited

Associate Company:

- Sabero Organics Philippines Asia Inc.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, and on accrual basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Based on the nature of activities of the Group and the average time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

The principal accounting policies are set out below.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.3.1 Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

2.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

a) Sale of goods is recognised net of returns and trade discounts, volume discounts and schemes as specified in the contracts with customer when the control over the goods is transferred to the customers. Accruals for discounts/incentives are estimated using the most likely method based on accumulated experience and underlying schemes and agreements with customers. The performance obligation in case of sale of goods is satisfied at a point in time i.e., when the goods are shipped to the customers or on delivery to the customer, as per applicable terms.

b) The Company recognizes subsidy income as per Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates, when there is a reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy. As required by Ind AS 20, the Company matches subsidy income with related costs which the subsidy is intended to compensate and accordingly, subsidy income is recognized over a period on a systematic basis to match it with the related costs and on satisfaction of relevant conditions.

c) Income from services rendered is recognised based on the agreements/arrangements with the concerned parties and when services are rendered by measuring progress towards satisfaction of performance obligation for such services.

d) Export benefits and other excise benefits are accounted for on accrual basis.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.7 Other income

c) Dividend income from investments is recognised in the year in which the right to receive the payment is established.

d) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.8 Leasing

The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April 2019.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

2.9 Insurance claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.10 Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which these entities operate (i.e., the "functional currency"). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Group and rounded to the nearest lakhs.

2.11 Foreign currencies

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not translated.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

For the purposes of presenting the consolidated financial statements assets and liabilities of Group's foreign operations with functional currency different from the Company are translated into Company's functional currency i.e. INR using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any are recognised in other comprehensive income and accumulated in equity.

On the disposal of foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the statement of profit and loss.

2.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.13 Employee benefits

2.13.1 Defined contribution plans

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the profit or loss each year when employees have rendered service entitling them to the contributions.

2.13.2 Defined benefit plans

The Company's Gratuity scheme for its employees is a defined benefit retirement plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year.

The Company makes contributions to two Provident Fund Trusts for certain employees, at a specified percentage of the employees' salary. The Company has an obligation to make good the shortfall, if any, between the return from the investments of trust and the notified interest rates. Liability on account of such shortfall, if any, is provided for based on the actuarial valuation carried out as at the end of the year.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.13.3 Short-term employee benefits

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per Company's schemes based on expected obligation on an undiscounted basis.

2.13.4 Other long-term employee benefits

Other Long term employee benefit comprise of leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.14 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

2.15 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

2.16 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961.

- Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.17 Property, plant and equipment

Property, plant and equipment are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, attributable expenditure incurred in bringing the asset to its working condition for the intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the 2013 Act except in respect of following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

Asset	Useful lives (in years)
Plant and equipment	5 – 25
Buildings	15-60
Vehicles	5 – 7
Office equipment, furniture and fixtures	3 – 5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets individually costing ₹ 5,000 and below are depreciated over a period of one year. Land is not depreciated.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.18 Biological assets

The Company recognises neem plantation as Biological assets and are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure on biological assets are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost incurred for new plantations are capitalized and depreciated over their estimated useful life which has been ascribed to be 20 years.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.19 Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible assets are amortised on the straight-line method. Technical know-how is amortised over their estimated useful lives ranging from 5-10 years and product registration is amortised over the period of the registration subject to a maximum of 10 years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

2.20 Impairment

Tangible and intangible assets

The Group assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Group estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

2.21 Inventories

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods and are measured at the lower of cost and net realisable value. Net realizable value represents the estimated selling price (including subsidy income, where applicable) of inventories less all estimated costs of completion and costs necessary to make the sale.

The method of determination of cost of various categories of inventories is as follows:

1. Stores and spares and packing materials – Weighted average cost.
2. Raw material – First-in-First-out basis. Cost includes purchase cost and other attributable expenses.
3. Finished goods and Work-in-process – Weighted average cost of production which comprises of direct material costs, direct wages and applicable overheads.
4. Stock-in-trade – Weighted average cost.

2.22 Cash and Cash equivalents

Cash comprises cash on hand, in bank and demand deposits with banks and with financial institutions. The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments for the year. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.23 Exceptional item

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional item'.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.24 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Group or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.25 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.26 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

2.26.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.26.2 Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.26.3 Investments in joint ventures and associates

On initial recognition, these investments are recognized at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost.

2.26.4 Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

2.26.6 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.26.6 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.26.7 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.26.8 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Financial liabilities and equity instruments

2.27 Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.28 Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.29 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

2.30 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.31 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, option contracts and interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in other comprehensive income net of applicable deferred income taxes. The gain or loss relating to the ineffective portion is recognized immediately in the statement of income. The cumulative gain or loss previously recognized in other comprehensive income remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognized in other comprehensive income is transferred to the carrying amount of the asset when it is recognized. In other cases the amount recognized in other comprehensive income is transferred to profit or loss in the same period that the hedged item affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in the other comprehensive income is transferred to statement of income.

2.32 Business combination

The Company accounts for its business combinations under acquisition method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair value of the assets transferred and liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in standalone statement of profit and loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire, if any over the net of the acquisition–date amounts of the identifiable assets acquired and the liabilities assumed. Such goodwill is tested annually for impairment.

If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date and is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Business combinations arising from entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the entity are recorded in other equity.

2.33 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.33.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Items requiring significant estimate	Assumption and estimation uncertainty
Useful lives of property, plant and equipment	The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, there has been no change in life considered for the assets.
Fair value measurements and valuation processes	Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The valuation committee which is headed by the Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Finance team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of directors of the Company annually to explain the cause of fluctuations in the fair value of the assets and liabilities.
Revenue recognition	The Group provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.
Subsidy income and related receivables	Subsidy income has been recognized when there is reasonable assurance that the Company will comply with all necessary conditions attached to Subsidy including those under the Direct Benefit Transfer system which was introduced by the Government of India which includes satisfaction of conditions specified and compliance with reasonable margin guidelines, assessment of applicable rates for fertilizers sold, evaluation of recoverability of receivables.
Provision for doubtful receivables	The Group makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.
Estimation of net realisable value of inventories	Inventories are stated at the lower of cost and net realisable value. In estimating the net realisable value of inventories the Group makes an estimate of future selling prices, subsidy and costs necessary to make the sale.
Provision for employee benefits	The Group uses actuarial assumptions to determine the obligations for employee benefits at each reporting period. These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.
Leases	Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use the underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.34 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Interest Rate Benchmark Reform

Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the Consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS. includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e., definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the Consolidated financial statements of the Group.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Ind AS 16 – Property Plant and equipment

The amendments clarify that, excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The Group does not expect the amendments to have any impact in its recognition of its Property, plant and equipment in its Consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the group does not expect the amendment to have any significant impact in its Consolidated financial statements.

Ind AS 103 – Business Combinations

The amendment states 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 Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the Consolidated financial statements of the Group.

Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the Consolidated financial statements of the Group.

Consolidated Notes
forming part of financial statements (cont)

3. Property, plant and equipment and capital work-in-progress

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Land	27,269	27,269
Buildings	24,604	24,131
Road	1,057	953
Railway sidings	1,667	1,466
Plant and equipment	1,09,973	1,03,104
Biological assets	77	51
Office equipment	2,719	2,349
Furniture and fixtures	903	920
Vehicles	1,875	1,390
	1,70,144	**1,61,633**
Capital work-in-progress	11,981	7,570

Details of Property, plant and equipment

	Land	Buildings	Road	Railway sidings	Plant and equipment	Biological assets	Office equipment	Furniture and fixtures	Vehicles	Total
Cost or deemed cost										
Balance at 01 April 2020	**27,277**	**32,050**	**2,905**	**3,117**	**2,12,840**	**45**	**6,888**	**3,672**	**3,368**	**2,92,162**
On account of acquisition	**-**	**274**	**-**	**-**	**158**	**-**	**32**	**6**	**-**	**470**
Additions	23	2,265	90	79	9,724	12	1,188	209	358	13,948
Disposals/ adjustments	31	-	-	-	2,775	-	216	96	536	3,654
Effect of translation	-	-	-	-	-	-	-	(2)	(7)	(9)
Balance at 31 March 2021	**27,269**	**34,589**	**2,995**	**3,196**	**2,19,947**	**57**	**7,892**	**3,789**	**3,183**	**3,02,917**
Additions	-	1,602	301	388	17,811	30	1,200	123	952	22,407
Disposals/ adjustments	-	75	5	15	4,765	-	360	1	285	5,506
Effect of translation	-	-	-	-	-	-	1	-	4	5
Balance at 31 March 2022	**27,269**	**36,116**	**3,291**	**3,569**	**2,32,993**	**87**	**8,733**	**3,911**	**3,854**	**3,19,823**
Accumulated depreciation and impairment										
Balance at 01 April 2020	**-**	**9,442**	**1,860**	**1,546**	**1,08,221**	**3**	**4,941**	**2,864**	**1,908**	**1,30,785**
Disposals/ adjustments	-	19	-	-	2,165	-	188	96	470	2,938
Depreciation expense	-	1,035	182	184	10,787	3	790	101	357	13,439
Effect of translation	-	-	-	-	-	-	-	-	(2)	(2)
Balance at 31 March 2021	**-**	**10,458**	**2,042**	**1,730**	**1,16,843**	**6**	**5,543**	**2,869**	**1,793**	**1,41,284**
Disposals/ adjustments	-	30	1	14	4,197	-	337	-	255	4,834
Depreciation expense	-	1,084	193	186	10,374	4	808	138	439	13,226
Effect of translation	-	-	-	-	-	-	-	1	2	3
Balance at 31 March 2022	**-**	**11,512**	**2,234**	**1,902**	**1,23,020**	**10**	**6,014**	**3,008**	**1,979**	**1,49,679**
Net book value as at 31 March 2021	27,269	24,131	953	1,466	1,03,104	51	2,349	920	1,390	1,61,633
Net book value as at 31 March 2022	27,269	24,604	1,057	1,667	1,09,973	77	2,719	903	1,875	1,70,144

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Notes:

1. Refer Note 18.1 for details of assets pledged.

2. Details of Immovable properties whose title deeds are not held in the name of the company:

Description of item of property	Gross carrying value	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Land	Rs 75 Lakhs	E.I.D.- Parry (India) Limited	Holding company	May 2018	Transfer of land acquired as part of Business combination, application pending with Tamil Nadu Government for completing registration to Coromandel International Limited

3. Company had carried out various merger/amalgamations, etc across various years. Pursuant to these actions, Company holds certain immovable properties wherein the title of the property has been conveyed/transferred to the Company pursuant to such scheme of amalgamation/arrangement and these are considered as valid title to the immovable property and no further actions such as name change/additional registrations are necessary.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	9,705	1,793	474	9	11,981
Projects temporarily suspended	-	-	-	-	-
Total	9,705	1,793	474	9	11,981

As at 31 March 2021

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6,333	939	213	85	7,570
Projects temporarily suspended	-	-	-	-	-
Total	6,333	939	213	85	7,570

For capital-work-in progress, whose completion is overdue compared to its original plan, details of when the project is expected to be completed is given below as of 31 March 2022 and 31 March 2021:

As at 31 March 2022

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Asset Expansion	-	470	-	-	470
	-	470	-	-	470

As at 31 March 2021

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Asset Expansion	-	-	539	-	539
	-	-	539	-	539

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

4. Right-of-use asset

	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Land	26,002	27,047
Buildings	11,483	10,954
Plant and equipment	759	1,012
	38,244	39,013

Details of Right-of-use assets:

	Land (Refer notes below)	Buildings	Plant and equipment	Total
Gross carrying value				
As at 01 April 2020	28,442	14,859	1,518	44,819
Additions	682	829	-	1,511
Disposals	-	-	-	-
Balance at 31 March 2021	29,124	15,688	1,518	46,330
Additions	-	3,400	-	3,400
Disposals	-	507	-	507
Balance at 31 March 2022	29,124	18,581	1,518	49,223
Accumulated amortisation				
As at 01 April 2020	1,041	2,324	253	3,618
Amortisation	1,036	2,410	253	3,699
Disposal	-	-	-	-
Balance at 31 March 2021	2,077	4,734	506	7,317
Amortisation	1,044	2,543	253	3,840
Disposal	-	179	-	179
Carrying amount	3,121	7,098	759	10,978
Balance as at 31 March 2021	27,047	10,954	1,012	39,013
Balance as at 31 March 2022	26,002	11,483	759	38,244

Notes:

1. Includes net carrying value of the Land reclassified on adoption of Ind AS 116 "Leases".

2. Details of leasehold properties whose title deeds are not held in the name of the Company:

Description of item of property	Gross carrying value (Lakhs)	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
1. Leasehold Land- 321.22 Acres of located at Visakapatnam	21,662	NA	No	2014-15	Lease deed is pending to be renewed.
2. Leasehold Land- 3.52 Acres of located at Madri, Udaipur	17	Liberty Pesticides and Fertilisers Limited *	No	1996-97	Lease deed is pending to be transferred in the name of the Company.

* Pursuant to common control business combination, Liberty Pesticides and Fertilisers Limited has merged with the Company (refer note 45).

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Lease liabilities:	As at 31 March 2022	As at 31 March 2021
Current	2,403	2,143
Non-current	37,089	36,191
	39,492	38,334

5. Other intangible assets and intangible assets under development

	As at 31 March 2022	As at 31 March 2021
Carrying amounts of:		
Product registrations	691	820
Technical know-how	46	46
	737	866
Intangible assets under development	2,139	1,408

Details of Intangible assets

	Product registrations	Technical know-how	Total
Cost or deemed cost			
Balance as at 01 April 2020	1,885	997	2,882
Additions	428	-	428
Disposals/ adjustments	-	-	-
Effect of translation	(42)	-	(42)
Balance as at 31 March 2021	2,271	997	3,268
Additions	58	-	58
Disposals/ adjustments	-	-	-
Effect of translation	91	-	91
Balance as at 31 March 2022	2,420	997	3,417
	Product Registration	Technical know how	Total
Accumulated amortisation and impairment			
Balance as at 01 April 2020	1,313	951	2,264
Amortisation expense	170	-	170
Effect of translation	(32)	-	(32)
Balance as at 31 March 2021	1,451	951	2,402
Amortisation expense	199	-	199
Effect of translation	79	-	79
Balance as at 31 March 2022	1,729	951	2,680

Intangible Assets under development Ageing Schedule*

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	803	497	92	747	2,139
Projects temporarily suspended	-	-	-	-	-
Total	803	497	92	747	2,139

As at 31 March 2021

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	507	92	278	531	1,408
Projects temporarily suspended	-	-	-	-	-
Total	507	92	278	531	1,408

* Intangible Assets under development by nature generally takes 4 to 5 years of development time.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

6. Non-current investments

		As at 31 March 2022	As at 31 March 2021
6. Non-current investments			
Quoted equity instruments			
(a) Investments in quoted equity instruments at FVTPL			
Rama Phosphate Limited		59	18
13,719 (2021: 13,719) Equity shares of ₹10 each, fully paid-up			
Total aggregate quoted equity investments at FVTPL	(A)	59	18
(b) Investments in quoted equity instruments at FVTOCI			
Coromandel Engineering Company Limited		843	675
25,00,100 (2021: 25,00,100) Equity shares of ₹10 each, fully paid-up			
Total aggregate quoted equity investments at FVTOCI	(B)	843	675
Unquoted equity instruments			
(c) Investments in unquoted equity investments at FVTOCI			
Tunisian Indian Fertilisers S.A.#		-	-
41,79,848 (2021: 41,79,848) Ordinary shares of Tunisian Dinars (TND) 10 each, fully paid-up			
Foskor (Pty) Limited			
i) 1,99,590 (2021: 1,99,590) Ordinary shares of South African Rand 1 each, fully paid-up		-	-
ii) 46 (2021: 46) Class D shares of South African Rand 7,05,088 each, fully paid-up		1,901	1,901
Indian Potash Limited		3,824	2,576
180,000 (2021: 1,80,000) Equity shares of ₹10 each, fully paid-up			
Andhra Pradesh Gas Power Corporation Limited		13,067	12,391
53,92,160 (2021: 53,92,160) Equity shares of ₹10 each, fully paid-up			
Murugappa Management Services Private Limited (formerly Murugappa Management Services Limited)		73	73
16,139 (2021: 16,139) Equity shares of ₹100 each, fully paid-up			
Nandesari Environment Control Limited		45	21
3,600 (2021: 3,600) Equity shares of ₹10 each, fully paid-up			
Ranar Agrochem Limited (formerly Prathyusha Chemicals and Fertilisers Limited)		2	2
10,01,000 (2021: 10,01,000) Equity shares of ₹10 each, fully paid-up			
BEIL Infrastructure Limited (formerly known as Bharuch Enviro Infrastructure Limited)		553	444
16,100 (2021: 16,100) Equity shares of ₹10 each, fully paid-up			
Narmada Clean Tech		54	39
2,75,000 (2021: 2,75,000) Equity shares of ₹10 each, fully paid-up			
Total aggregate Equity investments at FVTOCI	(C)	19,519	17,447

(₹ in lakhs, unless otherwise stated)

		As at 31 March 2022	As at 31 March 2021
(d) Investment in joint ventures			
Yanmar Coromandel Agrisolutions Private Limited		1,718	1,353
1,60,00,000 (2021: 1,60,00,000) Equity shares of ₹10 each, fully paid-up			
Total aggregate investments in joint ventures	(D)	1,718	1,353
(e) Investment in associate			
Sabero Organics Philippines Asia Inc. - Associate		15	6
320 (2021: 320) Equity shares of PHP$100 each fully paid-up			
Total aggregate investment in associate	(E)	15	6
(f) Investments in unquoted mutual funds at FVTPL			
Faering Capital India Evolving Fund		578	266
19,442 (2021: 19,442) units of ₹1,000 each, fully paid-up			
Total aggregate other investments	(F)	578	266
(g) Others			
Share application money pending allotment - at cost (Refer Note 40(E))		5	5
Loans at FVTOCI**		1,609	1,609
Total aggregate others	(G)	1,614	1,614
Total investments (A) + (B) + (C) + (D) + (E) + (F) + (G) of the above		24,346	21,379
Investments in Joint Ventures and Associate (D) + (E)		1,733	1,359
Other Investments (A) + (B) + (C) + (F) + (G)		22,613	20,020
*less than ₹1 lakh			
Aggregate amount of quoted investments and market value thereof		902	693
Aggregate amount of unquoted investments		23,444	20,686
Aggregate amount of impairment in value of investments		-	-

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Notes:

1. The Board of Directors of the company at its meeting held on 29 April 2021 approved to invest in the equity share capital of its wholly owned subsidiary, Dare Ventures Limited (DVL) for the purpose of further investing in early stage to late- stage start-ups in AgTech and other sectors. Pursuant to this, the company has made an investment of ₹ 1,100 lakhs (74,93,188 equity shares) on 25 March 2022.

Above transactions are in compliance with the provisions of Companies Act and not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

#The Ordinary shares of Tunisian Indian Fertilisers S.A., Tunisia (TIFERT) held by the Group have been pledged to secure the obligations of TIFERT to their lenders, except 8,04,848 shares.

**Represents loan amounting ₹1,609 Lakhs (2021: ₹1,609 Lakhs) to TIFERT which was compulsorily convertible to equity shares at the end of three years from June 2017, during the previous year, the period has been extended for further 2 years.

7. Other financial assets

	As at 31 March 2022	As at 31 March 2021
Financial assets carried at fair value through profit or loss (FVTPL)		
Derivatives that are not designated in hedge accounting relationships		
Foreign currency forward contracts	777	965
	777	**965**
Financial assets carried at fair value through other comprehensive income (FVTOCI)		
Derivatives that are designated in hedge accounting relationships		
Foreign currency forward contracts	400	412
	400	**412**
Financial assets carried at amortised cost		
Advances with related parties (Refer Note 40(E))	241	422
Interest accrued but not due on deposits, loans, others	959	1,286
Gratuity and super-annuation fund related receivables	573	-
Insurance claims receivable	546	573
	2,319	**2,281**
	3,496	**3,658**
Current	3,496	3,658
Non-current	-	-
	3,496	**3,658**

8. Other non-current assets

	As at 31 March 2022	As at 31 March 2021
Capital advances	2,352	2,243
Deposits	3,546	3,042
Others	449	149
	6,347	**5,434**

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

9. Inventories

	As at 31 March 2022	As at 31 March 2021
Raw materials	1,14,072	69,221
Raw materials in-transit	1,01,661	53,833
Work-in-process	6,536	3,898
Finished goods	1,19,352	1,06,394
Stock-in-trade	14,419	18,470
Stores and spares	7,411	5,609
Packing materials	2,872	2,663
	3,66,323	**2,60,088**

10. Current investments

	As at 31 March 2022	As at 31 March 2021
Unquoted other investments at FVTPL		
UTI Master Shares	*	*
1,000 (2021: 1,000) shares of ₹10 each, fully paid-up		
Total unquoted investments	*	*
Total current investments		
*less than ₹ 1 lakh	*	*
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	*	*
Aggregate amount of impairment in value of investments	-	-

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

11. Trade receivable

	As at 31 March 2022	As at 31 March 2021
(a) Secured, considered good	5,424	5,673
(b) Unsecured, considered good*	23,299	54,974
Less: Allowance for expected credit loss	2,236	5,205
Total Considered good	**26,487**	**55,442**
(c) Considered doubtful	10,862	10,433
Less: Allowance for doubtful receivables	10,862	10,433
Total Considered doubtful	-	-
Total Trade receivables	**26,487**	**55,442**

* Includes ₹231 lakhs (2021: ₹ 736 lakhs) receivable from related parties. Also refer Note 40(E).

The credit period on sales of goods varies with seasons and business segments/ markets and generally ranges between 30 to 180 days

Before accepting any new customer, the Group has a credit evaluation system to assess the potential customer's credit quality and to define credit limits for the customer. Credit limits attributed to customers are reviewed on an annual basis.

In accordance with Ind AS 109, the Group uses the expected credit loss ("ECL") model for measurement and recognition of impairment loss on its trade receivables. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers adjusted for forward looking estimates..

1. Ageing of Trade receivables as at 31 March 2022

(a) Undisputed Trade receivables		
Particulars	Considered good	Considered doubtful
Not due	20,392	21
Less than 6 months	5,678	13
6 months -1 year	25	421
1-2 years	698	332
2-3 years	50	513
More than 3 years	1,834	2,659
	28,677	**3,959**
(b) Disputed Trade receivables		
Not due	-	-
Less than 6 months	39	2
6 months -1 year	1	13
1-2 years	0	439
2-3 years	5	579
More than 3 years	1	5,870
	46	**6,903**
(c) Total Trade receivables (a+ b)		
Considered good		28,723
Considered Doubtful		10,862
Less: Allowance for for expected credit loss and doubtful receivables		(13,098)
		26,487

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

2.Ageing of Trade receivables as at 31 March 2021

(a) Undisputed Trade receivables		
Particulars	Considered good	Considered doubtful
Not due	35,404	25
Less than 6 months	18,687	586
6 months -1 year	1,094	70
1-2 years	1,261	339
2-3 years	95	1,636
More than 3 years	4,099	2,837
	60,640	**5,493**
(b) Disputed Trade receivables		
Not due	-	-
Less than 6 months	4	1
6 months -1 year	-	9
1-2 years	3	338
2-3 years	-	638
More than 3 years	-	3,954
	7	**4,940**
(c) Total Trade receivables (a+ b)		
Considered good		60,647
Considered Doubtful		10,433
Less: Allowance for for expected credit loss and doubtful receivables		(15,638)
		55,442

3. Movement in the allowance for doubtful receivables

	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at beginning of the year	15,638	13,540
Impairment losses recognised on receivables	410	2,123
Provision reversed due to collections	(2,016)	-
Amounts written off during the year as uncollectible	(934)	(25)
Balance at end of the year	**13,098**	**15,638**

The concentration of risk with respect to trade receivables is reasonably low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets. No single customer constitutes more than 5% balance of the total trade receivables as of the Balance Sheet date.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

4. Relationship with Srruck off companies

Name of struck off company	Nature of transaction and relationship	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021
Bijinepally Farmer Producer Company Limited	Sales -Customer	*	*

* Less than ₹ 1 lakhs

12. Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Cash on hand	27	36
Balances with Banks:		
in Current accounts	6,529	9,978
in Deposit accounts	64,045	59,196
	70,601	69,210

13. Bank balances other than cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Deposit accounts	1,02,430	-
Restricted balances		
Dividend accounts	2,283	2,211
Bonus debenture redemption and interest	-	778
Margin money/ deposit	14	10
	1,04,727	2,999

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Unclaimed dividend accounts

If the dividend has not been claimed within 30 days from the date of its declaration, the Group is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account to be opened by the Group in a scheduled bank to be called "Unpaid Dividend Account". The unclaimed dividend lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of transfer to unpaid dividend account.

The company had transferred an amount of ₹ 201 lakhs (31 March 2021 : ₹ 194 lakhs) to IEPF during the current year.

Bonus debenture redemption and interest

If the proceeds on maturity of debentures and interest thereon has not been claimed within 30 days from the date of its declaration, the Group is required to transfer the total amount which remains unpaid or unclaimed, to a special account to be opened by the Group in a scheduled bank to be called "Unpaid debenture account". The unclaimed amounts lying in such account is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years from the date of transfer to unpaid debenture account.The unclaimed amounts lying in such account have been transferred to IEPF during the current year.

Margin money / deposit

Amounts in margin money/deposit accounts represents amounts deposited with certain government agencies

14. Loans

	As at 31 March 2022	As at 31 March 2021
At amortised cost		
Unsecured, considered good		
-Inter-corporate deposits *	1,94,000	1,51,368
	1,94,000	1,51,368
* Inter-corporate deposits placed with financial institution (HDFC Limited) yield fixed interest rate.		
Current	1,54,000	1,51,368
Non-current	40,000	-
	1,94,000	1,51,368

15. Other current assets

	As at 31 March 2022	As at 31 March 2021
Advances recoverable in kind or for value to be received		
Considered good #	28,934	31,418
Considered doubtful	325	442
	29,259	31,860
Less: Impairment allowance	325	442
	28,934	31,418
Others (including Goods and Services Tax balances)	50,041	18,982
6.20% Fertiliser companies' Government of India special bonds 2022	*	*
10,000 (2021: 10,000) bonds of ₹100/- each		
6.65% Fertiliser companies' Government of India special bonds 2023	*	*
5,000 (2021: 5,000) bonds of ₹100/- each		
	78,975	50,400

#Includes receivables from Related parties ₹Nil lakhs (2021: ₹3 lakhs).

Refer Note 40(E).

*less than a lakh

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

16. Equity

16.1 Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorised Share capital:		
55,00,00,000 (2021: 35,00,00,000) fully paid equity shares of ₹1 each (refer note 45)	**5,500**	**3,500**
Issued, subscribed and fully paid-up:		
29,34,96,409 (2021: 29,33,78,679) fully paid equity shares of ₹1 each	2,935	2,934
	2,935	**2,934**

16.2 Reconciliation of number of equity shares and amount outstanding at the beginning and at the end of the year

	Numbers of Shares	Amount
Balance as at 1 April 2020	**29,29,53,749**	**2,930**
Add: Equity shares allotted pursuant to exercise of stock options	4,24,930	4
Balance as at 31 March 2021	**29,33,78,679**	**2,934**
Add: Equity shares allotted pursuant to exercise of stock options	1,17,730	1
Balance as at 31 March 2022	**29,34,96,409**	**2,935**

16.3 Rights, preferences and restriction relating to each class of share capital:

Equity shares: The Company has one class of equity shares having a face value of ₹1 each . Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend.

16.4 As at 31 March 2022, E.I.D.-Parry (India) Limited (Parent Company) held 16,54,55,580 (2021: 16,54,55,580) equity shares of ₹1 each fully paid-up representing 56.37%(2021: 56.40%) of the paid up capital. There are no other shareholders holding more than 5 % of the issued capital.

16.5 Share options granted under the Group's employee share option plan

As at 31 March 2022, balance number of shares reserved for issue under the 'ESOP 2007' scheme is 81,32,966 (2021: 81,32,966) equity shares of ₹1 each and under the 'ESOP 2016' scheme is 1,34,14,900 (2021: 1,35,32,630) equity shares of ₹1 each.

Share options granted under the Group's employee share option plan carry no rights to dividends and no voting rights. Further details of the employee share option plan are provided in Note 33.

16.6 There are no bonus shares issued and no shares were issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

16.7 Details of shares held by promoters

As at 31 March 2022			
Promoter name	No of shares	% of total Shares *	% Change during the year **
Promoter			
E.I.D.Parry (India) Limited	16,54,55,580	56.37%	-
Arun Venkatachalam	2,03,010	0.07%	-
V Narayanan	1,40,370	0.05%	-
V Arunachalam	1,34,770	0.05%	-
A Venkatachalam	1,22,670	0.04%	-
A Vellayan	1,18,510	0.04%	-
Arun Alagappan	1,03,340	0.04%	-
M A M Arunachalam	78,660	0.03%	-
M A Alagappan	34,298	0.01%	-
Ambadi Investments Limited	7,453	0.00%	-
Murugappa & Sons (M V Subbiah, M A Alagappan and M M Murugappan hold shares on behalf of the firm).	5,670	0.00%	-
M V Murugappan HUF rep. by Valli Arunachalam, Karta	2,060	0.00%	-
Carborundum Universal Limited	330	0.00%	-
Promoter Group			
M M Muthiah Family Trust(M M Murugappan & M M Muthiah holds shares on behlaf of Trust)	3,78,520	0.13%	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan holds shares on behlaf of Trust)	3,78,520	0.13%	-
Shambho Trust (M V Subbiah, S Vellayan, Kanika Subbiah holds shares on behlaf of Trust)	2,16,217	0.07%	-
Valli Arunachalam	1,90,345	0.06%	100.00%
Vellachi Murugappan	1,90,315	0.06%	634283.33%
Meyammai Venkatachalam	1,30,800	0.04%	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy holds shares on behlaf of Trust)	1,09,900	0.04%	-
Lalitha Vellayan	1,03,400	0.04%	-
Saraswathi Trust (M V Subbiah, S Vellayan, M V Seetha Subbiah holds shares on behlaf of Trust)	1,03,273	0.04%	-10.80%
A M Meyammai	72,340	0.02%	-
M V AR Meenakshi	71,300	0.02%	-
M V Muthiah Family Trust (M M Venkatachalam and M V Muthiah hold shares on behlaf of Trust)	65,472	0.02%	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian hold shares on behlaf of Trust)	65,472	0.02%	-
Lakshmi Venkatachalam Family Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	-
M M Venkatachalam Family Trust, (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	-
Sigappi Arunachalam	63,580	0.02%	-
Valli Annamalai	41,200	0.01%	-
AR Lakshmi Achi Trust	25,140	0.01%	-
M.A.Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai holds shares on behlaf of Trust)	17,000	0.01%	-
Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam holds shares on behalf of Trust)	15,000	0.01%	-
Pranav Alagappan	13,295	0.00%	-
Dhruv M Arunachalam	10,500	0.00%	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
A M M Vellayan Sons P Limited	6,310	0.00%	-
Kadamane Estates Company (M A Alagappan hold shares on behalf of the firm)	4,540	0.00%	-
Umayal R	4,000	0.00%	-
Solachi Ramanathan	3,600	0.00%	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan hold shares on behlaf of Trust)	3,300	0.00%	-
V Vasantha	2,500	0.00%	-
Uma Ramanathan	2,000	0.00%	-
Valliammai Murugappan	1,832	0.00%	-
Lakshmi Chockalingam	400	0.00%	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam,M A M Arunachalam & A M Meyyammai holds shares on behalf of Trust)	330	0.00%	-
Meenakshi Murugappan	90	0.00%	-
M.M. Muthiah Sons Private Limited	90	0.00%	-
M V Valli Murugappan	-	0.00%	-100.00%

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

As at 31 March 2021			
Particulars	No of shares	% of total Shares *	% Change during the year **
Promoter			
E.I.D.Parry (India) Limited	16,54,55,580	56.40%	-6.60%
Arun Venkatachalam	2,03,010	0.07%	-
V Narayanan	1,40,370	0.05%	-
V Arunachalam	1,34,770	0.05%	-
A Venkatachalam	1,22,670	0.04%	-
A Vellayan	1,18,510	0.04%	-
Arun Alagappan	1,03,340	0.04%	0.39%
M A M Arunachalam	78,660	0.03%	-
M A Alagappan	34,298	0.01%	0.88%
Ambadi Investments Limited	7,453	0.00%	-
Murugappa & Sons (M V Subbiah, M A Alagappan and M M Murugappan hold shares on behalf of the firm).	5,670	0.00%	-
M V Murugappan HUF rep. by Valli Arunachalam, Karta	2,060	0.00%	-
Carborundum Universal Limited	330	0.00%	-
Promoter Group			
M V Valli Murugappan	3,80,630	0.13%	-
M M Muthiah Family Trust(M M Murugappan & M M Muthiah holds shares on behlaf of Trust)	3,78,520	0.13%	-
M M Veerappan Family Trust (M M Murugappan & Meenakshi Murugappan holds shares on behlaf of Trust)	3,78,520	0.13%	-
Shambho Trust (M V Subbiah, S Vellayan, Kanika Subbiah holds shares on behlaf of Trust)	2,16,217	0.07%	-
Meyammai Venkatachalam	1,30,800	0.04%	-
Saraswathi Trust (M V Subbiah, S Vellayan, M V Seetha Subbiah holds shares on behlaf of Trust)	1,15,773	0.04%	-
Lakshmi Ramaswamy Family Trust (A A Alagammai & Lakshmi Ramaswamy holds shares on behlaf of Trust)	1,09,900	0.04%	-
Lalitha Vellayan	1,03,400	0.04%	-
A M Meyammai	72,340	0.02%	-
M V AR Meenakshi	71,300	0.02%	
M V Muthiah Family Trust (M M Venkatachalam and M V Muthiah hold shares on behlaf of Trust)	65,472	0.02%	-
M V Subramanian Family Trust (M M Venkatachalam & M V Subramanian hold shares on behlaf of Trust)	65,472	0.02%	-
Lakshmi Venkatachalam Family Trust (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	-
M M Venkatachalam Family Trust, (M M Venkatachalam & Lakshmi Venkatachalam hold shares on behalf of Trust)	65,101	0.02%	2210.18%
Sigappi Arunachalam	63,580	0.02%	-
Valli Annamalai	41,200	0.01%	-
AR Lakshmi Achi Trust	25,140	0.01%	-
M.A.Alagappan Grand Children Trust (Arun Alagappan & A A Alagammai holds shares on behlaf of Trust)	17,000	0.01%	-
Arun Murugappan Children's Trust (MAM Arunachalam & Sigappi Arunachalam holds shares on behlaf of Trust)	15,000	0.01%	-
Pranav Alagappan	13,295	0.00%	4.27%
Dhruv M Arunachalam	10,500	0.00%	-
M V Seetha Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
Valli Subbiah Benefit Trust (S Vellayan & A Vellayan holds shares on behlaf of Trust)	8,500	0.00%	-
A M M Vellayan Sons P Limited	6,310	0.00%	-
Kadamane Estates Company (M A Alagappan hold shares on behalf of the firm)	4,540	0.00%	-
Umayal R	4,000	0.00%	-
Solachi Ramanathan	3,600	0.00%	-
M M Murugappan Family Trust (M M Murugappan & Meenakshi Murugappan hold shares on behlaf of Trust)	3,300	0.00%	-
V Vasantha	2,500	0.00%	-
Uma Ramanathan	2,000	0.00%	-
Valliammai Murugappan	1,832	0.00%	-
Lakshmi Chockalingam	400	0.00%	-
Murugappan Arunachalam Children Trust (Sigappi Arunachalam,M A M Arunachalam & A M Meyyammai holds shares on behalf of Trust)	330	0.00%	-
Meenakshi Murugappan	90	0.00%	
M.M. Muthiah Sons Private Limited	90	0.00%	-
Vellachi Murugappan	30	0.00%	-
Lakshmi Venkatachalam	-	0.00%	-100.00%

* Represents % of shares held , computed based on total number of shares as 31 March 2022 and 31 March 2021 respectively.

**Represents change in share holding %, computed based on the shares held at the beginning of the year and end of the year of respective holder.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

16.7 Cumulative redeemable preference shares

	As at 31 March 2022	As at 31 March 2021
Authorised capital		
50,00,000 (2021: 50,00,000) cumulative redeemable preference shares of ₹10 each	500	500

Cumulative redeemable preference shares: The Company has a class of cumulative redeemable preference shares having face value of ₹10 each with such rights, privileges and conditions respectively attached thereto as may be from time to time confirmed by the regulations of the company. Pursuant to the Scheme of Amalgamation, the cumulative redeemable preference shares carry cumulative dividend of 8% per annum in relation to capital paid upon them and are on original terms and conditions in which they were issued by erstwhile Liberty Phosphate Limited, the amalgamating company.

No such cumulative redeemable preference shares are issued and outstanding as of 31 March 2022 (2021: Nil).

17. Other equity

	As at 31 March 2022	As at 31 March 2021
General reserve	2,63,592	2,63,592
Retained earnings	3,62,299	2,44,447
Capital reserve	618	618
Capital redemption reserve	986	986
Securities Premium	17,615	17,013
Central subsidy	11	11
Share Based Payment reserve	1,214	1,102
Foreign currency translation reserve	6,042	5,564
Equity Instruments through OCI	(19,776)	(21,514)
Cash flow hedge reserve	291	306
	6,32,892	**5,12,125**

(i) General reserve	**2,63,592**	**2,63,592**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

	As at 31 March 2022	As at 31 March 2021
(ii) Retained earnings		
Balance at beginning of year	2,44,447	1,65,048
Profit for the year	1,52,846	1,32,915
Remeasurement of net defined benefit plans	219	(744)
Dividend on equity shares	(35,213)	(52,772)
	3,62,299	**2,44,447**

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Retained earnings represents the Company's undistributed earnings after taxes.

In respect of the current year ended 31 March 2022, the Board at its meeting held on 03 February 2022 had approved payment of interim dividend of ₹6 per equity share (600% on face value of ₹1 per share). The total amount paid with respect to interim dividend is ₹17,610 Lakhs. The Board of Directors at their meeting held on 28 April 2022 have recommended a final dividend of ₹6 per equity share (600% on face value of ₹1 per share). The proposed final dividend is subject to approval by the shareholders at the Annual General Meeting. The total estimated amount to be paid with respect to final dividend is ₹17,610 Lakhs. The total dividend is ₹12 per share (1200 % on face value of ₹1 per share) for the year ended 31 March 2022.

In respect of the year ended 31 March 2021, the Board at its meeting held on 01 February 2021 had approved payment of interim dividend of ₹6 per equity share (600% on face value of ₹1 per equity share). The total amount paid with respect to interim dividend is ₹17,595 lakhs. The Board of Directors at their meeting held on 29 April 2021 have recommended a final dividend of ₹6 per equity share (600% on face value of ₹1 per equity share). The proposed final dividend was approved by the shareholders at the Annual General Meeting. The total dividend was ₹12 per equity share (1200% on face value of ₹1 per equity share) for the year ended 31 March 2021. The total amount paid with respect to final dividend was ₹17,602 Lakhs.

In respect of the year ended 31 March 2020, the Board of Directors at their meeting held on 26 May 2020 have recommended a final dividend of ₹12 per equity share (1200% on face value of ₹1 per equity share). The proposed final dividend was approved by the shareholders at the Annual General Meeting. The total amount paid with respect to final dividend was ₹35,177 Lakhs.

	As at 31 March 2022	As at 31 March 2021
(iii) Capital Reserve	618	618
(iv) Capital Redemption reserve	986	986

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on buyback of Company's own shares and on redemption of the preference shares. The Company has bought back its own shares and also redeemed the underlying preference shares in the earlier years. The capital redemption reserve can be utilised for issue of bonus shares.

	As at 31 March 2022	As at 31 March 2021
(v) Securities premium		
Balance at beginning of year	17,013	15,041
Amount transferred on exercise of employee stock option	169	538
Amount received on exercise of employee stock option	433	1,434
	17,615	17,013

Securities premium represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium is governed by the Section 52 of the Act.

	As at 31 March 2022	As at 31 March 2021
(vi) Central subsidy	11	11
(vii) Share Based Payment reserve		
Balance at beginning of year	1,102	1,241
Amount transferred on exercise/ cancellation of employee stock option	(169)	(538)
Recognition of share based payment expense	281	399
	1,214	1,102

Share based payment reserve relates to share options granted by the Company to its employees under its employee share option plans. These will be transferred to Securities premium after the exercise of the underlying options.

	As at 31 March 2022	As at 31 March 2021
(viii) Foreign currency translation reserve		
Balance at beginning of year	5,564	5,727
Movement during the year	478	(163)
	6,042	5,564

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency i.e. Indian Rupee (₹) are recognised directly and accumulated in the foreign currency translation reserve. These balances are reclassified to profit or loss on the disposal of the foreign operations.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
(ix) Reserve for equity instruments through other comprehensive income		
Balance at the beginning of the year	(21,514)	(22,242)
Net fair value gain/ (loss) on investments in equity instruments at FVTOCI (net of tax)	1,738	728
	(19,776)	(21,514)

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

	As at 31 March 2022	As at 31 March 2021
(x) Cash flow hedge reserve		
Balance at beginning of year	306	(916)
Effective portion of cash flow hedges (net of tax)	(15)	1,222
	291	306

Cash flow hedge reserve represents effective portion of cash flow hedges taken to Other comprehensive income

18. Borrowings

	As at 31 March 2022	As at 31 March 2021
Secured- at amortised cost		
Loan repayable on demand from banks	4	121
Unsecured- at amortised cost		
Loan repayable on demand		
Others	-	40
	4	161
Long term borrowings	-	-
Short term borrowings	4	161
	4	161

Quarterly returns, statements of current assets filed with banks are in agreement with the books of accounts.

18.1 Summary of borrowing arrangements

i) There are no outstanding long-term borrowings as at 31 March 2022 and as at 31 March 2021.

ii) Secured loans repayable on demand comprises cash credit balances secured by a pari-passu charge on current assets of the Company. Further, some of these are also secured by second charge on moveable fixed assets of the Company at an interest rates between 4.45% p.a to 6.9% p.a.

18.2 Breach of loan agreement

There is no breach of loan agreement

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

19. Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Financial liabilities measured at fair value through profit or loss (FVTPL)		
Derivatives not designated in hedge accounting relationships		
Foreign currency forward contracts	1,366	249
Financial liabilities measured at fair value through Other comprehensive income (FVTOCI)		
Derivatives designated in hedge accounting relationships		
Foreign currency forward contracts	12	4
	1,378	253
Financial liabilities carried at amortised cost		
Security and trade deposits received (includes non-current portion of ₹195 lakhs (2021: ₹176 lakhs)	17,644	16,124
Interest accrued but not due on borrowings	1	1
Interest accrued but not due on others	1,331	1,253
Unclaimed dividends	2,283	2,211
Unclaimed debentures	-	778
Payables on purchase of fixed assets	1,195	1,150
Others	1,001	1,000
	23,455	22,517
	24,833	22,770
Current	24,638	22,594
Non-current	195	176
	24,833	22,770

20. Provisions

	As at 31 March 2022	As at 31 March 2021
Employee benefits*	3,371	3,544
	3,371	3,544
Current	1,943	2,172
Non-current	1,428	1,372
	3,371	3,544

*The provision for employee benefits represents leave entitlements and gratuity. Refer Note 34(a)(i) for details of gratuity obligation.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

21. Income tax

21.1 Deferred tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Deferred tax liabilities	13,977	13,902
Deferred tax assets	(7,380)	(8,147)
	6,597	5,756

2021-2022	Opening balance 1 April 2021	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance 31 March 2022
Deferred tax liabilities/(assets) in relation to:				
Property, plant and equipment	13,902	74	-	13,977
Investments at FVTOCI	(1,777)	-	502	(1,275)
Provision for doubtful debts and advances	(4,047)	668	-	(3,379)
Statutory dues allowable on payment basis	(334)	(92)	-	(426)
Employees separation and retirement costs	(918)	29	73	(816)
Others	(1,071)	(422)	(5)	(1,498)
Total	5,756	257	570	6,597

2020-2021	Opening balance 1 April 2020	On account of acquisition of stake in CSQM	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance 31 March 2021
Deferred tax liabilities/(assets) in relation to:					
Property, plant and equipment	14,269	(4)	(363)	-	13,902
Investments at FVTOCI	(1,907)	-	-	130	(1,777)
Provision for doubtful debts and advances	(3,529)	-	(518)	-	(4,047)
Statutory dues allowable on payment basis	(315)	-	(19)	-	(334)
Employees separation and retirement costs	(826)	(2)	161	(251)	(918)
Others	(1,909)	(3)	430	411	(1,071)
Total	5,783	(9)	(309)	290	5,756

21.2 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

	As at 31 March 2022	As at 31 March 2021
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
long-term capital loss	65	44
unused tax losses	268	265
	333	309

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

Long-term capital loss of ₹ 35 lakhs is available for set-off till 31 March 2025 and ₹ 9 lakhs till 31 March 2027 and ₹ 21 lakhs till 31 March 2029 (2021: ₹ 35 lakhs till 31 March 2025 and ₹ 9 lakhs till 31 March 2027).

21.3 Income tax credit/(expense) recognised directly in equity

	For the year ended 31 March 2022	For the year ended 31 March 2021
Tax effect on changes in fair value of other investments	(502)	(130)
Tax effect on actuarial gains/(losses) on defined benefit obligations	(73)	251
Tax effect on Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	5	(411)
	(570)	**(290)**

21.4 Current tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Income tax payable (net of advance tax)	7,544	3,609
	7,544	**3,609**

21.5 Reconciliation of tax expense to the accounting profit is as follows:

	As at 31 March 2022	As at 31 March 2021
Accounting profit before tax	**2,04,975**	**1,78,595**
Tax expense at statutory tax rate of 25.17% (2021: 25.17%)	51,592	44,952
Adjustments:		
Effect of income that is exempt from tax	-	14
Effect of expenses that are not deductible in determining taxable profit	706	889
Effect of concessions (research and development and other allowances)	(15)	(21)
Others	(154)	(154)
Tax expense reported in the Consolidated Statement of Profit and Loss	**52,129**	**45,680**

22. Other liabilities

	As at 31 March 2022	As at 31 March 2021
Advances from customers	15,923	5,904
Other liabilities (including statutory remittances)	3,529	2,196
	19,452	**8,100**
Current	18,673	7,273
Non-current	779	827
	19,452	**8,100**

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

23. Trade payables

	As at 31 March 2022	As at 31 March 2021
Acceptances	1,82,138	1,13,353
Other than Acceptances	2,09,216	1,78,863
	3,91,354	**2,92,216**
Other than acceptances of the above:		
i) Total outstanding dues of micro enterprises and small enterprises*	2,996	936
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises**	3,88,358	2,91,280
	3,91,354	**2,92,216**

*Dues to MSME have been determined to the extent such parties have been identified on the basis of information collected by the Management. Refer Note 44.

**Includes amount payable to related party ₹ 245 Lakhs (2021: ₹ 314 lakhs). Also Refer Note 40(E).

1. Ageing of Trade payables as at 31 March 2022

(a) Other than disputed Trade payables		
Particulars	**MSME**	**Other than MSME**
Not due	2,996	2,98,066
Less than 1 Year	-	26,305
1-2 years	-	930
2-3 years	-	3,593
More than 3 years	-	-
	2,996	**3,28,894**
(b) Disputed Trade payables		
Not due	-	-
Less than 1 Year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	4
	-	**4**
(c) Unbilled Trade payables		**59,460**
(d) Total Trade Payables (a+ b + c)	**2,996**	**3,88,358**

2. Ageing of Trade payables as at 31 March 2021

(a) Other than disputed Trade payables		
Particulars	**MSME**	**Other than MSME**
Not due	936	1,73,046
Less than 1 Year	-	52,964
1-2 years	-	3,431
2-3 years	-	1,443
More than 3 years	-	1,131
	936	**2,32,015**
(b) Disputed Trade payables		
Not due	-	-
Less than 1 Year	-	-
1-2 years	-	79
2-3 years	-	155
More than 3 years	-	-
	-	**234**
(c) Unbilled Trade payables		**59,031**
(c) Total Trade Payables (a+ b+ c)	**936**	**2,91,280**

3. Relationship with Struck off companies

Name of struck off company	Nature of transaction and relationship	Balance outstanding as at 31 March 2022	Balance outstanding as at 31 March 2021
Solar Lights And Infra (India) Pvt Ltd	Purchases- Vendor	*	*

* Less than ₹ 1 lakhs

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

24. Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
The following is an analysis of the Group's revenue:		
Sales	12,29,256	10,81,991
Government subsidies	6,77,528	3,32,468
Other operating revenue	4,301	3,736
Total revenue from operations	**19,11,085**	**14,18,195**
Revenue is recognised at the point in time when control of the goods is transferred to the customer.		
Other operating revenues comprise:		
Service income	611	414
DEPB income/ excise benefits	1,210	1,696
Insurance claim	26	274
Others	2,454	1,352
	4,301	**3,736**

25. Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income	10,183	4,164
Provision for liabilities no longer required, written back	3,764	3,153
Dividend income from investments carried at FVTOCI	7	5
Gain on measuring investments at FVTPL (net)	353	162
Net Gain on Modification (lease)	66	-
Others	54	22
	14,427	**7,506**

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

26. Changes in inventories of finished goods, work-in-process and stock-in-trade

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening stock		
Work-in-process	3,898	3,847
Finished goods	1,06,394	1,41,630
Stock-in-trade	18,470	36,936
	1,28,762	1,82,413
Add: Impact on account of common control business combination (refer note 45)		295
Less: Closing Stock		
Work-in-process	6,536	3,898
Finished goods	1,19,352	1,06,394
Stock-in-trade	14,419	18,470
	1,40,307	1,28,762
Net (increase)/ decrease	**(11,545)**	**53,946**

27. Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	48,945	45,572
Share based payments (Refer Note 33.3)	281	399
Contribution to provident and other funds (Refer Note 34)	4,240	4,005
Staff welfare expenses	5,252	3,881
	58,718	**53,857**

28. Finance cost

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense	2,738	6,256
Other borrowing costs and charges	762	732
Lease interest cost	4,047	3,579
	7,547	**10,567**

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

29. Depreciation and amortisation expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (refer Note 3)	13,226	13,439
Amortisation of intangible assets (refer Note 5)	199	170
Depreciation on right-of-use assets (refer Note 4)	3,840	3,699
	17,265	**17,308**

30. Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Stores and spares consumed	14,805	11,343
Power, fuel and water	34,033	31,483
Rent	1,241	1,122
Repairs to:		
Buildings	709	569
Machinery	5,915	4,368
Others	3,785	2,930
Insurance charges	3,361	2,789
Rates and taxes	514	1,556
Freight and distribution	1,03,336	89,236
Exchange differences (net)	6,237	4,895
Loss on sale/scrap of property, plant and equipments (net)	652	468
Impairment allowance recognised for doubtful trade and other receivables, loans and advances (net of provision reversal of ₹1,081)	-	2,204
Loss on sale of investments	-	17
Corporate Social Responsibility expense (refer note 38)	2,771	2,354
Miscellaneous expenses	38,368	41,788
	2,15,727	**1,97,122**

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

31. Segment information

31.1 Products and services from which reportable segments derive their revenues

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. Accordingly, the Group's reportable segments under Ind AS 108 are as follows:

1. Nutrient and other allied business
2. Crop protection

The following is an analysis of the Group's revenue and results from operations by reportable segment:

	Segment revenue		Segment profit	
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
Nutrient and other allied business	16,71,423	12,20,031	1,77,283	1,65,365
Crop protection	2,51,054	2,08,387	36,837	34,681
	19,22,477	**14,28,418**	**2,14,120**	**2,00,046**
Less: Inter - segment	(11,392)	(10,223)	(175)	(328)
Total	**19,11,085**	**14,18,195**	**2,13,945**	**1,99,718**
Other income			14,427	7,506
Unallocable expense			(16,224)	(18,602)
Finance costs			(7,547)	(10,567)
Share in profit/(loss) of joint venture and associate			374	540
Profit before tax			**2,04,975**	**1,78,595**

The accounting policies of the reportable segments are same as the Group's accounting policies. Segment profit represents the profit before interest and tax earned by each segment without allocation of central administrative costs and other income. This is the measure reported to the CODM.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

31.2 Segment assets and liabilities

	As at 31 March 2022	As at 31 March 2021
Segment assets		
Nutrient and other allied business	5,74,823	4,96,022
Crop protection	1,57,034	1,45,513
Unallocable assets	3,96,617	2,48,014
Total assets	**11,28,474**	**8,89,549**
Segment liabilities		
Nutrient and other allied business	4,28,017	2,91,033
Crop protection	42,120	65,891
Unallocable liabilities	22,510	17,566
Total liabilities	**4,92,647**	**3,74,490**

For the purposes of monitoring segment performance and allocating resources between segments:

1. All assets are allocated to reportable segments other than inter-corporate deposits, investments, cash and cash equivalents and derivative contracts.
2. All liabilities are allocated to reportable segments other than borrowings, defined benefit obligation and long-term employee benefits, derivative contracts, current and deferred tax liabilities.

31.3 Other segment information

	Depreciation and amortisation		Additions to non- current assets	
	For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
Nutrient and other allied business	12,794	13,026	43,489	12,291
Crop protection	4,471	4,282	11,227	6,919

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

31.4 Revenue from major products

The following is an analysis of the Group's revenue from operations from its major products:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Phosphatic Fertilisers	7,86,498	6,66,878
Urea	32,886	33,321
Muriate of Potash	9,297	32,065
Single Super Phosphate	41,150	43,873
Others	1,24,064	1,11,426
	9,93,895	**8,87,563**
Government subsidies	6,77,528	3,32,468
Nutrient and other allied business	**16,71,423**	**12,20,031**
Crop protection	2,51,054	2,08,387
Total	**19,22,477**	**14,28,418**
Less: Inter - segment	(11,392)	(10,223)
Revenue from operations	**19,11,085**	**14,18,195**

32. Financial instruments

32.1 Capital management

The Group's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents, Bank deposits and inter-corporate deposits with financial institutions.

The following table summarises the capital of the Group:

	As at 31 March 2022	As at 31 March 2021
Equity	**6,35,827**	**5,15,059**
Short-term borrowings	4	161
Inter-corporate deposits with financial institutions	(1,54,000)	(1,51,368)
Cash and cash equivalents and Bank Deposits	(1,73,031)	(69,210)
Net debt	**(3,27,027)**	**(2,20,417)**
Total capital (equity + net debt)	**3,08,800**	**2,94,642**
Net debt to capital ratio *	-	-
Interest coverage ratio	30.45	19.54

* As at 31 March 2021 and 31 March 2022, borrowings are lower than the balances of Inter corporate deposits with financial institutions and Cash and Cash equivalents and Bank Deposits resulting in a negative net debt.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.2 Categories of financial instruments

	As at 31 March 2022	As at 31 March 2021
Financial assets		
Measured at fair value through profit or loss (FVTPL)*		
(i) Derivative instruments not designated in hedge accounting relationship	777	965
(ii) Equity investments	59	18
(iii) Other investments	578	266
Measured at amortised cost		
(a) Cash and cash equivalents	70,601	69,210
(b) Bank balances other than cash and cash equivalents	1,04,727	2,999
(c) Other financial assets at amortised cost	2,52,620	2,68,469
(d) Investments in equity instruments in joint venture and associate	1,738	1,364
Measured at FVTOCI*		
(a) Investments in equity instruments designated upon initial recognition	20,362	18,122
(b) Investments in other instruments designated upon initial recognition	1,609	1,609
(c) Derivative instruments designated in hedge accounting relationship	400	412
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)*		
(a) Derivative instruments not designated in hedge accounting relationship	1,366	249
Measured at FVTOCI*		
(a) Derivative instruments designated in hedge accounting relationship	12	4
Measured at amortised cost	4,54,305	3,53,228

*Refer note 32.9 for fair valuation methods and assumptions.

Consolidated Notes forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.3 Financial risk management objectives

The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using financial instruments such as foreign currency forward contracts, option contracts, interest and currency swaps to hedge risk exposures and appropriate risk management policies as detailed below. The use of these financial instruments is governed by the Group's policies, which outlines principles on foreign exchange risk, interest rate risk, credit risk and deployment of surplus funds.

Item	Primarily affected by	Risk management policies	Refer
Market risk - currency risk	USD balances and exposure towards trade payables, buyer's credit, exports, short-term and long-term borrowings	Mitigating foreign currency risk using foreign currency forward contracts, option contracts and currency swaps	Note 32.4.1
Market risk - interest rate risk	Change in market interest rates	Maintaining a combination of fixed and floating rate debt; interest rate swaps for long-term borrowings; cash management policies	Note 32.4.2
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 32.4.3
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 32.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cash flows; cash management policies; multiple-year credit and banking facilities	Note 32.6

32.4 Market risk

The Group's financial instruments are exposed to market rate changes. The Group is exposed to the following significant market risks:

- Foreign currency risk
- Interest rate risk
- Other price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which these risks are being managed and measured.

32.4.1 Foreign currency risk management

The Group is exposed to foreign exchange risk on account of following:

1. Nutrient and other allied business has foreign exchange exposure for its imports of raw materials, intermediates and traded goods.

2. Crop Protection segment has foreign exchange exposure on both exports of finished goods and imports of raw materials, intermediates and traded goods.

3. Foreign currency borrowings in the form of buyers credit, packing credit etc. are availed for meeting its funding requirements.

The Group has a forex policy in place whose objective is to mitigate foreign exchange risk by deploying the appropriate hedging strategies through combination of various hedging instruments such as foreign currency forward contracts, options contracts and has a dedicated forex desk to monitor the currency movement and respond swiftly to market situations. The Group follows netting principle for managing the foreign exchange exposure for each operating segment.

There are no long-term borrowings outstanding as on 31 March 2022 and 31 March 2021.

a. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

Currency	Liabilities		Assets	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
USD (millions)	393.87	256.81	33.71	37.30
INR (₹ in Lakhs)	2,98,547	1,87,764	25,546	27,266
EURO (millions)	0.01	0.04	2.99	1.52
INR (₹ in Lakhs)	12	36	2,511	1,305

The foreign currency risk on above exposure is mitigated by derivative contracts. The outstanding contracts as at the Balance Sheet date are as follows:

b. Foreign currency forward and option contracts outstanding as at the Balance Sheet date:

	As at 31 March 2022		As at 31 March 2021	
	Buy	Sell	Buy	Sell
Forward contracts				
USD (millions)*	325.40	82.22	191.29	66.22
INR (₹ in Lakhs)	2,46,645	62,310	1,39,865	48,190
Number of contracts	84	62	63	59
Forward contracts				
EUR (millions) *	-	0.70	-	-
INR (₹ in Lakhs)	-	588	-	-
Number of contracts	-	1	-	-

The forward contracts have been entered into to hedge the foreign currency risk on purchase of raw materials, stock-in-trade and the related buyer's credit and in certain cases the foreign currency term loan and trade receivables.

* Includes 83.02 USD (millions) (31 March 2021 : 66.22 USD (millions)) Sell contracts outstanding under past performance facility as per Reserve Bank of India (RBI) Master Direction on Risk Management and Inter-Bank Dealings.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

c. Net open exposures outstanding as at the Balance Sheet date:

	Liabilities		Assets	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
USD (millions)	68	66	-	-
INR (₹ in Lakhs)	51,902	47,899	-	-
EURO (millions)	0.01	0.04	2.99	1.52
INR (₹ in Lakhs)	12	36	2,511	1,305

d. Summary of hedging instruments outstanding at the end of the year designated as cash flow hedges:

As at	No. of contracts	No. of contracts	USD (millions)	Amount in ₹ lakhs	Closing exchange rate
Sell Currency - USD with tenor less than a year	31 March 2022	45	58.25	44,146	75.79
	31 March 2021	43	46.83	34,235	73.11

Foreign currency forward contracts designated as hedging instruments in cash flow hedges of forecast sales in USD are measured at fair value through OCI. While the Company enters into other foreign exchange forward contracts to reduce the foreign exchange risk, these other contracts are not designated in hedge relationships and are measured at FVTPL.

The terms of the hedging instruments match the terms of the forecast transactions. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss.

e. Foreign currency sensitivity analysis

The Group is mainly exposed to fluctuations in US Dollar. The following table details the Group's sensitivity to a ₹1 increase and decrease against the US Dollar. ₹1 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a ₹1 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by ₹1 against the US Dollar. For a ₹1 weakening against the US Dollar, there would be a comparable impact on the profit or equity.

Amount in ₹ lakhs

Currency USD impact on:	2021-22	2020-21
Impact of ₹1 strengthening against US Dollar on profit or loss for the year	512	490
Impact of ₹1 weakening against US Dollar on profit or loss for the year	(512)	(490)
Impact of ₹1 strengthening against US Dollar on Equity as at the end of the reporting period	512	490
Impact of ₹1 weakening against US Dollar on Equity as at the end of the reporting period	(512)	(490)

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.4.2 Interest rate risk management

The Group issues commercial papers, draws working capital demand loans, avails cash credit, foreign currency borrowings including buyers credit, Packing Credit etc. for meeting its funding requirements.

Interest rates on these borrowings are exposed to change in respective benchmark rates. The Group manages the interest rate risk by maintaining appropriate mix/portfolio of the borrowings.

a. Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 10 basis points increase or decrease in case of foreign currency borrowings and 50 basis points increase or decrease in case of rupee borrowings is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rate had been 10 basis points higher/ lower in case of foreign currency borrowings and 50 basis points higher/ lower in case of rupee borrowings and all other variables were held constant, the Group's profit for the year ended 31 March 2020 would decrease/ increase by ₹ 0.02 lakhs (2021: ₹ 0.61 lakhs)

32.4.3 Other price risks

The Group is exposed to equity price risks arising from equity investments. Certain of the Group's equity investments are held for strategic rather than trading purposes. The Group also holds certain other equity investments for trading purposes.

a. Equity price sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% higher/lower other comprehensive income/ equity for the year ended 31 March 2022 would increase/ decrease by ₹ 762 Lakhs (2021: ₹ 695 Lakhs) as a result of the changes in fair value of equity investments measured at FVTOCI. The impact of change in equity price on profit or loss is not significant

32.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. In case of Government subsidy receivables, credit risk is nil.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to the customer credit risk management. The Group uses financial information and past experience to evaluate credit quality of majority of its customers and individual credit limits are defined in accordance with this assessment. Outstanding receivables and the credit worthiness of its counterparties are periodically monitored and taken up on case to case basis. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in independent markets.

The credit risk on cash and bank balances, derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.6 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 32.8 sets out details of additional undrawn facilities that the Company has at its disposal to reduce liquidity risk.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2022:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	3,91,354	3,92,933	-	-	3,92,933
Borrowings and interest thereon#	5	5	-	-	5
Other financial liabilities**	23,454	22,456	-	1,500	23,956
Lease liabilities	39,492	2,403	4,393	32,696	39,492
Foreign currency forward contracts	1,378	1,378	-	-	1,378
Total	**4,55,683**	**4,19,175**	**4,393**	**34,196**	**4,57,764**

The table below provides details of financial assets as at 31 March 2022:

	Carrying amount
Investments	*
Trade receivables	26,487
Government subsidies receivable	29,414
Cash and cash equivalents including bank balances	1,75,328
Loans	1,54,000
Other financial assets	2,319
Foreign currency forward contracts	1,177
Total	**3,88,725**

* Less than ₹ 1 lakhs

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2021:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	2,92,216	2,92,335	-	-	2,92,335
Borrowings and interest thereon#	162	162	-	-	162
Other financial liabilities**	22,516	22,321	-	1,500	23,821
Lease liabilities	38,334	2,143	3,817	32,374	38,334
Foreign currency forward and option contracts	253	253	-	-	253
Total	**3,53,481**	**3,17,214**	**3,817**	**33,874**	**3,54,905**

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The table below provides details of financial assets as at 31 March 2021:

	Carrying amount
Investments	*
Trade receivables	55,442
Government subsidies receivable	58,966
Cash and cash equivalents including bank balances	72,209
Loans	1,51,368
Other financial assets	2,281
Foreign currency forward contracts	1,377
Total	**3,41,643**

#Included in Borrowing and interest theron are certain borrowings which are subject to variable interest rates. Amount included in the above maturity analysis assumes interest outflows based on the year end benchmark interest rates, the actual interest rates may differ based on the changes in the benchmark interest rates.

**Other financial liabilities include deposits received from customers amounting to ₹17,449 Lakhs (2021: ₹15,948 Lakhs). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Group does not have an unconditional right to defer the payment, these deposits have been classified as current balances. For including these amounts in the above mentioned maturity analysis, the Group has assumed that these deposits, including interest thereon, will be repayable at the end of the reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

32.7 Financial guarantee contract

The Company has provided a sponsor guarantee for USD 41.1 million (proportionate to the shareholding of 15%) towards the borrowings of Tunisian Indian Fertilisers S.A. (TIFERT), a company based in Tunisia, manufacturing phosphoric acid. In March 2017, TIFERT has requested reschedulement of installment due to the lenders and delayed the payment. The same was not agreed to by the Lenders and the acceleration notice was served on TIFERT by lenders on 28 March 2017. The loan instalment was immediately paid on 30 March 2017 by TIFERT. However, on 4 April 2017 the lenders followed up with call notice on shareholders towards guaranteed amount (Coromandel's share USD 35.25 million outstanding as on 31 March 2017). The Company along with other shareholders of TIFERT are in discussion with the Lenders to resolve the matter with regard to liquidity situation and operational improvements of TIFERT and also to find a solution for meeting the future debt obligations of TIFERT.

Considering the discussions held with Lenders and operational improvement achieved by TIFERT during the year, the Company reasonably considers that TIFERT would be in a position to meet the debt obligations and it is unlikely that such an event of payment under guarantee amount will arise. TIFERT has paid the subsequent half-yearly instalments that were due as per the payment schedule. The sponsor guarantee was valid upto 31 March 2018. The Company's obligation under this corporate guarantee if that amount is claimed by the counterparty to the guarantee is subject to a maximum of ₹ 7,194 Lakhs (31 March 2021: ₹ 10,299 Lakhs).

32.8 Financing facilities

The Company has access to financing facilities of which ₹ 3,51,822 Lakhs (2021: ₹ 3,49,821 Lakhs) were unused at the end of the reporting period. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

32.9 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at *		Fair value hierarchy	Valuation techniques & key inputs used
	As at 31 March 2022	As at 31 March 2021		
1) Foreign currency forward contracts	(201)	1,124	Level 2	Refer Note 3(a) below
2) Investments in quoted equity instruments at FVTPL	59	18	Level 1	Refer Note 2 below
3) Investments in unquoted venture capital fund at FVTPL	578	266	Level 3	Refer Note 4(a) below
4) Investments in quoted equity investments at FVTOCI	843	675	Level 1	Refer Note 2 below
5) Investments in unquoted equity instruments at FVTOCI	14,968	14,292	Level 3	Refer Note 4(b) below
	4,551	3,155	Level 3	Refer Note 4(c) below
6) Loans at FVTOCI	1,609	1,609	Level 3	Refer Note 4(b) below

*positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:

1. There were no transfers between Level 1 and 2 in the period.

2. The Level 1 financial instruments are measured using quotes in active market.

3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
(a) Foreign currency forward contracts	Discounted Cash Flow	Forward exchange rates, contract forward and interest rates, observable yield curves.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

4. The following table shows the valuation technique and key input used for Level 3:

Financial Instrument	Valuation Technique	Key Inputs used	Sensitivity
(a) Investments in unquoted venture capital fund at FVTPL	Net Asset Value (NAV) method	The Group uses net asset value (NAV) as reported by the venture capital fund for its valuation purpose.	A 10% increase/ decrease in the value of unquoted investments of the fund would increase/ decrease the carrying amount of investment by ₹ 15 Lakhs (2021: ₹ 15 Lakhs).
(b Investments in unquoted equity instruments at FVTOCI	Discounted Cash Flow Method	Long-term growth rates, taking into account management's experience and knowledge of market conditions of the specific industries, ranging from 0 to 3% (2021: 0 to 3%) Weighted average cost of capital (WACC) as determined ranging from 13% to 17% (2021: 13% to 17%)	If the long-term growth rates used were 100 basis points higher/lower while all the other variables were held constant, the carrying amount would increase/decrease by ₹ 1,357 lakhs (2021: ₹ 1,203 lakhs) A 100 basis points increase/decrease in the WACC or discount rate used while holding all other variables constant would decrease/ increase the carrying amount by ₹ 1,676 lakhs (2021: ₹ 1,335 lakhs)
(c) Investments in unquoted equity instruments at FVTOCI	Market Multiple Approach	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries, ranging from 30% to 50% (2021: 30% to 50%)	A 10% increase/ decrease in the discount for lack of marketability used in isolation would decrease/increase the carrying amount by ₹ 395 lakhs (2021: ₹ 291 lakhs)

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at 31 March 2022		As at 31 March 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
Trade receivables	Level 2	26,487	26,487	55,442	55,442
Government subsidies receivable	Level 2	29,414	29,414	58,966	58,966
Cash and cash equivalents	Level 2	70,601	70,601	69,210	69,210
Bank balances other than cash and cash equivalents	Level 2	1,04,727	1,04,727	2,999	2,999
Loans	Level 2	1,94,000	1,94,000	1,51,368	1,51,368
Other financial assets	Level 2	2,319	2,319	2,281	2,281
Financial liabilities					
Financial liabilities at amortised cost:					
Borrowings	Level 2	4	4	161	161
Trade payables	Level 2	3,91,354	3,91,354	2,92,216	2,92,216
Other financial liabilities	Level 2	23,455	23,455	22,517	22,549
Lease liabilities	Level 2	38,334	38,334	38,334	38,334

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

1. In case of trade receivables, government subsidies receivables, cash and cash equivalents, loans, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2022:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	266	17,447	17,713
Total gains or losses:			
- in profit or loss	312	-	312
- in other comprehensive income (net)	-	2,072	2,072
Closing balance	**578**	**19,519**	**20,097**

Reconciliation of Level 3 fair value measurements for the year ended 31 March 2021:

	Investments in unquoted venture capital fund at FVTPL	Investments in unquoted equity instruments at FVTOCI	Total
Opening balance	174	16,969	17,143
Total gains or losses:			
- in profit or loss	148	-	148
- in other comprehensive income (net)	-	478	478
Sold	(56)	-	(56)
Closing balance	**266**	**17,477**	**17,713**

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

33. Share based payments

Particulars	Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme')	Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme'):
Approval of shareholders	24th July 2007	11th January 2017
Administration	Remuneration and Nomination Committee of the Board of Directors	
Eligibility	The committee determines which eligible employees will receive options	
Number of equity shares reserved under the scheme	1,27,85,976	1,45,81,000
Number of equity shares per option	1	1
Vesting period	1-5 years	1-4 years
Exercise period	Within 6* years from date of vesting	Within 5 years from date of vesting
Exercise Price Determination	Latest available closing market price of the shares on the stock exchange where there is highest trading volume prior to the date of the Remuneration and Nomination Committee approving the grant.	

* In partial modification of the special resolution passed for establishing ESOP 2007, the shareholders in their meeting held on 23 July 2012 decided to approve the extension of the exercise period of options granted under the ESOP 2007 from three years to six years.

33.1 Employee Stock Option Scheme 2007 ('ESOP 2007 Scheme'):

a) Pursuant to the ESOP 2007 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	-	-	2,150	287.50
Granted	-	-	-	-
Exercised	-	-	2,150	287.50
Cancelled	-	-	-	-
Lapsed	-	-	-	-
At the end of the year	-	-	-	-

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of nil years (2021: nil years). The exercise price of the outstanding options is Nil (2021: nil). The weighted average share price during the year is ₹ 811 (2021: ₹ 740).

c) Number of options exercisable at the end of the year Nil (2021 : nil).

d) The fair values of the option with modified terms were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 3-4 years.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

33.2 Employee Stock Option Scheme 2016 ('ESOP 2016 Scheme')

a) Pursuant to the ESOP 2016 Scheme, the Company granted options which vest over a period of four years commencing from the respective dates of grant. Following are the number of options outstanding during the year:

	For the year ended 31 March 2022		For the year ended 31 March 2021	
	No. of Options	Weighted average exercise price (₹)	No. of Options	Weighted average exercise price (₹)
At the beginning of the year	13,98,740	420.87	17,55,990	357.49
Granted*	3,31,720	759.56	2,13,400	734.21
Exercised	1,17,730	368.71	4,22,780	338.84
Cancelled	-	-	1,47,870	354.92
Lapsed	-	-	-	-
At the end of the year	16,12,730	494.34	13,98,740	420.87

*the weighted average fair value of options granted during the year is ₹ 251.55 (2021: ₹ 265.68)

b) The above outstanding options have been granted in various tranches and have a weighted average remaining life of 1.59 years (2021: 1.93 years). The exercise price of the outstanding options range from ₹ 319.65 to ₹ 799.35 (2021: ₹ 319.65 to ₹ 799.35). The weighted average share price during the year is ₹ 811 (2021: ₹ 740).

c) Number of options exercisable at the end of the year 10,39,370 (2021: 9,68,110).

d) The fair values of the option were determined using a Black Scholes' model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioral considerations. Expected volatility is based on the historical share price volatility over the past 5-6 years.

Following assumptions were used for calculation of fair value of grants:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend yield (%)	1.54 to 1.62	1.54 to 1.62
Expected volatility (%)	0.30 to 0.32	0.32 to 0.33
Risk free interest rate (%)	5.17 to 6.38	4.77 to 5.86
Expected term (in years)	3.50 to 6.51	3.50 to 6.51

33.3 Share based payments

The Group recorded employee share based payments of ₹ 281 Lakhs (2021: ₹ 398 Lakhs) under 'Employee benefits expense'.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

34 Employee benefits plan

a) Defined benefit plans

i. Gratuity plan

	Gratuity plan	
	2021-2022	2020-2021
Change in Defined Benefit Obligation (DBO) during the year		
Present value of DBO at the beginning of the year	6,511	5,854
Current service cost	684	637
Interest cost	410	371
Actuarial loss/(gain) arising from changes in financial assumptions	(122)	(9)
Actuarial loss/(gain) arising from changes in experience adjustments	(161)	504
Benefits paid	(1,085)	(846)
Present value of DBO at the end of the year	**6,237**	**6,511**
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the year	6,078	5,624
Interest income	422	400
Employer contributions	788	1,400
Benefits paid	(1,085)	(846)
Remeasurements – return on plan assets (excluding interest income)	10	(500)
Fair value of assets at the end of the year	**6,213**	**6,078**
Amounts recognised in the Balance Sheet		
Present value of DBO at the end of the year	6,237	6,511
Fair value of plan assets at the end of the year	(6,213)	(6,078)
Funded status of the plans – (asset)/ liability	**24**	**433**
(Asset)/ liability recognised in the Balance Sheet	**24**	**433**
Current service cost	684	637
Interest income on net defined benefit obligation	(12)	(29)
Expense recognised in Statement of Profit and Loss	**672**	**608**
Remeasurement on the net defined benefit obligation		
Return on plan assets (excluding interest income)	10	500
Actuarial loss/(gain) arising from changes in financial assumptions	(122)	(9)
Actuarial loss/(gain) arising from changes in experience adjustments	(161)	504
Remeasurements recognised in other comprehensive income	**(293)**	**995**
Total defined benefit cost recognized	**379**	**1,603**

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Employee who has completed five years of service is entitled to specific benefit depending on the employee's length of service and salary at retirement or relieving age. The fund has the form of trust and it is governed by the Board of Trustees which consists of employer and employee representatives. The Board of Trustees is responsible for the administration of plan assets.

The Board of Trustees reviews the level of funding and asset-liability matching strategy in the gratuity plan to keep the scheme adequately funded for settlement of obligations under the plan.

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

	31 March 2022	31 March 2021
Assumptions		
Discount rate	7.15%	6.86%
Estimated rate of return on plan assets	7-12%	7.54%
Expected rate of salary increase	5- 7%	5-7%
Attrition rate	5%	5%

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(405)	461	(430)	492
Future salary growth (1% movement)	403	(365)	431	(386)
Attrition rate (1% movement)	2	(2)	31	(27)

	2021-22	2020-21
Weighted average duration of DBO	**11 years**	**11 years**
Expected cash flows		
3. Expected employer contribution in the next year	643	636
4. Expected benefit payments		
Year 1	912	889
Year 2	694	805
Year 3	529	621
Year 4	528	482
Year 5	498	485
Beyond 5 years	1,996	1,920

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

ii. Contributions to PF Trust:

Provident Fund Trust is exempted under Section 17 of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Conditions for the grant of exemption stipulate that the employer shall make good the deficiency, if any, in the interest rate declared by the Trust over the statutory limit.

The Group has obtained the actuarial valuation of interest rate obligation in respect of provident fund and having regards to the assets of the Fund and the return on the investments, the Group did not recognize any deficiency based on the actuary report obtained.

Particulars	31 March 2022
Plan assets at the end of the year	26,168
Defined benefit obligation at the end of the year	25,280

An amount of ₹ 1,229 Lakhs (2021: ₹ 1,103 lakhs) has been recognised as an expense in the Consolidated Statement of Profit and Loss during the year towards Provident fund contribution to trust.

Assumptions

Particulars	31 March 2022
Discount rate	5.15% to 7.15%
Expected guarantee rate	8.50%
Attrition	5.00%

b) Defined contribution plans

In respect of the defined contribution plans, an amount of ₹ 2,312 Lakhs (2021: ₹ 2,259 lakhs) has been recognised as an expense in the Consolidated Statement of Profit and Loss during the year.

35 Earnings per share

		For the year ended 31 March 2022	For the year ended 31 March 2021
i) Profit after tax (₹ in Lakhs)	(a)	1,52,846	1,32,915
Basic			
ii) Weighted average number of equity shares of ₹1/- each outstanding during the year	(b)	29,34,33,933	29,31,65,645
Dilution			
iii) Effect of potential equity shares on employees stock options outstanding		6,36,887	7,94,319
iv) Weighted average number of equity shares of ₹1/- each outstanding during the year	(c)	29,40,70,820	29,39,59,964
Earnings Per Share (face value of ₹1/- each)			
v) Basic – [a]/[b] – (₹)		52.09	45.34
vi) Diluted – [a]/[c] – (₹)		51.98	45.22

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

36 Contingent liabilities (to the extent not provided for)

Claims against the Group not acknowledged as debt:

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
In respect of matters under dispute:		
Excise duty	322	344
Customs duty	831	820
Sales tax	1,203	1,267
Income tax	553	406
Service tax	292	264
Goods and Services Tax	37	37
Others	4,902	5,657

The amounts disclosed above represent our best estimate and the uncertainties are dependent on the outcome of the legal processes initiated by the Group or the claimant as the case may be.

37 Commitments

Capital commitments

(₹ in Lakhs)

	As at 31 March 2022	As at 31 March 2021
Capital expenditure commitments	19,805	6,026

38 Corporate social responsibility

As per Section 135 of the Companies Act, 2013 ('Act), a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities The focus areas of Company's CSR activities are Education and Health care & while also pursuing CSR activities for the benefit of community around its local areas of operations. The CSR activities of the Company are in line with the Schedule VII of the Act. A CSR committee has been formed by the Company as per the Act. The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company as specified in Schedule VII of the Act, as amended from time to time.

a) Gross amount required to be spent by the Company during the year is ₹ 2,812 Lakhs (31 March 2021-₹ 2,322 lakhs.).

b) Amount spent during the year on:

Amount in ₹ Lakhs

Particulars	31 March 2022	31 March 2021
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	2,466	2,178

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

c) Nature of CSR activities:

- Providing basic health care facilities to economically backward societies
- Improving health Conditions for communities through the provision of basic medical services
- Improving access to education
- Rural development projects
- Environmental sustainability
- Contribution to various disaster funds

d) Details of amount unspent relating to Ongoing projects:

Opening balance	Amount deposited in unspent CSR account	Amount required to be spent during the year	Amount spent during the year	Closing balance (Refer Note below)
296	296	2,812	2,466	346

Note:

The Company was unable to spend the allocated/budgeted amount on Ongoing Projects due to COVID-19 pandemic. The unspent CSR amount of ₹ 346 lakhs for the financial year 2021-22 will be transferred to unspent CSR Account on or before 30 April 2022 in accordance with provisions of the Companies Act, 2013 read with rules made thereunder.

39 Research and development expenses incurred on the following heads have been accounted under the natural heads:

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Salaries, wages and bonus	1,086	945
Contribution to provident and other funds	105	91
Consumption of stores and spare parts	130	134
Power and fuel	59	58
Repairs to machinery	47	47
Miscellaneous expenses	168	178
	1,595	1,453

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

40 Related party disclosures

(A) Names of the related parties and their relationship:

Names	Nature of relationship
E.I.D.-Parry (India) Limited	Parent Company
Parry Infrastructure Company Private Limited (PICPL)	Fellow subsidiary
Parry Enterprises (India) Limited (PEIL)	Associate of Parent Company
Coromandel Provident Fund (PF Trust)	Employee benefit plan
Coromandel Provident Fund No. 1(PF Trust)	Employee benefit plan
CFL Gratuity Fund	Employee benefit plan
Coromandel Gratuity Fund – I	Employee benefit plan
Coromandel Gratuity Fund – II	Employee benefit plan
Coromandel Management Staff Pension Fund	Employee benefit plan
Coromandel Superannuation Fund	Employee benefit plan
Coromandel Benevolent Fund	Employee benefit plan
Mr. A. Vellayan	Key management personnel (appointed as Additional Director w.e.f. 11 November 2020 and as Chairman w.e.f. 12 November 2020)
Mr. Arun Alagappan	Key management personnel (appointed as Additional Director w.e.f. 11 November 2020 and as Executive Vice Chairman w.e.f. 15 February 2021)
Mr. Arun Vellayan	Relative of Key management personnel –son of Chairman.
Mr. Narayanan Vellayan	Relative of Key management personnel -son of Chairman.
Mr. Sameer Goel	Key management personnel (Managing director)
Ms. Jayashree Satagopan	Key management personnel (Chief Financial officer)
Mr. Rajesh Mukhija	Key management personnel (Company Secretary)
Mr. S Suresh	Key management personnel of Parent Company
Mr. M M Venkatachalam	Non-Executive Director
Ms Aruna B. Advani	Non-Executive Director
Mr. Prasad Chandran	Non-Executive Director
Mr. Sumit Bose	Non-Executive Director
Dr. R. Nagarajan	Non-Executive Director
Mr. K V Parameshwar	Non-Executive Director
Mr. Ramesh K B Menon	Non-Executive Director
Mr. Sudarshan Venu	Non-Executive Director

(B) Transactions during the year:

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Rent received		
(a) Fellow subsidiary – PICPL	95	95
(b) Associate – PEIL	4	-
Purchase of finished goods and services		
(a) Parent Company	604	842
(b) Associate – PEIL	65	157
Commission on sales		
(a) Associate – Sabero Philippines	158	46
Expenses reimbursed to		
(a) Parent Company	242	195
Purchase of assets and spares		
(a) Joint venture – YCAS	35	34
Dividend paid (including interim dividend payable)		
(a) Parent Company	19,855	30,484
Rent paid		
(a) Parent Company	59	65
(b) Joint venture- YCAS	35	34

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

(C) Transactions with key management personnel

(a) Dividends paid to directors during the year ended 31 March 2022 ₹ 28 Lakhs (2020: ₹ 32 Lakhs)

(b) Compensation of key management personnel of the Company:

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Short-term employee benefits	1,791	1,652
Others*	307	332
Total compensation	**2,098**	**1,984**

*excludes Goods and Services Tax/ service tax

(c) During the year, the Company has not granted any employee stock options to its key managerial personnel.

(d During the previous year, the company has sold car and laptop to its key managerial personnel for ₹ 7 lakhs.

(e) Refer Note 34 for transactions with Employee benefit funds.

(E) Outstanding balances as at the year end

	As at 31 March 2022	As at 31 March 2021
(a) Trade receivables		
- Parent company	218	725
- Associate – PEIL	7	5
- Associate – Sabero Philippines	6	6
(b) Loans and Advances		
- Fellow subsidiary – PICPL	3	3
(c) PF Trust	241	422
Share Application money		
- Associate – Sabero Philippines	5	5
(d) Trade payables		
- Parent company	238	295
- Associate – PEIL	6	8
- Joint venture – YCAS	1	11
(e) Other financial liabilities		
- Fellow subsidiary – PICPL	998	1,019

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

41 Financial information in respect of joint ventures and associates that are not individually material:

a. Joint ventures

(₹ in Lakhs)

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Group's share of profit/ (loss)	365	536
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	365	536

	As at 31 March 2022	As at 31 March 2021
Aggregate carrying amount of the Group's interests in joint venture	1,718	1,353

b. Associate

(₹ in Lakhs)

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Group's share of profit/ (loss)	9	4
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	9	4

	As at 31 March 2022	As at 31 March 2021
Aggregate carrying amount of the Group's interests in these associates	15	6

42 Payments to Auditors of the Company

(₹ in Lakhs)

	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Audit fees	75	75
Tax audit fees	15	15
Limited reviews	36	36
Certifications	45	70
Reimbursement of expenses	2	2
Total	**173**	**198**

Note: Amounts given above excludes GST/ service tax

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

43 During the year ended 31 March 2020, pursuant to the requirements of SEBI circular no SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, the Company has listed commercial papers on a recognised stock exchange. There are no Commercial papers outstanding as on 31 March 2022.

44 Based on and to the extent of information available with the Group under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

(₹ in Lakhs)

Sl. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	2,996	936
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

45 On 01 February 2021, the Board of Directors had earlier approved the proposed Scheme of Amalgamation of Liberty Pesticides and Fertilizers Limited (LPFL) and Coromandel SQM (India) Private Limited (CSQM) with the Company subject to approval of the Hon'ble National Company Law Tribunal, Hyderabad (NCLT) under Section 230 and 232 of the Companies Act 2013.

Subsequent to 31 March 2022, the Hon'ble National Company Law Tribunal, Hyderabad (NCLT) has approved the Scheme of Amalgamation ('Scheme') of and Liberty Pesticides and Fertilizers Limited (LPFL) and Coromandel SQM (India) Private Limited (CSQM) (wholly owned subsidiaries) on 26 April 2022, with the Company with effect from 01 April 2021, being the appointed date under the said Scheme.

The Group has accounted for this merger under the "Pooling of interests" method for common control transactions as per the requirements of Ind AS 103 "Business Combinations". This merger did not have material impact on Consolidated financial statements.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

46. Additional disclosures related to consolidated financial statements:

a. List of subsidiaries and joint ventures considered for consolidation:

Name of the Company	Relationship	Country of incorporation	Percentage of voting power as at 31 March 2022	Net assets		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2022		31 March 2022		31 March 2022		31 March 2022	
				% of consolidated net assets	Amount in lakhs	% of consolidated profit/(loss)	Amount in lakhs	% of consolidated other comprehensive income	Amount in lakhs	% of consolidated total comprehensive income	Amount in lakhs
Coromandel International Limited	Parent	India	-	98%	6,24,727	99%	1,51,524	74%	1,793	99%	1,53,317
Sabero Organics America S.A. (SOAL)	Subsidiary	Brazil	100	*	125	*	(27)	*	26	*	(1)
Coromandel Australia Pty Ltd (formerly Sabero Australia Pty Ltd, Australia (Sabero Australia))	Subsidiary	Australia	100	*	(7)	*	(9)	-	-	*	(9)
Sabero Europe B.V. (Sabero Europe)	Subsidiary	Netherlands	100	*	-	*	-	-	-	*	-
Sabero Argentina S.A. (Sabero Argentina)	Subsidiary	Argentina	95	*	(2)	*	-	*	-	*	-
Coromandel Agronegocios de Mexico, S.A de C.V (Coromandel Mexico)	Subsidiary	Mexico	100	*	181	*	21	*	11	*	32
Coromandel International (Nigeria) Limited (CNL)	Subsidiary	Nigeria	99.99	*	-	*	(2)	*	(1)	*	(3)
Parry America, Inc (PAI)	Subsidiary	USA	100	1%	5,453	1%	1,109	18%	444	1%	1,553
Parry Chemicals Limited (PCL)	Subsidiary	India	100	*	1,721	*	36	-	-	*	36
Dare Ventures Limited (formerly Dare Investments Limited (DVL))	Subsidiary	India	100	*	1,850	*	(40)	6%	150	*	110
CFL Mauritius Limited (CML)	Subsidiary	Mauritius	100	*	134	*	(27)	0%	3	*	(24)
Coromandel Brasil Limitada (CBL), Limited Liability Partnership	Subsidiary	Brazil	100	*	(96)	*	(113)	*	(6)	*	(119)
Coromandel Mali SASU (CMS)	Subsidiary	Mali	100	*	7	*	(0)	-	1	*	1
Yanmar Coromandel Agrisolutions Private Limited (YCAS)	Joint venture	India	40	*	1,718	*	365	*	-	*	365
Sabero Organics Philippines Asia Inc (SOPA)	Associate	Philipins	40	*	16	*	9	*	-	*	9
Total					6,35,827		1,52,846		2,421		1,55,267

* Less than 1%

a. In respect of SOAL, Coromandel Mexico, Sabero Australia and CNL the financial year is from 1 January 2021 to 31 December 2021 and accordingly audited financials statements are available upto 31 December 2021. The consolidated financial statements have been adjusted by the management for significant transactions between 1 January 2022 to 31 March 2022 to align for consolidation purpose.

b. In respect of Sabero Argentina, CML, CBL, CMS, SOPA the financial year is from 1 January 2021 to 31 December 2021, however the unaudited financial statements for the period from 1 April 2021 to 31 March 2022 has been considered for the purpose of preparation of consolidated financial statements.

c. In respect of Sabero Europe the financial year is from 1 June 2021 to 31 May 2022 and in respect YCAS the financial year is from 1 April 2021 to 31 March 2022, however un-audited financial statements for the period 1 April 2021 to 31 March 2022 has been considered for the purpose of preparation of consolidated financial statements.

Consolidated Notes
forming part of financial statements (cont)

(₹ in lakhs, unless otherwise stated)

47. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

48. Other statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Group has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group does not have any such 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

49. Previous period / year figures have been regrouped/reclassified, where necessary, to conform to the current period / year classification.

50. Approval of financial statements

The financial statements were approved by the Board of Directors on 28 April 2022.

In terms of our report attached

For and on behalf of the Board of Directors
Coromandel International Limited

For S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number : 101049W/E300004

Sameer Goel
Managing Director

A Vellayan
Chairman

Shankar Srinivasan
Partner
Membership Number: 213271
Place: Secunderabad
Date: 28 April 2022

Jayashree Satagopan
Chief Financial Officer

Rajesh Mukhija
Company Secretary

23. GRI Index[66]

GRI Standard	Disclosure Title	Page number
GRI 102: General Disclosures		
Organizational profile		
102-1	Name of the organization	7
102-2	Activities, brands, products, and services	9
102-3	Location of headquarters	12
102-4	Location of operations	13
102-5	Ownership and legal form	193
102-6	Markets served	12
102-7	Scale of the organization	12
102-8	Information on employees and other workers	85
102-9	Supply chain	96
102-10	Significant changes to the organization and its supply chain	96
102-11	Precautionary Principle or approach	61
102-12	External initiatives	97
102-13	Membership of associations	97
Strategy		
102-14	Statement from senior decision-maker	18
Ethics & Integrity		
102-16	Values, principles, standards, and norms of behavior	37
Governance		
102-18	Governance structure	27
102-26	Role of highest governance body in setting purpose, values, and strategy	27
Stakeholder Engagement		
102-40	List of stakeholder groups	55
102-41	Collective bargaining agreements	91
102-42	Identifying and selecting stakeholders	55
102-43	Approach to stakeholder engagement	55
102-44	Key topics and concerns raised	55

[66] GRI 102-55

Reporting Practices		
102-45	Entities included in the consolidated financial statements	308
102-46	Defining report content and topic Boundaries	5
102-47	List of material topics	No change
102-48	Restatements of information	
102-49	Changes in reporting	No change
102-50	Reporting period	5
102-51	Date of most recent report	5
102-52	Reporting cycle	5
102-53	Contact point for questions regarding the Report	5
102-54	Claims of reporting in accordance with the GRI Standards	5
102-55	GRI content index	395-399
102-56	External assurance	-
Management Approach		
103-1	Explanation of the material topic and its Boundary	27, 69, 75, 77, 79, 85, 93, 105
GRI 200: Economic Performance		
Economic Performance		
201-1	Direct economic value generated and distributed	69
Anti-Corruption		
205-1	Operations assessed for risks related to corruption	35
205-2	Communication and training about anti-corruption policies and procedures	35
GRI 300: Environment Performance		
Energy		
302-1	Energy consumption within the organization	105
302-3	Energy Intensity	106
302-4	Reduction of energy consumption	106
Water and Effluents		
303-4	Water discharge	107
303-5	Water consumption	107
Biodiversity		
304-3	Habitats protected and restored	111
Emissions		
305-1	Direct (Scope 1) GHG emissions	107
305-2	Direct (Scope 1) GHG emissions	107
305-5	Reduction of GHG emissions	107
Effluents and Waste		
306-3	Waste generated	108
306-5	Waste directed to disposal	108
Environment Compliance		
307-1	Non-compliance with environmental laws and regulations	202
Supplier environmental assessment		
308-1	New suppliers screened for environmental performance	96
GRI 400: Social Performance		
Employment		
401-1	New employee hires and employee turnover	86
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	87
401-3	Parental leave	87
Labor and Management relations		
402-1	Minimum notice period regarding operational changes	91

Occupational Health and Safety			
403-1	Occupational health and safety management System	90	
403-2	Hazard identification, risk assessment, and incident investigation	90	
403-3	Occupational health services	90	
403-4	Worker participation, consultation, and communication on occupational health and safety	90	
403-5	Worker training on occupational health and safety	90	
403-6	Promotion of worker health	90	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	90	
403-8	Workers covered by an occupational health and safety management system	90	
403-9	Work-related injuries	90	
403-10	Work-related ill health	90	
Training and education			
404-1	Average hours of training per year per employee	89	
404-2	Programs for upgrading employee skills and transition assistance programs	89	
Diversity and equal opportunity			
405-1	Diversity of governance bodies and employees	91	
405-2	Ratio of basic salary and remuneration of women to men	91	

Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	91	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	91	
408-1	Operations and suppliers at significant risk for incidents of child labor	91	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	91	
410-1	Security personnel trained in human rights policies or procedures	45	
Supplier social assessment			
414-1	New suppliers screened as per social criteria	96	
Socio-economic compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	91	
Community			
413-1	Operations with local community engagement, impact assessments, and development programs	97	
413-2	Operations with significant actual and potential negative impacts on local communities	None of our operations have a negative impact on the local communities	

Coromandel
FUTURE POSITIVE

Nurturing A Sustainable Tomorrow