

THE PHOSPHATE COMPANY LIMITED

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



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

Ref:290A/372

November 27, 2020

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

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

Scrip Code: 542123

Scrip code: 10026031

Re: Reg.34

Dear Sir,

Pursuant to Regulation 34 of SEBI (LODR) Regulation 2015, enclosed please find Annual Report for 2019-20 alongwith Notice of the Annual General Meeting to be held on Monday, 21st December 2020.

This may please be informed to all the concerned.

Thanking you.

Yours faithfully

For The Phosphate Co. Ltd.

Shankar Banerjee

(Shankar Banerjee)

Dy. Secretary & Compliance Officer

Encl. a/a



THE PHOSPHATE COMPANY LIMITED

CIN: L24231WB1949PLC017664

Registered Office

14, NETAJI SUBHAS ROAD KOLKATA -700001

Phone: 033-22300771, E-mail: lakshmiphosphate@gmail.com,

Website : www.phosphate.co.in

NOTICE

NOTICE is hereby given that the 72nd Annual General Meeting of the Members of the Company will be held through Video Conferencing/Other Audio Visual Means on Monday, the 21st December, 2020, at 11.30 A.M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2020 together with the Report of Board of Directors and Auditors thereon and in this regard, pass the following resolutions as an **Ordinary Resolutions**:

“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Shri Binod Khaitan (DIN:00128502), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Binod Khaitan (DIN: 00128502), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Special Business:

3. To ratify the appointment and remuneration of the Cost Auditors of the Company for the financial year ending 31st March 2021 and in this regard pass the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force, the reappointment of M/s S. Gupta & Co., Cost & Management Accountants as recommended by the Audit Committee and appointed by the Board of Directors of the Company, be and is hereby ratified to conduct the audit of the cost records of the company for Fertiliser for the financial year ending 31st March 2021, at a remuneration Rs.15000/- plus taxes and out of pocket expenses”.

By Order of the Board
For **THE PHOSPHATE COMPANY LIMITED**

Regd. Office :
14, Netaji Subhas Road
Kolkata – 700 001
Date: November 9, 2020.

Suresh Kumar Bangur
Executive Director
(DIN: 00040682)

THE PHOSPHATE COMPANY LIMITED

NOTES:

1. A Statement under Section 102 of the Companies Act, 2013 ("Act") relating to item no 3 as mentioned above is annexed hereto as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
2. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 15th December, 2020 to Monday, 21st December, 2020 (both days inclusive).
3. Due to the outbreak of COVID-19 pandemic, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020, 14/2020, 17/2020 and SEBI vide its Circular No. SEBI/ HO/ CFD/ CMD1/ CIR/ PI/ 2020/ 79 has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the AGM of the Company shall be conducted through VC / OAVM. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Hence Attendance Slip, Route Map and Proxy Form are not annexed to this Notice.
5. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM and Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice will also be available on the Company's website at <http://www.phosphate.co.in> . in, websites of the Stock Exchanges i.e. BSE Limited and The Calcutta Stock Exchange Limited at www.bseindia.com and www.cse-india.com respectively and on website of the e-voting agency-National Securities Depository Limited at www.evoting.nsdl.com.
6. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorizing under the said Board Resolution to attend and vote on their behalf at the Meeting.
7. Pursuant to the Circulars issued by the Ministry of Corporate Affairs dated 8 April, 2020, 13 April, 2020 and 5 May, 2020, the Company is providing facility of remote e-voting and e-voting at AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. The resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions. The Company is pleased to provide member the facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the members using an electronic voting system will be provided by NSDL.
9. The facility of joining the AGM through VC / OAVM will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the e-AGM.
10. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
11. Members are requested to note that under section 124 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) the amount of dividend if any unpaid or unclaimed for a period of 7 (seven) years from the due date is required to be transferred to Investor Education and Protection Fund (IEPF) constituted by the Central Government of India. Further, all shares in respect of which dividend remain unclaimed for 7 consecutive years or more, are also required to be transferred to the IEPF. The Company had accordingly transferred final dividend pertaining to the Financial Year 2006-07 to the IEPF within the stipulated time period. Thereafter, no dividend has been declared by the Company.
12. Members holding shares in physical form may intimate the Company necessary particulars for ECS credit of the dividend directly to their bank accounts wherever ECS facility is available or for printing of their bank account details on the dividend warrants to prevent possibilities of fraud in encashing the warrants.

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13. Members holding shares in physical mode are requested to intimate changes in their address alongwith proof of address/bank mandate to the Registrar and Share Transfer Agents (RTA), M/s Maheshwari Datamatics Pvt. Ltd. Members holding shares in electronic mode are requested to send the intimation for change of address / bank mandate to their respective Depository Participant.
14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's RTA, enclosing their share certificates to enable the Company to consolidate their holdings into a single folio.
15. Shareholders are also requested to take immediate action to demat their shares to avail easy liquidity since trading of shares of the Company are under compulsory demat mode as per the regulation of SEBI and also to prevent any loss of physical Share Certificate (if already complied with, please ignore this).
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the R&T Agent or to the Registered Office of the Company.
17. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
18. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Secretarial Standard on General Meeting in respect of the Director seeking re-appointment/ appointment at the Annual General Meeting, forming an integral part of the notice is appended below.

Name	Shri Binod Khaitan
DIN	00128502
Nationality	Indian
Date of Birth	23-01-1944
Date of First Appointment to the Board	27-12-1990
Qualifications	B.Com. & M.BA (Geneva)
Expertise in specific functional areas	He is an eminent businessman with wide experience in the business of Timber, Tea, Jute, Fertiliser, Tyre-Tubes & Soft Drinks. He is member of Rotary Club of Central Calcutta & actively involved in social service, especially in the upliftment of Villages around Kolkata.
Directorships held in other companies	Electro Steel Castings Ltd. Adelina Investments Private Ltd.
Membership/ Chairmanship of Committees of other public limited company	4
Disclosure of Relationship between Directors inter-se	Nil
No of Board Meetings attended in 2019-20	3
Shareholding in the Company	Shri Khaitan holds by himself 82400 Equity shares in the Company

Disclosure pursuant to Schedule V of the Companies Act 2013

N.A.

Shri Binod Khaitan, shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. Shri Khaitan joined the Board of Directors as a Non-Executive Director from 27-12-1990. Upon his re-appointment as a director, Shri Khaitan shall continue to hold office as a Non-Executive Director subject to retirement by rotation. Shri Khaitan has furnished the requisite declaration for his re-appointment.

Accordingly, the Board recommends his re-appointment.

Except Shri Khaitan, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in agenda Item No.2.

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19. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them Pursuant to section 72 of the Companies Act 2013. The prescribed Form (Form SH 13) can be obtained from the Share Department of the Company. Members desiring to avail this facility, may send their Nomination Form (in duplicate) duly filled in, to the Company or its Share Transfer Agents M/s. Maheshwari Datamatics Pvt. Ltd. of 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700001 by quoting their respective Folio Numbers.
20. SEBI and Ministry of Corporate Affairs encourages paperless communication as a contribution to Green environment. Members holding shares in physical mode are requested to register their e-mail address to the RTA for receiving all communications including annual reports, notices, circulars etc. from the company electronically. Members who wish to register their e-mail id can download the green initiative form from the company's website www.phosphate.co.in.
21. Members are requested to update or intimate change, if any, in their address, Email ID, etc. along with the Folio details and PAN at our email address at lakshmiphosphate@gmail.com / shankar@phosphate.co.in. Notice of AGM and Annual Report for the FY 2019-20 are being sent electronically to the members whose email IDs are registered with the company. Any members who has not registered his / her email ID, may register his / her email ID with the Company and may also request for a copy of Annual Report electronically. The AGM Notice is also available on the website of NSDL (agency for providing the e-Voting facility) i.e. www.evoting.nsdl.com.
22. The statutory registers including register of directors, KMP, the register of contracts under the Companies Act, 2013 and all the other documents referred to in the notice will be available for inspection in electronic mode, members can also inspect the same by sending an email to shankar@phosphate.co.in.
23. The AGM is deemed to be held at the registered office of the Company.
24. For ease of conduct, members who would like to register themselves as speakers in the meeting or ask questions /express their views on the items of the businesses to be transacted at the meeting can send in their questions / comments in at least 7 days prior to the date of the AGM at shankar@phosphate.co.in. The member must mention his / her name, Folio No. or Demat Account No., if any, Email ID, Mobile No. with the query; so that relevant query may be replied by the Company at the AGM. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
25. **Voting at the AGM**
 - Remote Voting through electronic means
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting (remote e-voting), Services provided by National Securities Depository Ltd. (NSDL):

The instructions for shareholders voting electronically are as under:

 - (i) The voting period begins on Friday, 18th December, 2020 (9:00 am) and ends on Sunday, 20th December, 2020 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, the 14th December, 2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
 - (ii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
 - (iii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
 - (iv) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
 - (v) Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
 - (vi) Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:

 - a) For Members who hold shares in demat account with NSDL 8 Character DP ID followed by 8 Digit Client ID For example if your DPID is IN300*** and ClientID is 12***** then your user ID is IN300***12*****.
 - b) For Members who hold shares in demat account with CDSL. 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

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- c) For Members holding shares in Physical Form.
EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
- (vii) Your password details are given below:
If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- (viii) How to retrieve your 'initial password'?
If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- (ix) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- (x) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- (xi) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (xii) Now, you will have to click on "Login" button.
- (xiii) After you click on the "Login" button, Home page of e-Voting will open.
- (xiv) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- (xv) After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- (xvi) Click on the EVEN for the relevant <Company Name> i.e. The Phosphate Company Limited on which you choose to vote.
- (xvii) Now you are ready for e-Voting as the Voting page opens.
- (xviii) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- (xix) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xx) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (xxi) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (xxii) General Guidelines for shareholders.
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.aaa.2014@gmail.com with a copy marked to evoting@nsdl.co.in.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to evoting@nsdl.co.in
- II. **Instructions for Shareholders for e-voting during the AGM are as follows:**
- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 - Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 - If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 - Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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- III. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 14th December 2020, may obtain their User ID and Password for e-voting from Company's Registrar & Transfer Agent M/s Maheshwari Datamatics Pvt. Ltd. at mdpldc@yahoo.com (Phone No.: 91-33-22482248)
- IV. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 14th December 2020. A person who is not a member as on cut-off date should treat this notice for information purpose only.
- VI. CS Ajay Kumar Agarwal proprietor of M/s. Agarwal A& Associates, Company Secretaries (M No. F7604, CP No. 13493) of PS Qube, Plot No. IID/31/1 Street No. 1111, Unit No. 1015A, 10th Floor, Kolkata- 700161 has been appointed as the Scrutinizer to scrutinize the remote e-voting and voting process to be carried out at the Annual General Meeting in a fair and transparent manner.
- VII. The Scrutinizer will submit, not later than 2 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company.
- VIII. The Chairman shall declare the result forthwith. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.phosphate.co.in and on the website of NSDL and communicated to Stock Exchange, immediately.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.

Item no.3

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, remuneration payable to the Cost auditors has to be ratified by the shareholders of the Company.

The Board on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s S Gupta & Co, Cost & Management Accountants, as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2021. The remuneration recommended by the Board is Rs.15,000/- plus taxes and out of pocket expenses for fertiliser.

The Directors accordingly recommend the ordinary resolution set out at item 3 of the notice for approval of the shareholders.

None of the Directors, Key Managerial Personnel or their relatives are/is in any way regarded as concerned or interested in the aforesaid resolution.

By Order of the Board
For **THE PHOSPHATE COMPANY LIMITED**

Regd. Office :
14, Netaji Subhas Road
Kolkata – 700 001
Date: November 9, 2020.

Suresh Kumar Bangur
Executive Director
(DIN: 00040682)

Annual Report

2019-20



THE PHOSPHATE COMPANY LIMITED

THE PHOSPHATE COMPANY LIMITED

CIN: L24231WB1949PLC017664

BOARD OF DIRECTORS

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

PRESIDENT & CFO

Shri Ajay Bangur

COMPANY SECRETARY

Shri Shankar Banerjee

STATUTORY AUDITORS

M/s. S.K.Agrawal & Company
Chartered Accountants
Kolkata

BANKERS

State Bank of India, Kolkata
Canara Bank (e-Syndicate Bank), Kolkata

REGISTRAR & SHARE TRANSFER AGENT

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

Registered Office

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

WORKS

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

DIRECTORS REPORT

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2020.

(Amount in lakhs Rs.)

FINANCIAL RESULTS	Stand-alone		Consolidated	
	Current year	Previous year	Current year	Previous year
Turnover	7883	7741	7883	7741
EBIDTA	717	898	717	896
Finance Cost	412	509	412	509
Depreciation	106	113	106	113
Tax Provisions	(14)	132	(14)	132
Profit after tax	213	144	212	142
Other Comprehensive Income	(11)	3	(11)	3
Total Comprehensive Income	202	147	201	145

BUSINESS PERFORMANCE & AFFAIRS

Your Company Sold 67350 MT Single Super Phosphate Fertiliser comprising of Powder & Granulated in the year 2019-20 compared to 63970 MT sold in last year. Thus, registering a growth of over 5%.

During the year under review, Your Company achieved Earnings before providing for Interest, Depreciation & Tax of Rs.717 lakhs compared to Rs.898 lakhs in previous year. However, after providing for Interest, Depreciation, Tax and Other Comprehensive Items, Total Income during the year stood at Rs.202 lakhs compared to Rs.147 lakhs in previous year.

Goods and Service Tax (GST) on Sale of fertiliser is at 5% whereas Input Tax on "Goods" and "Services" purchased / availed varies from 5% to 18%. Government is refunding accumulated GST suffered on Goods only. Thus over Rupees Three cores Tax incurred on Services remains in books. The Company has taken up the matters for refund on the basis of recent Court Orders.

OUTLOOK

Govt. of India has allowed Nutrient Based Subsidy of Rs.2826/- per MT on sale of Single Super Phosphate fertiliser for the year 2019-20. The subsidy has been reduced to Rs.2643 per MT for the year 2020-21.

The Company has incurred heavy losses due to:

- Lock down of operations during April & May 2020 due to COVID 19 Pandemic;
- Damages to Company's properties due to Cyclone Amphan in May. 2020.

However, demand for Fertiliser is expected to be good and prices of Almost All Agricultural Product are very buyont.

Shortage of Agricultural Labour:- the situation has eased considerably as migrant labour have returned and are taking this job, due to Pandemic COVID-19.

Management expects that losses incurred will be recovered due to above favourable factors.

LISTING

The Company Equity Shares are listed at a) BSE Ltd. (Bombay Stock Exchange Ltd.) with Scrip Code:542123 under ISIN:INE398C01016 and b) Calcutta Stock Exchange Ltd.

DEMATERIALISATION OF SHARES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with ISIN:INE398C01016.

SEBI(Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 has made transfer of securities compulsorily in dematerialised form w.e.f. 1st April 2019. As on March 31, 2020, 94.56%of the share capital stands dematerialized.

CREDIT RATING

The Company has approached for withdrawal of Bank Loan Rating since the Present Banking Limits do not require Bank Loan Rating. The last credit rating over the years have improved as follows:

Rating Issued in	July 2019	May 2018	Jan 2017	Nov 2015
Long Term Rating	BB+	BB	BB-	B
Short term Rating	A4+	A4+	A4+	A4

DIVIDEND

To conserve resources, no dividend is proposed by the Company.

TRANSFER TO GENERAL RESERVES

The Company has transferred a sum of Rs.20 lacs to General Reserve.

SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

In compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of CS Ajay Kumar Agarwal, Proprietor of M/s Agarwal A & Associates, Company Secretaries in Whole-time-Practice [C.P. No. 13493 (FCS-7604)], as the Secretarial Auditor of the Company for the Financial Year ending March 31, 2021. The Secretarial Audit Report for the financial year ended March 31, 2020, in Form MR-3, forms an integral part of this report and is annexed as Annexure A(i).

MANAGEMENT DISCUSSION AND ANALYSIS

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

SHARE CAPITAL

There has been no alteration of share capital during the year.

The paid-up Equity Share Capital as on 31st March, 2020 was Rs.360.75 lacs. During the year under review, the Company has not issued any shares. The Company has not issued shares with Differential Voting Rights. It has neither issued Employee Stock Options nor Sweat Equity Shares and does not have any scheme to fund its employees to purchase the shares of the Company.

DIRECTORS

Smt Sonali Sen (DIN:00451839) was appointed as an Independent Director of the Company on 27th August 2019 subject to approval of the members. The members of the Company have consented to her appointment in the Annual General Meeting held on 26th September 2019.

Shri Dilip P Goculdas (DIN: 00367409) has been re-appointed as an Independent Director for a further period of 5 years through a special resolution at the Annual General Meeting held on 26th September 2019.

Shri Binod Khaitan retires by rotation and being eligible, offers himself for re-appointment.

Particulars of the Directors seeking appointment / re-appointment are appended in the notes forming part of the notice for the ensuing Annual General Meeting.

WOMAN DIRECTOR

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, has appointed Smt Sonali Sen (DIN:00451839) on 27th August 2019 as an Independent Director subject to approval of the members of the Company. The members of the Company have given consent to her appointment as an Independent Director of the Company for a period of Five Years and not liable to retirement in the Annual General Meeting held on 26th September 2019.

DECLARATION BY INDEPENDENT DIRECTOR

Independent Directors hold office for a fixed period of five years and are not liable to retire by rotation. The Company has received declarations from Independent Director of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations. The terms of appointment of Independent Directors are available in the Company's web site.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Your Board of Directors met 5 times during the financial year 2019-20, the dates being 30th May 2019, 8th August 2019, 27th August 2019, 2nd November 2019 and 12th February 2020. Intervening gap between two meetings is within the time limit prescribed under the Companies Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

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

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

FORMAL ANNUAL EVALUATION

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

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

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

KEY MANAGERIAL PERSONNEL

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

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

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

INTERNAL CONTROL SYSTEM & ADEQUACY

Your Company has an Internal Control System, commensurate with the size, scale and complexity of operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board for its direction. The Company has an adequate internal financial controls system over financial reporting and operating effectively as at 31 March 2020.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

PUBLIC DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARY COMPANIES

M/s Abhinandan Goods Pvt. Ltd. is the wholly owned subsidiary of your Company. Particulars of subsidiary company is presented in Form AOC-1 as per Annexure – E forming a part of the Directors Report.

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

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiary, which forms a part of the Annual Financial Statements, have been prepared in accordance with the provisions of section 129(3) of the Companies Act 2013. The salient features of the Financial Statement including details of performance and financial position of the Subsidiary Company is presented in the prescribed format in Form AOC-1 as per Annexure-E forming a part of the Director's Report.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form No. MGT-9 forms part of the Board's Report and is annexed herewith as Annexure - G.

HUMAN RESOURCES

As on March 31, 2020 your company had 42 permanent employees. The company acknowledges the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company maintained cordial relationship with workers and staff during the year. Particulars of employees required under section 197(12) of the Companies Act 2013 read with Rule 5(1) of Companies (Management and Administration) Rules 2014 is annexed in Annexure H and forms an integral part of this report.

RELATED PARTY TRANSACTIONS

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

CODE OF CONDUCT

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

VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

PREVENTION OF INSIDER TRADING

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

CORPORATE SOCIAL RESPONSIBILITY

Section 135 of the Companies Act 2013 relating to Corporate Social Responsibility Committee and its obligations are not applicable to your Company as it is neither having net worth of Rupees Five Hundred Crore or more, or turnover of Rupees One Thousand Crore or more or a net profit of Rupees Five Crore or more during any financial year.

INSURANCE

All the properties of your Company are adequately insured.

STATUTORY AUDITOR & AUDIT REPORT

M/s S.K.Agrawal & Co., Chartered Accountants (F.R.No.305158E), were appointed as the Statutory Auditors of the Company at the 69thAGM of the Company. The appointment was for a term of 5 (five) consecutive years from the conclusion of 69th AGM till the conclusion of 74th AGM of the Company subject to ratification by the members at each Annual General Meeting. It is to be noted that the Companies (Amendment) Act, 2017 has omitted the provision for seeking ratification of such appointment at every intervening AGM.

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

COST AUDITOR & COST AUDIT

Pursuant to the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, your Company is required to have its cost records audited by a Cost Accountant in practice. The Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of M/s. S Gupta & Co., Cost Accountants (F.R.No.000020) as the Cost Auditors of the Company for the Financial Year ending March 31, 2021. Pursuant to Section 148 of the Act, read with Rule 14(a)(ii) of Companies (Audit and Auditors) Rules, 2014, ratification of the remuneration of Cost Auditors is being sought from the Members of the Company at the ensuing AGM. The details of the same are provided in the Notice convening the AGM

INTERNAL AUDITORS

Your Directors have appointed M/s Batliboi Purohit & Darbari, Chartered Accountants, (F.R.No.303086E), as Internal Auditor for the financial year ending 31st March, 2021.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company during the year under review, comprised of 3 (Three) Members, namely Smt. Sonali Sen, Shri Dilip P Goculdas and Shri Suresh Kumar Bangur, two of them are Independent Directors and one is a Non-Independent Executive Director. The Committee met four times in the financial year 2019-20. The Board accepted all the recommendations of the Audit Committee during the year.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company has a duly constituted stakeholder's relationship committee. One meeting of the Committee was held during the year.

BUSINESS RISK MANAGEMENT

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

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

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

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

Energy Conservation

a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation of energy is achieved.

b) No specific investment has been made towards reduction in energy consumption.

Technology Absorption

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

Foreign Exchange Earnings & Outgo

Particulars	2019-20	2018-19
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo		
-Purchase of Raw materials	Rs.20,52,00,304	Rs.27,64,14,877
-Others	Nil	Rs. 1,67,606

Particulars of Employees

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

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES

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

The Company had filed appeal before Hon. High Court, Kolkata against dismissal of its claim of freight subsidy on fertilisers against the Ministry of Fertilisers, Government of India. During the year, the High Court has given a favourable order in the matter, however, the Ministry of Fertilisers, Government of India, has misread and/or misinterpreted the said order and made part payment of the claim. The management is considering taking legal recourse for recovery of the full amount, however, in view of uncertainty the balance amount has prudently been written off.

CORPORATE GOVERNANCE

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

The COVID-19 pandemic has rapidly spread across the world as well as in India and has caused shutdown of all offices from March 24, 2020. The Company has resumed its operations in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business, and believes that the impact is likely to be from short to medium term in nature. The management does not see long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Management has also evaluated the recoverability of receivables and realisability of inventory on hand based on subsequent realisations and customer orders respectively. However, given the uncertainties associated with the eventual outcome, nature and duration of the pandemic, the impact may be different from that estimated as on the date of approval of these financial statements.

Further, on 20th May 2020, the Operations of the Company were also affected by Amphan cyclone which has severely damaged the assets at the factory. The Company is adequately insured and has lodged claim with insurance Company.

SEXUAL HARASSMENT

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. During the year 2019-20, no case of Sexual Harassment was reported.

REPORTING OF FRAUDS:

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

OTHER DISCLOSURES

The Company has proper and adequate systems and processes in place to ensure compliance with all applicable Secretarial Standards issued by The Institute of Company Secretaries of India. There has been no change in the nature of Business.

ACKNOWLEDGEMENTS

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

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

Kolkata
Dated: 9th November 2020

Suresh Kumar Bangur
Executive Director
DIN:00040862

Binod Khaitan
Director
DIN:00128502

CAUTIONARY STATEMENT:

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

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

FORM No. MR3**SECRETARIAL AUDIT REPORT
For The Financial Year Ended On 31st March, 2020**

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

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

We have been appointed by the Board of Directors of **The Phosphate Company Limited (CIN: L24231WB1949PLC017664)** (hereinafter called the Company) to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2020.

We have conducted the secretarial audit for the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Phosphate Company Limited** (hereinafter called **the Company**) having its Registered Office at 14 Netaji Subhas Road, Kolkata-700001, West Bengal. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, 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:

1. We have examined the books, papers, minute books, registers, forms, and returns filed and other records maintained by **The Phosphate Company Limited** ("the company") for the financial year ended on 31st March, 2020 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- (***No such Transactions, hence not applicable to the Company during the Audit Period***)
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') or by SEBI, to the extent applicable:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
2. The following Acts, over and above other laws are specifically applicable to the Company as per the Management Representation Letter issued by the Company of even date:
 - (i) Fertiliser (Control) Order 1985 issued under the Essential Commodities Act, 1955 by the Central Government.

3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which are **not** applicable to the Company during the financial year underreport:-
- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards with respect to the board and general meetings issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange and BSE Limited.
4. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above
5. We further report that:
- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
 - (iii) All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We further report that during the Audit period there are no specific events /actions which have a major bearing on the Company's affairs.

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

Place: Kolkata
Date: 13th September, 2020

For **AGARWAL A & ASSOCIATES**
Company Secretaries
CS Ajay Kumar Agarwal
Proprietor
C.P No.: **13493**
M. No. : **F7604**
UDIN NO.: F007604B000707149

‘ANNEXURE A’ (ii)

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide 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.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Kolkata
Date: 13thSeptember, 2020

For **AGARWAL A & ASSOCIATES**
Company Secretaries
CS Ajay Kumar Agarwal
Proprietor
C.P No.: **13493**
M. No. : **F7604**
UDIN NO.: F007604B000707149

MANAGEMENT DISCUSSION AND ANALYSIS**Industry review:**

Sale of All Fertiliser in India during 2019-20 was at over 6.13 crores MT registering a growth of 8% from previous year which was at over 5.66 crores MT. Country is still importing huge quantity of Urea and DAP Fertiliser from across the Globe. Government is trying to increase Production of Urea by revamping closed Public Sector Units.

Sale of Single Super Phosphate fertiliser during 2019-20 was at over 42 lakhs MT registering a growth of 6% from previous year which was at over 39 lakhs MT.

Government Policy

Government is giving subsidy as per Nutrient Based Subsidy Policy on sale of all types of P & K Fertiliser. Rate of subsidy is decided by Government in advance for full financial year. Subsidy on Sale of Single Super Phosphate Fertiliser during Financial Year 2019-20 was Rs.2826/- per MT which has been reduced to Rs.2643/- per MT for the financial year 2020-21.

Review of the Company

Your Company had sold 67350MTs of Single Super Phosphate (Powder + Granulated) Fertiliser during the year compared to 63970 MTs in previous year, registering a growth of over 5%.

The Company earned a Total Comprehensive Income of Rs.202lacs after making provisions for all expenses and tax, compared to Rs.147 lacs in previous year on Standalone basis.

Opportunities & Risks**Opportunities**

Government of India is encouraging use of Multi-Nutrient Fertiliser. Since your Company's product Single Super Phosphate contains SULPHUR, CALCIUM besides PHOSPHOROUS which makes it truly a multi-nutrient Fertiliser. Thus market for this Fertiliser seems good.

Risk

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

Internal Control Systems and their adequacy:

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

Disclosure of Accounting Treatment:

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

Disclosure Pursuant to Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015**A. Related Party Disclosures****Compliance of Accounting Standards:**

No.	In the Accounts of	Particulars	Year-end balance	Maximum amount outstanding during the year
1	Holding Company	Loans and Advance to Subsidiary Company	Nil	Nil
2	Subsidiary Company	Loans and Advance to Holding Company	Nil	Nil
3	Holding Company	Specified investments	Rs.24 lacs	Rs.24 lacs

N.B. There is a due and maximum due of Rs.419.35 lacs from subsidiary co against sale.

B. Management Discussion and Analysis

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

C. Disclosure of Accounting Treatment

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

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

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

POLICY FOR SELECTION & APPOINTMENT OF DIRECTORS & THEIR REMUNERATION

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

Criteria of selection of Non-Executive Directors

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

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

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

Remuneration

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

CEO & Managing Director - Criteria for selection / appointment

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

Remuneration for the CEO & Managing Director

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

Remuneration Policy for the Senior Management Employees

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

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

The above policies are available in the co's website <http://www.phosphate.co.in/>

FORM NO. AOC -1**(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules,2014)****Statement containing salient features of the financial statement of subsidiaries as on 31-03-2020
Part "A" :Subsidiaries**

(Rs. in Lacs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Abhinandan Goods Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same reporting period as that of Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupee
4	Share capital	24.00
5	Reserves & Surplus	1.20
6	Total Assets	1086.71
7	Total Liabilities	1061.51
8	Investments	Nil
9	Profit (Loss)before Taxation	(0.26)
10	Provision for Taxation(Deferred Tax)	(0.07)
11	Profit (Loss) after Taxation	(0.19)
12	Proposed dividend	Nil
13	% of shareholding	100
14	Date of acquisition of the subsidiary company	26-03-2016

Notes:

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

Since there are no Associate Company or Joint Venture, the Part B is not applicableOn behalf of the Board of Directors
For The Phosphate Co. Ltd.Suresh Kumar Bangur
Executive Director
DIN:00040862Binod Khaitan
Director
DIN:00128502Kolkata
Dated: 9th November 2020

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

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

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

Name of the related party	Nature of Contract	Duration of Contract	Salient terms	Date of Board Approval
Shri Suresh Kumar Bangur	Executive Director	Contractual 3 Years	Salary/ Contribution to PF etc/ Perquisites	08-08-18
Shri Ajay Bangur	Chief Financial Officer	Non Contractual	Salary Contribution to PF etc /Perquisites	15-05-14
Shri Shankar Banerjee	Company Secretary	Non-Contractual	Salary /Contribution to PF etc/ Perquisites	10-08-16
Cowcoody Builders Pvt. Ltd.	Rs. 130 lacs	Payable on demand	ICD @ 12%	30-05-19
Credwyn Holdings India P Ltd.	Rs. 85 lacs	Payable on demand	ICD @ 12%	30-05-19
Devendra Finvest & Holding Pvt Ltd	Rs. 141 lacs	Payable on demand	ICD @ 12%	30-05-19
Kanchan Udyog Ltd	Rs. 290 lacs	Payable on demand	ICD @ 12%	30-05-19
Kherapati Vanijya P Ltd.	Rs. 100 lacs	Payable on demand	ICD @ 12%	30-05-19
P.D.G.D. Investment & Trading P Ltd.	Rs. 60 lacs	Payable on demand	ICD @ 12%	30-05-19
Adelina Investments Pvt. Ltd.	Rs. 42 lacs	Payable on demand	ICD @ 12%	08-08-19
Art Finance & Trade Pvt. Ltd.	Rs. 50 lacs	Payable on demand	ICD @ 12%	08-08-19
Devendra Finvest & Holding Pvt Ltd	Rs. 80 lacs	Payable on demand	ICD @ 12%	08-08-19
The Oriental Company Ltd	Rs. 25 lacs	Payable on demand	ICD @ 12%	08-08-19
Devendra Finvest & Holding Pvt Ltd	Rs. 22 lacs	Payable on demand	ICD @ 12%	02-11-19
Art Finance & Trade Pvt. Ltd.	Rs. 15 lacs	Payable on demand	ICD @ 12%	12-02-20
Devendra Finvest & Holding Pvt Ltd	Rs. 147 lacs	Payable on demand	ICD @ 12%	12-02-20
Kanchan Udyog Ltd	Rs. 25 lacs	Payable on demand	ICD @ 12%	12-02-20

No advance has been made to any related party whatsoever.

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

Kolkata
Dated: 9th November 2020

Suresh Kumar Bangur
Executive Director
DIN:00040862

Binod Khaitan
Director
DIN:00128502

Form MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31-03-2020
 [Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the
 Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L24231WB1949PLC017664
ii.	Registration Date	25-02-1949
iii.	Name of the Company	The Phosphate Company Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered Office and contact details	14 Netaji Subhas Road, Kolkata-700001 033-22300771 lakshmiphosphate@gmail.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 23 R.N.Mukherjee Road, 5 th Floor Kolkata-700001 Phone:033-22482248 Fax:033-22484787 mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Single Super Phosphate	3462101	98
2	Others		2

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	M/s Abhinandan Goods Pvt. Ltd. 14 N.S.Road, Kolkata-700001	U24100WB2009PTC133717	Subsidiary	100	2(87)(ii)

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

Category of Shareholders	No of Shares held at the beginning of the year [As on 01/Apr/2019]				No of Shares held at the end of the year [As on 31/Mar/2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1299666	26900	1326566	36.7727	1299666	26900	1326566	36.7727	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	1159010	0	1159010	32.1280	1159010	0	1159010	32.1280	0.0000
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	2458676	26900	2485576	68.9007	2458676	26900	2485576	68.9007	0.0000
(2) Foreign									
a) NRIs – Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)									
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2458676	26900	2485576	68.9007	2458676	26900	2485576	68.9007	0.0000

B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks/FI	334580	3200	337780	9.3633	334660	3110	337770	9.3630	-0.0003
c) Central Govt	0	240	240	0.0067	240	0	240	0.0067	0.0000
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	334580	3440	338020	9.3700	334900	3110	338010	9.3697	-0.0003
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	139886	8190	148076	4.1046	159671	8190	167861	4.6531	0.5484
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	155298	171982	327280	9.0722	170184	157562	327746	9.0851	0.0128
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	285220	0	285220	7.9064	285220	0	285220	7.9064	0.0000
c) Others (Specify)									
Non Resident Indians	2510	560	3070	0.0851	2507	560	3067	0.0850	-0.0001
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	238	0	238	0.0066	0	0	0	0.0000	-0.0066
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI	20000	0	20000	0.5544	0	0	0	0.0000	-0.5544
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Investor Education and Protection Fund Authority									
Sub-total(B)(2):-	603152	180732	783884	21.7293	617582	166312	783894	21.7296	0.0001
Total Public Shareholding (B)=(B)(1)+ (B)(2)	937732	184172	1121904	31.0993	952482	169422	1121904	31.0993	-0.0002
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3396408	211072	3607480	100.0000	3411158	196322	3607480	100.0000	0.0000

i. Shareholding of Promoters

SI No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2019]			Shareholding at the end of the year [As on 31/Mar/2020]			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	MADHAV TRADING CORPORATION LTD.	374880	10.3917	0.0000	374880	10.3917	0.0000	0.0000
2	SHRIVATS KHAITAN	231000	6.4034	0.0000	231000	6.4034	0.0000	0.0000
3	CREDWYN HOLDINGS INDIA LTD.	175000	4.8510	0.0000	175000	4.8510	0.0000	0.0000
4	KETTLEWELL BULLEN AND COMPANY LTD.	170000	4.7124	0.0000	170000	4.7124	0.0000	0.0000
5	NIKATE KHAITAN	164740	4.5666	0.0000	164740	4.5666	0.0000	0.0000
6	CHANDRAKALA KHAITAN	148280	4.1103	0.0000	148280	4.1103	0.0000	0.0000
7	JOONKTOLLEE TEA AND INDUSTRIES LTD.	138680	3.8442	0.0000	138680	3.8442	0.0000	0.0000
8	NIKATE KHAITAN	105600	2.9273	0.0000	105600	2.9273	0.0000	0.0000
9	RAJ PACKWELL LIMITED	100000	2.7720	0.0000	100000	2.7720	0.0000	0.0000
10	AMVI TRADECOM PRIVATE LIMITED	100000	2.7720	0.0000	100000	2.7720	0.0000	0.0000
11	WIND POWER VINIMAY PVT. LTD.	87840	2.4349	0.0000	87840	2.4349	0.0000	0.0000
12	BINOD KUMAR KHAITAN	82400	2.2841	0.0000	82400	2.2841	0.0000	0.0000
13	MADAN GOPAL BANGUR	79500	2.2038	0.0000	79500	2.2038	0.0000	0.0000
14	BINA BANGUR	70900	1.9654	0.0000	70900	1.9654	0.0000	0.0000
15	SAKATE KHAITAN	64760	1.7952	0.0000	64760	1.7952	0.0000	0.0000
16	SURESH KUMAR BANGUR	60860	1.6871	0.0000	60860	1.6871	0.0000	0.0000
17	RAJENDRA KUMAR BANGUR	56900	1.5773	0.0000	56900	1.5773	0.0000	0.0000
18	GITA BANGUR	46200	1.2807	0.0000	46200	1.2807	0.0000	0.0000
19	SURESH KUMAR BANGUR	43000	1.1920	0.0000	43000	1.1920	0.0000	0.0000
20	VIJAY KUMAR BANGUR	29400	0.8150	0.0000	29400	0.8150	0.0000	0.0000
21	RAMESH KUMAR BANGUR	27206	0.7542	0.0000	27206	0.7542	0.0000	0.0000
22	PRADYUMNA BANGUR	26580	0.7368	0.0000	26580	0.7368	0.0000	0.0000
23	SUDARSHAN BANGUR	26300	0.7290	0.0000	26300	0.7290	0.0000	0.0000
24	ANIRUDH BANGUR	15100	0.4186	0.0000	15100	0.4186	0.0000	0.0000
25	USHA KIRAN BANGUR	13380	0.3709	0.0000	13380	0.3709	0.0000	0.0000
26	THE ORIENTAL COMPANY LIMITED	9610	0.2664	0.0000	9610	0.2664	0.0000	0.0000
27	AJAY BANGUR	7800	0.2162	0.0000	7800	0.2162	0.0000	0.0000
28	BIMALA DEVI	5400	0.1497	0.0000	5400	0.1497	0.0000	0.0000
29	SHREE PRAKASH BANGUR	5400	0.1497	0.0000	5400	0.1497	0.0000	0.0000
30	MILAN BANGUR	4000	0.1109	0.0000	4000	0.1109	0.0000	0.0000
31	LUXMI DEVI	4000	0.1109	0.0000	4000	0.1109	0.0000	0.0000
32	RAMESH KUMAR BANGUR	4000	0.1109	0.0000	4000	0.1109	0.0000	0.0000
33	BANGUR TRAFIN PVT. LTD.	3000	0.0832	0.0000	3000	0.0832	0.0000	0.0000
34	SURESH KUMAR BANGUR	2000	0.0554	0.0000	2000	0.0554	0.0000	0.0000
35	SUSHMA BANGUR	840	0.0233	0.0000	840	0.0233	0.0000	0.0000
36	VEENA BANGUR	520	0.0144	0.0000	520	0.0144	0.0000	0.0000
37	MURLI DHAR KHAITAN	300	0.0083	0.0000	300	0.0083	0.0000	0.0000
38	HEMANT BANGUR	200	0.0055	0.0000	200	0.0055	0.0000	0.0000
	TOTAL	2485576	68.9007	0.0000	2485576	68.9007	0.0000	0.0000

ii. Change in Promoters' Share holding (please specify, If there is no change)

Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year and at the end of the year 31-03-2020	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2485576	68.9007	2485576	68.9007
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer/bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
At the End of the year	2485576	68.9007	2485576	68.9007

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

Sl No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20] and at the end of the year 31-03-2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation Of India				
	01-04-2019	189240	5.2458	189230	5.2455
	31-03-2020			189230	5.2455
2	Ramesh Chandra Tapuriah				
	01-04-2019	110000	3.0492	110000	3.0492
	31-03-2020			110000	3.0492
3	Shri Sudershan Prasad Bagaria				
	01-04-2019	100000	2.7720	100000	2.7720
	31-03-2020			100000	2.7720
4	The New India Assurance Company Limited				
	01-04-2019	82720	2.2930	82720	2.2930
	31-03-2020			82720	2.2930
5	National Insurance Company Ltd				
	01-04-2019	61520	1.7053	61520	1.7053
	31-03-2020			61520	1.7053
6	ShrishTapuriah				
	01-04-2019	50000	1.3860	50000	1.3860
	31-03-2020			50000	1.3860
7	S R Tie Up Private Limited				
	01-04-2019	45000	1.2474	45000	1.2474
	31-03-2020			45000	1.2474
8	Sangam Merchants Pvt.Ltd.				
	01-04-2019	35000	0.9702	35000	0.9702
	31-03-2020			35000	0.9702
9	Hanuman Share & Stock Brokers Limited				
	01-04-2019	27010	0.7487	27010	0.7487
	31-03-2020			27010	0.7487
10	Hindusthan Udyog Limited				
	01-04-2019	26400	0.7318	26400	0.7318
	31-03-2020			26400	0.7318

Shareholding of Directors and Key Managerial Personnel:

Sl No	Name	Shareholding at the Beginning of the year		Cumulative Shareholding during the year [01/Apr/19 to 31/Mar/20] and at the end of the year 31-03-2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shri Binod Khaitan				
	01-04-2019	82400	2.2841	82400	2.2841
	31-03-2020			82400	2.2841
2	Shri Hemant Bangur				
	01-04-2019	200	0.0055	200	0.0055
	31-03-2020			200	0.0055
3	Shri Suresh Kumar Bangur @				
	01-04-2019	43000	1.1920	43000	1.1920
	31-03-2020			43000	1.1920
4	Shri Suresh Kumar Bangur #				
	01-04-2019	2000	0.0554	2000	0.0554
	31-03-2020			2000	0.0554
5	Shri Suresh Kumar Bangur *				
	01-04-2019	60860	1.6871	60860	1.6871
	31-03-2020			60860	1.6871
6	Shri Ajay Bangur				
	01-04-2019	7800	0.2162	7800	0.2162
	31-03-2020			7800	0.2162

Smt Sonali Sen, Shri Dilip P Goculdass and Shri Shankar Banerjee does not hold any shares of the Company.
 @ as Trustee, # as Karta of HUF, * in personal capacity

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Rs.2135.99 lacs	Rs.1309.97 lacs	Nil	Rs.3445.96 lacs
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Rs.39.26 lacs	Nil	Rs.39.26 lacs
Total(i+ii+iii)	Rs.2135.99 lacs	Rs.1349.23 lacs	Nil	Rs.3485.22 lacs
Change in Indebtedness during the financial year				
- Addition	Rs.13655.21 lacs	Rs.2008.78 lacs	Nil	Rs.15663.99 lacs
- Reduction	Rs.15343.85 lacs	Rs.1805.72 lacs	Nil	Rs.17149.57 lacs
Net Change	Rs.1688.64 lacs	Rs.203.07 lacs	Nil	Rs.1485.57 lacs
Indebtedness at the end of the financial year				
i) Principal Amount	Rs.443.28 lacs	Rs.1511.59 lacs	Nil	Rs.1954.87 lacs
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Rs.4.07 lacs	Rs.40.70 lacs	Nil	Rs.44.77 lacs
Total (i+ii+iii)	Rs.447.35 lacs	Rs.1552.29 lacs	Nil	Rs.1999.64 lacs

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	Shri Suresh Kumar Bangur	Rs.33,02,000/-
			Rs. 8,79,774/-
			Nil
2.	Stock Option		Nil
3.	Sweat Equity		Nil
4.	Commission - as % of profit - others ,specify...		Nil Nil
5.	Others, please specify	Nil	
6.	Total(A)		Rs.41,81,774/-

B. Remuneration to other directors:

1	Independent Directors	Shri D P Goculdass	Smt Sonali Sen	Total
	- Fee for attending board, committee meetings	Rs.1,30,000/-	Rs.80,000/-	Rs.2,10,000/-
	- Commission	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil
	Total(1)	Rs.1,30,000/-	Rs.80,000/-	Rs.2,10,000/-
2	Other Non-Executive Directors	Shri Binod Khaitan	Shri Hemant Bangur	Total
	- Fee for attending board, committee meetings	Rs.80,000/-	Rs.1,30,000/-	Rs.2,10,000
	- Commission	Nil	Nil	Nil
	- Others, please specify	Nil	Nil	Nil
	Total(2)	Rs.80,000/-	Rs.1,30,000/-	Rs.2,10,000/-
	Total(B)=(1+2)			Rs.4,20,000/-
	Total Managerial Remuneration			Rs.46,01,774/-
	Overall Ceiling as per the Act			Rs.84,00,000/-

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	Rs. 6,08,432/-	Rs. 33,02,000/-	Rs. 39,10,432/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs. 1,81,594/-	Rs. 8,90,807/-	Rs. 10,72,401/-
	(c) Profits in lieu of salary under section 17(3) Income-Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil
		Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
6.	Total	Rs. 7,90,026/-	Rs. 41,92,807/-	Rs. 49,82,833/-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:-NIL-

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

Kolkata
Dated: 9th November 2020

Suresh Kumar Bangur
Executive Director
DIN: 00040862

Binod Khaitan
Director
DIN: 00128502

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

1. The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors during the financial year 2019-20 are given below:

Non-Executive Directors	Ratio to Median	Percentage Increase in Remuneration*
A) Independent		
i) Shri Dilip P Goculdas	0.48	Nil
ii) Smt. Sonali Sen	0.30	#
B) Non Independent		
i) Shri Binod Khaitan	0.30	(27.27%)
ii) Shri Hemant Bangur	0.48	30.00%
C) Whole-time Director		
i) Shri Suresh Kumar Bangur	15.56	9.43%

Remarks:

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

Smt Sonali Sen was appointed as an Independent Director w.e.f 27-08-2019, hence increase in remuneration is not applicable.

- The percentage increase in remuneration of the Chief Financial Officer is 9.59% and of the Company Secretary is 14.83%.
- The percentage increase/(decrease) in the median remuneration of employees in the financial year is 6.45%.
- The number of permanent employees on the rolls of the Company as on 31/03/2020 is 42 against 41 as on 31/03/2019.
- The percentage increase/(decrease) in the Average salaries of employees, other than managerial personnel, in the last financial year is 9.32% as against an increase/(decrease) of 8.69% in the Average salary of the managerial personnel as defined under the Act. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against a comparable basket of relevant companies in India.
- It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
- The information required under Rule 5(2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 needs to be provided in the Annexure forming part of the Report. In terms of the 1st proviso to Section 136 of the Act, the Report and Accounts are being sent to the Shareholders excluding the aforesaid Annexure. Any Shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.
- There was no woman in the employment of the Company during the financial year 2019-20.

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

Kolkata
Dated: 9th November, 2020

Suresh Kumar Bangur
Executive Director
DIN: 00040862

Binod Khaitan
Director
DIN: 00128502

Independent Auditor's Report

To the Members of **The Phosphate Company Limited**

Report on the audit of standalone Ind AS financial statements

Opinion

We have audited the standalone Ind AS financial statements of **The Phosphate Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit and total comprehensive income, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 39 to the standalone financial statement, which describes the uncertainties and potential impact of the Covid-19 pandemic of the Company's operation and results as assessed by the management. The actual results may differ from such estimates depending upon future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
Revenue from Sale of Goods	
The Company recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(b) and as reflected Ind AS Standalone financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates / incentives.	<p>Our audit procedure includes the following :</p> <ul style="list-style-type: none"> ● Considered the adequacy of the company's revenue recognition policy and its compliance in terms of Ind AS 115 "Revenue from contracts with customers" ● Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition.

<p>The Company has various incentive schemes for its distributors which are based on volume of sales achieved during the stipulated period. The estimate of sales likely to be achieved by each distributor requires judgment.</p> <p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> ● Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115. ● We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. ● Selected Samples of rebates and discounts during the year, compared them with the supporting documents and perform recalculation of those variable considerations as per scheme documents. ● Assessed the relevant disclosure made in the standalone Ind AS financial statement.
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We have determined that there are no other key audit matters to communicate in our report.

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

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

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 34 of the standalone Ind AS financial statements).
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring the amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S K AGRAWAL AND CO.**
Chartered Accountants
Firm Registration No.-306033E

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 20068851AAAAFO4905

Place: Kolkata
Dated: July 31, 2020

Annexure -A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **The Phosphate Company Limited** (the Company') on the standalone Ind AS financial statements for the year ended on March 31, 2020. We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 with respect to loans, investments, guarantee and securities made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost record under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.
 - (b) According to information and explanations given to us, there are no material dues of duty of customs, income tax, sales tax, excise duty, value added tax and service tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanation given to us, the following dues of entry tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of due	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
The West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry Tax Demand	85,13,848	Financial Year 2014-2015 to 2017-2018	High Court Kolkata

- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution, banks, government and debenture holders.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, no term loan availed by the company. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the Company has paid/provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **S K AGRAWAL AND CO.**
Chartered Accountants
Firm Registration No.-306033E

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 20068851AAAAFO4905

Place: Kolkata
Dated: July 31, 2020

Annexure -B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of The Phosphate Company Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S K AGRAWAL AND CO.**
Chartered Accountants
Firm Registration No.-306033E

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 20068851AAAAFO4905

Place: Kolkata
Dated: July 31, 2020

THE PHOSPHATE COMPANY LIMITED

Standalone Balance Sheet as at 31st March, 2020

Amount in Rs

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
I. Non-current assets			
a) Property, plant and equipment	3	72,69,17,348	72,65,24,186
b) Financial assets			
i) Investments	4	24,32,000	24,32,000
ii) Loans	5	48,53,889	50,00,835
c) Deferred tax assets (net)	6	32,39,454	-
		73,74,42,691	73,39,57,021
II. Current assets			
a) Inventories	7	11,57,25,335	17,25,59,808
b) Financial assets			
i) Investments	8	25,55,372	4,74,760
ii) Trade receivables	9	12,90,08,672	18,60,62,781
iii) Cash and cash equivalents	10	83,85,828	5,99,346
iv) Other bank balances	11	1,04,41,320	1,03,47,808
v) Loans	12	4,19,35,000	4,19,50,000
vi) Other financial assets	13	35,95,711	4,81,93,397
c) Other current assets	14	4,08,88,734	3,55,11,100
		35,25,35,971	49,56,99,000
Total Assets		1,08,99,78,662	1,22,96,56,021
EQUITY AND LIABILITIES			
A. Equity			
a) Equity share capital	15	3,60,74,800	3,60,74,800
b) Other equity	16	69,47,43,231	67,45,51,592
		73,08,18,031	71,06,26,392
B. Liabilities			
I. Non-current liabilities			
a) Financial liabilities			
i) Borrowings	17	14,43,75,076	14,61,82,702
ii) Other financial liabilities	18	1,10,78,840	1,12,13,178
b) Provisions	19	30,80,217	22,99,252
c) Deferred tax liabilities (Net)	6	-	25,77,869
		15,85,34,133	16,22,73,001
II. Current liabilities			
a) Financial liabilities			
i) Borrowings	20	4,21,00,000	18,37,95,076
ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	21	4,69,747	6,23,966
b) total outstanding dues of creditors other than micro enterprises and small enterprises	21	10,59,48,042	13,13,43,339
iii) Other financial liabilities	22	1,62,29,510	1,07,65,807
b) Other current liabilities	23	2,86,00,355	2,06,70,976
c) Provisions	24	39,86,766	37,85,541
d) Current Tax liabilities (Net)	25	32,92,079	57,71,923
		20,06,26,498	35,67,56,628
Total Equity and Liabilities		1,08,99,78,662	1,22,96,56,021
Significant Accounting Policies	2		0.22

The accompanying notes form an integral part of the Financial Statements
As per our report of even date attached.

For, S K AGARWAL AND CO.

Chartered Accountants

Firm Registration Number : 306033E

Hemant Kumar Lakhotia

(Partner)

Mmbership No. : 068851

Suresh Kumar Bangur

Executive Director

{DIN 00040862}

Sonali Sen

Independent Director

{DIN 00451839}

Place : Kolkata

Dates : 31 July, 2020

Ajay Bangur

President & CFO

Shankar Banerjee

Dy. Secretary

For and on behalf of the Board of Directors

THE PHOSPHATE COMPANY LIMITED
Statement of Profit & Loss for the year ended 31-03-2020

Particulars	Notes	Amount in Rs	
		For the year ended 31st March, 2020	For the year ended 31st March, 2019
I. Income			
Gross Sales/ Income from Operations		78,82,78,578	77,40,97,579
Less: Discounts, Rebates & Taxes		5,96,87,700	5,40,77,962
Revenue from operations		72,85,90,878	72,00,19,617
Other Income	26	13,91,592	26,19,636
Total income	I	72,99,82,470	72,26,39,253
II. Expenses			
Cost of Materials Consumed	27	36,14,03,460	44,56,19,050
Purchase of Stock in Trade		64,96,596	2,69,20,016
Increase/(Decrease) in value of Inventories of Finished Goods/ Stock-in-Trade and Work-in-Progress	28	(4,18,96,660)	4,24,73,471
Employee benefit expenses	29	3,07,12,009	2,71,83,446
Other Expenses	30	21,77,92,489	17,55,92,997
Total expenses	II	65,83,01,214	63,28,42,038
III. Profit before Interest, Depreciation and Tax (EBIDTA) (I - II)			
Finance costs	31	4,11,86,824	5,09,40,057
Depreciation and Amortisation Expense	3	1,06,48,270	1,12,78,692
IV. Profit before tax			
		1,98,46,163	2,75,78,466
V. Tax expense:			
Current tax	32	40,85,388	61,21,566
Provision for Earlier Years		3,16,166	1,14,544
MAT Credit Entitlement		(67,48,969)	-
Deferred tax	32	9,31,646	69,60,627
Total Tax Expenses		(14,15,769)	1,31,96,737
VI. Profit for the Year			
		2,12,61,932	1,43,81,729
VII. Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans		(10,70,293)	2,83,587
VIII. Total Comprehensive Income for the Year			
		2,01,91,639	1,46,65,316
IX. Earnings per equity share			
Basic & Diluted	33	5.89	3.99
Cash		7.23	9.04

Significant Accounting Policies 2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For, S K AGARWAL AND CO.
Chartered Accountants
Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia
(Partner)
Mmbership No. : 068851

Suresh Kumar Bangur
Executive Director
{DIN 00040862}

Sonali Sen
Independent Director
{DIN 00451839}

Place : Kolkata
Dates : 31 July, 2020

Ajay Bangur
President & CFO

Shankar Banerjee
Dy. Secretary

THE PHOSPHATE COMPANY LIMITED

Cash Flow Statement for the year ended 31st March 2020

Amount in Rs

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash Flow from Operating Activities		
Net Profit before Tax	1,98,46,163	2,75,78,466
Add: Adjustments for Non Cash & Non Operating Items		
Interest Received	(10,58,956)	(11,03,576)
Interest Paid	3,70,08,741	4,57,73,538
Depreciation of Property plant & Equipment	1,06,48,270	1,12,78,692
Freight Subsidy Claims Written Off	3,61,51,907	-
Deferred Freight Subsidy	98,05,800	-
Bad Debts	12,74,521	-
Provision for Doubtful Debts	34,77,682	-
Liability no longer required written back	-	(9,86,846)
Profit on Redemption of Mutual Fund	(1,22,629)	(88,584)
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	(50,548)	24,190
Profit on Sale of Property, Plant & Equipment	(35,010)	(88,977)
Operating Profit before Working Capital Changes	11,69,45,941	8,23,86,903
Add: Increase /Decrease in Working Capital		
Increase in Current Liabilities	(1,21,56,434)	42,42,696
(Increase)/Decrease in Non-Current/Current Financial and other Assets	(53,24,200)	(74,59,696)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	7,80,965	(6,18,945)
Increase/ (Decrease) in Provision	(8,69,068)	14,07,279
(Increase)/Decrease in Inventories	5,68,34,473	(6,05,94,829)
(Increase)/ Decrease Trade & Other Receivables	5,09,56,885	1,90,30,542
	9,02,22,622	(4,39,92,953)
Cash generated from Operation	20,71,68,562	3,83,93,950
Less: Direct Tax Paid (net of refunds)	(68,81,398)	(15,07,567)
Net Cash flow from/ (used in) operating Activities	20,02,87,164	3,68,86,383
B. Cash Flow from Investing Activities		
Purchase of Property, Plant & Equipment	(1,16,05,440)	(51,07,001)
Proceeds from Sale of Property, Plant & Equipment	5,99,018	5,53,664
Interest Received	10,58,956	11,03,575
Proceeds from Sale of Mutual Fund	3,80,92,564	10,37,534
Purchase of Mutual Fund	(3,99,99,999)	(4,98,950)
Net Cash used in Investing Activities	(1,18,54,901)	(29,11,178)
C. Cash Flow from Financing Activities		
(Repayment of)/ Proceeds from Long Term Borrowings (Net)	(19,41,965)	4,32,69,073
(Repayment of)/ Proceeds from Short Term Borrowings (Net)	(14,16,95,076)	(3,13,73,341)
Less: Interest Paid	(3,70,08,741)	(4,57,73,538)
Net Cash used in Financing Activities	(18,06,45,782)	(3,38,77,806)
Net Changes in Cash & Cash Equivalents (A+B+C)	77,86,482	97,398
Cash & Cash Equivalents-Opening Balance	5,99,346	5,01,948
Cash & Cash Equivalents-Closing Balance#	83,85,828	5,99,346
Debt Reconciliation Statement as per IndAS 7		
Current Borrowings		
Opening Balance	18,37,95,076	21,51,68,417
(Repayment of)/ Proceeds from borrowings (Net)	(14,16,95,076)	(3,13,73,341)
Closing Balance	4,21,00,000	18,37,95,076
Non- Current Borrowings		
Opening Balance	14,61,82,702	10,16,52,050
(Repayment of)/ Proceeds from borrowings (Net)	(18,07,626)	4,45,30,652
Closing Balance	14,43,75,076	14,61,82,702

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

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

As per our report of even date attached.

For, S K AGARWAL AND CO.

Chartered Accountants

Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia

(Partner)

Mmbership No. : 068851

Suresh Kumar Bangur

Executive Director

{DIN 00040862}

Sonali Sen

Independent Director

{DIN 00451839}

Place : Kolkata

Dates : 31 July, 2020

Ajay Bangur

President & CFO

Shankar Banerjee

Dy. Secretary

THE PHOSPHATE COMPANY LIMITED

Statement of Changes in Equity for the year ended 31st March,2020

a. Equity Share Capital

Amount in Rs

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up

Balance as at 1 April, 2018	3,60,74,800
Changes in Equity Share Capital during the year 2018-19	-
Balance as at 31 March ,2019	3,60,74,800
Changes in Equity Share Capital during the year 2019-20	-
Balance as at 31 March, 2020	3,60,74,800

b. Other Equity

Particulars	Reserve and Surplus			Other Comprehensive Income	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1 April, 2018	2,62,50,000	64,60,34,254	(1,06,67,723)	(17,30,255)	65,98,86,276
Profit for the year			1,43,81,729		1,43,81,729
Amount Transferred to General Reserve		10,00,000	(10,00,000)		
Other Comprehensive Income				2,83,587	2,83,587
Balance as at 31 March, 2019	2,62,50,000	64,70,34,254	27,14,006	(14,46,668)	67,45,51,592
Balance as at 1 April, 2019	2,62,50,000	64,70,34,254	27,14,006	(14,46,668)	67,45,51,592
Profit for the year			2,12,61,932		2,12,61,932
Amount Transferred to General Reserve		20,00,000	(20,00,000)		
Other Comprehensive Income				(10,70,293)	(10,70,293)
Balance as at 31 March, 2020	2,62,50,000	64,90,34,254	2,19,75,938	(25,16,961)	69,47,43,231

Nature and Purpose of Reserves

A) **Securities Premium** : This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(B) **General Reserve** :This reserve includes transfer of Profit from retained earnings from time to time. It also includes reserve created on fair valuation of land. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(C) **Retained Earnings** : This reserve presents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

(D) **Other comprehensive Income Reserves** : This reserve represents effects of remeasurements of defined benefit plans that will not be reclassified to Statement of Profit & Loss.

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For, S K AGARWAL AND CO.

Chartered Accountants

Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia

(Partner)

Mmbership No. : 068851

Suresh Kumar Bangur

Executive Director

{DIN 00040862}

Sonali Sen

Independent Director

{DIN 00451839}

Place : Kolkata

Dates : 31 July, 2020

Ajay Bangur

President & CFO

Shankar Banerjee

Dy. Secretary

THE PHOSPHATE COMPANY LIMITED**Notes to Financial Statements as at and for the year ended March 31,2020****1. Company Overview**

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

2. Significant Accounting Policies**a) Basis of Preparation**

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

b) Revenue from Contract with Customer

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

Sale of Products

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

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

Contract balances**Trade receivables**

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

Refund Liabilities

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

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

c) Subsidy

Subsidy / Concession receivable on the Company's product are accounted on accrual basis and where there is a reasonable assurance that such subsidy will be receivable and the company will be able to comply with the requirements attached with its realisation.

d) Property, Plant & Equipment

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

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

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

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

and adjusted prospectively, if appropriate.

e) Inventories

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

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

f) Financial Instruments

Initial recognition and measurement

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

Subsequent measurement

i. Non derivative financial instruments

1) Financial assets carried at amortized cost

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

2) Financial assets at fair value through other comprehensive income

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

3) Financial assets at fair value through profit or loss

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

4) Financial liabilities

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

5) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

ii. Derivative financial instruments

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

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

Derecognition of financial instruments

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

g) Fair Value Measurement

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

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

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

h) Impairment

Impairment is recognized based on the following principles:

Financial Assets

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

Non-Financial Assets

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

i) Provisions

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

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

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

j) Foreign Currency Transactions & Translations

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

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

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

k) Cash and Cash Equivalents

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

l) Employee Benefits**Defined Contribution Plan**

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

Defined Benefit Plan

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

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

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

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

Other long term employee benefits

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

m) Borrowing Cost

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

n) Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

Company as a lessee

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

Right-of-use assets

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

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

Lease liabilities

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

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

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

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

Short-term leases and leases of low-value assets

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

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

o) Income Taxes

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

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

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

p) Earnings per Share

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

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

q) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

Note 3 Property, plant and equipment (Current Year)

Description	Gross block				Accumulated depreciation				Net block	
	1 April, 2019	Additions	Disposals/ Adjustments	31 March, 2020	1 April, 2019	Additions	Disposals/ Adjustments	31 March ,2020	31 March, 2020	31 March, 2019
Freehold land	62,98,27,021	-	-	62,98,27,021	-	-	-	-	62,98,27,021	62,98,27,021
Building	3,95,70,007	-	8,62,288	3,87,07,719	70,24,991	20,83,959	8,19,174	82,89,776	3,04,17,943	3,25,45,016
Plant and machinery	8,10,65,631	1,11,57,756	45,66,373	8,76,57,014	2,03,44,676	77,46,531	41,45,533	2,39,45,674	6,37,11,340	6,07,20,955
Computers	4,93,801	73,156	1,85,109	3,81,848	3,34,763	51,101	1,75,854	2,10,010	1,71,838	1,59,038
Water & Acid Installation:	13,35,181	3,45,656	-	16,80,837	3,53,466	90,084	-	4,43,550	12,37,287	9,81,715
Laboratory Equipment:	4,38,026	28,872	-	4,66,898	2,51,789	51,000	-	3,02,789	1,64,109	1,86,237
Furniture & Fittings	5,81,788	-	29,548	5,52,240	3,66,493	43,997	29,937	3,80,553	1,71,687	2,15,295
Motor Cars & Trucks	29,79,729	-	9,51,330	20,28,399	10,97,295	5,81,229	8,60,142	8,18,382	12,10,017	18,82,434
Electric Installation	10,056	-	-	10,056	3,581	369	-	3,950	6,106	6,475
Total Tangible Assets	75,63,01,240	1,16,05,440	65,94,648	76,13,12,032	2,97,77,054	1,06,48,270	60,30,640	3,43,94,684	72,69,17,348	72,65,24,186
Capital work-in-progress	-	1,15,80,652	1,15,80,652	-	-	-	-	-	-	-
Total	75,63,01,240	2,31,86,092	1,81,75,300	76,13,12,032	2,97,77,054	1,06,48,270	60,30,640	3,43,94,684	72,69,17,348	72,65,24,186

Note 3 Property, plant and equipment (Previous Year)

Description	Gross block				Accumulated depreciation				Net block	
	1 April, 2018	Additions	Disposals/ Adjustments	31 March, 2019	1 April, 2018	Additions	Disposals/ Adjustments	31 March ,2019	31 March, 2019	31 March, 2018
Freehold land	62,98,27,021	-	-	62,98,27,021	-	-	-	-	62,98,27,021	62,98,27,021
Building	3,95,70,007	-	-	3,95,70,007	45,64,186	24,60,805	-	70,24,991	3,25,45,016	3,50,05,821
Plant and machinery	7,63,30,870	55,75,398	8,40,637	8,10,65,631	1,34,60,438	73,05,901	4,21,663	2,03,44,676	6,07,20,955	6,28,70,432
Computers	4,52,731	42,770	1,700	4,93,801	1,39,139	1,95,624	-	3,34,763	1,59,038	3,13,592
Water & Acid Installation:	13,35,181	-	-	13,35,181	2,69,246	84,220	-	3,53,466	9,81,715	10,65,935
Laboratory Equipment:	4,38,026	-	-	4,38,026	1,92,726	59,063	-	2,51,789	1,86,237	2,45,300
Furniture & Fittings	5,62,932	20,156	1,300	5,81,788	2,22,767	1,43,726	-	3,66,493	2,15,295	3,40,165
Motor Cars & Trucks	20,92,233	9,99,500	1,12,004	29,79,729	1,38,036	10,28,550	69,291	10,97,295	18,82,434	19,54,197
Electric Installation	10,056	-	-	10,056	2,778	803	-	3,581	6,475	7,278
Total Tangible Assets	75,06,19,057	66,37,824	9,55,641	75,63,01,240	1,89,89,316	1,12,78,692	4,90,954	2,97,77,054	72,65,24,186	73,16,29,741
Capital work-in-progress	15,30,823	44,64,847	59,95,670	-	-	-	-	-	-	15,30,823
Total	75,21,49,880	1,11,02,671	69,51,311	75,63,01,240	1,89,89,316	1,12,78,692	4,90,954	2,97,77,054	72,65,24,186	73,31,60,564

As at **As at**
March 31,2020 **March 31,2019**

Note 4 Investments - Non Current**(i) Unquoted Equity Instruments****Investments carried at Cost****In Subsidiaries-Fully paid-up Equity Shares**

Abhinandan Goods Pvt. Ltd.

[2,40,000 (P.Y. 2,40,000) shares of face value Rs. 10 each]

24,06,000 24,06,000

(ii) Investments in Government or trust securities**Investments carried at Amortised Cost (Unquoted)**

National Savings Certificate

26,000 26,000

Total**24,32,000 24,32,000****Aggregate amount of Unquoted Investments****24,32,000 24,32,000****Note 5 Loans - Non Current****Financial assets carried at Amortised Cost****(Unsecured, considered good)**

Security deposits

48,53,889 50,00,835

Total**48,53,889 50,00,835****Note 6 Deferred Tax Asset/Liabilities (Net)****Deferred Tax Assets**

Losses/ Unabsorbed Depreciation under Income Tax

- 32,97,105

Expenses allowable against taxable income in future years

56,43,749 43,17,595

MAT Credit Entitlement

67,48,969 -

Deferred Tax Liabilities

Timing difference in depreciable assets

(91,53,264) (1,01,92,569)

Total**32,39,454 (25,77,869)****Note 7 Inventories****(Valued at lower of cost or net realisable value)**

Raw Materials*

7,94,54,790 9,25,25,874

Packing Materials

15,23,570 31,07,727

Stores & Spare Parts

1,08,47,464 1,11,30,036

Finished Goods (including WIP)

2,36,62,539 6,50,16,504

Trading Goods

2,36,972 7,79,667

Total**11,57,25,335 17,25,59,808**

* Includes Stock-In-Transit

10,07,708 1,90,95,333

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 8 Investments - Current		
Investments at Fair Value through Profit or Loss		
Investments in Mutual Funds (Unquoted)		
253.432 units Kotak Liquid Growth Fund (Previous Year 125.841 Units)	10,13,849	4,74,760
22673.926 units SBI Short Term Debt Growth Fund (Previous Year NIL)	5,28,706	-
210.019 units Nippon Life India AM Ltd (Previous Year NIL)	10,12,817	-
Total	25,55,372	4,74,760
Aggregate amount of Unquoted Investments	25,55,372	4,74,760
Fair value of Unquoted Investments	25,55,372	4,74,760
Note 9 Trade Receivables		
Financial Assets carried at amortised cost (Unsecured, considered good)		
- Considered good	3,89,13,436	6,52,40,764
- Considered doubtful	34,77,682	
Less: Provision for Bad Debt	(34,77,682)	-
	3,89,13,436	6,52,40,764
Subsidy receivable from Central Government	9,00,95,236	12,08,22,017
Total	12,90,08,672	18,60,62,781
Note 10 Cash and Cash Equivalents		
Financial Assets carried at amortised cost		
Balance with banks	78,74,317	58,246
Cash in hand	5,11,511	5,41,100
Total	83,85,828	5,99,346
Note 11 Other Bank Balances		
Financial Assets carried at amortised cost		
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)	1,04,41,320	1,03,47,808
Total	1,04,41,320	1,03,47,808
Note 12 Loans- Current		
(Unsecured, considered good)		
Financial Assets carried at amortised cost		
Advances to Subsidiary	4,19,35,000	4,19,35,000
Advances to Employees	-	15,000
Total	4,19,35,000	4,19,50,000
Note 13 Other Financial Assets- Current		
Financial Assets carried at amortised cost (Unsecured, considered good)		
Interest Receivable		
From Banks	8,72,884	5,17,455
Advance recoverable in cash or kind	27,22,827	4,76,75,942
Total	35,95,711	4,81,93,397
Note 14 Other Current Assets		
(Unsecured, considered good)		
Advance to suppliers	3,53,834	1,47,576
Advances against expenses	9,10,041	38,66,020
Prepaid expenses	12,24,082	19,27,920
Input tax receivable	3,84,00,777	2,95,69,584
Total	4,08,88,734	3,55,11,100

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 15 Equity share capital		
Authorised capital		
1,00,00,000 (1,00,00,000) equity shares of Rs. 10 each	10,00,00,000	10,00,00,000
1,50,000 (1,50,000) Redeemable Preference Shares of Rs. 1000 each	15,00,00,000	15,00,00,000
	25,00,00,000	25,00,00,000
Issued, subscribed and Paid-up capital		
36,07,480 (36,07,480) equity shares of Rs. 10 each	3,60,74,800	3,60,74,800
	3,60,74,800	3,60,74,800

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	March 31,2020		March 31, 2019	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	36,07,480	3,60,74,800	36,07,480	3,60,74,800
Add: Share issued during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	3,60,74,800	36,07,480	3,60,74,800

b) Rights/preferences/restrictions attached to equity shares

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

c) Details of shareholders holding more than 5% shares in the Company

	As at 31 March, 2020		As at 31 March, 2019	
	No of shares	% holding	No of shares	% holding
Madhav Trading Corpn. Ltd.	3,74,880	10.39	3,74,880	10.39
Shrivats Khaitan	2,31,000	6.40	2,31,000	6.40
Life Insurance Corporation of India	1,89,230	5.25	1,89,240	5.25

Note 16 Other Equity**Securities Premium**

As per last Balance Sheet	2,62,50,000	2,62,50,000
Addition during the Year	-	-
Balance as at the end of the year	2,62,50,000	2,62,50,000

General Reserve

As per last Balance Sheet	64,70,34,254	64,60,34,254
Add: Amount Transferred from Retained Earnings	20,00,000	10,00,000
Balance as at the end of the year	64,90,34,254	64,70,34,254

Retained Earnings

As per last Balance Sheet	27,14,006	(1,06,67,723)
Profit for the Year	2,12,61,932	1,43,81,729
Less: Amount Transferred to General Reserve	(20,00,000)	(10,00,000)
Balance as at the end of the year	2,19,75,938	27,14,006

Other Comprehensive Income

As per last Balance Sheet	(14,46,668)	(17,30,255)
Addition during the Year	(10,70,293)	2,83,587
Balance as at the end of the year	(25,16,961)	(14,46,668)
	69,47,43,231	67,45,51,592

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

Amount in Rs

As at March 31,2020	As at March 31,2019
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Note 17 Borrowings (Non Current)**Financial Liabilities carried at amortised cost****Secured**

a. Term loans from Non Banking financial Institution	4,43,28,345	4,92,38,294
Less: Current maturities of Term Loan (refer note 22)	55,46,364	49,09,949
	3,87,81,981	4,43,28,345

b. Term loans from Banks

(I) Vehicle loans from banks	18,12,219	24,65,740
(II) Equipment loans from banks	58,39,412	-
Less: Current maturities of Equipment & Vehicle Loan (refer note 22)	20,58,537	6,11,383
	55,93,095	18,54,357

Unsecured

From Limited Companies

From Related Parties

From Other

From Limited Companies	9,89,00,000	8,90,00,000
From Related Parties	11,00,000	1,10,00,000

14,43,75,076	14,61,82,702
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(i) Repayment terms and nature of securities given for term loan as follows :

SI No	Name of the Bank	Nature of security	Repayment Terms	31-Mar-20	31-Mar-19
a	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No.47, Rishi Bankim Chandra Road, Rishra ,Hooghly . Current Interest rate is 12.25%.	Repayable in 84 equal montly installment of Rs. 8,89,336 commencing from February 2019.	4,43,28,345	4,92,38,294
bl (i)	State Bank of India	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.	Repayable in 36 equal monthly installment of Rs. 14,065 commencing from December, 2017.	-	2,15,417
bl (ii)	Syndicate Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.Current Interest rate is 10.90%.	Repayable in 75 equal monthly installment of Rs. 12,373.85 commencing from December, 2015.	2,66,549	3,70,878
bl (iii)	Syndicate Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.Current Interest rate is 9.20%.	Repayable in 81 equal monthly installment of Rs. 14,719.19 commencing from May, 2018.	6,97,313	7,95,210
bl (iv)	Syndicate Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.Current Interest rate is 9.50%.	Repayable in 84 equal monthly installment of Rs. 13,980.78 commencing from March, 2019	7,57,328	8,40,513
bl (v)	State Bank of India	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.Current Interest rate is 10.90%.	Repayable in 84 equal monthly installment of Rs. 13,740 commencing from November, 2013.	91,029	2,43,722
blI (i)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	29,19,706	Nil
blI (ii)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	29,19,706	Nil

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 18 Other financial liabilities - Non Current		
Financial Liabilities carried at amortised cost		
Deposit from Dealer	1,10,78,840	1,12,13,178
Total	1,10,78,840	1,12,13,178
Note 19 Provisions - Non Current		
Provisions for Employee Benefits		
Leave Encashment	70,66,983	60,84,793
Less: Current Liability (refer note 24)	39,86,766	37,85,541
Total	30,80,217	22,99,252
Note 20 Borrowings - Current		
Financial Liabilities carried at amortised cost		
Secured		
From Banks		
Cash Credit	-	16,18,95,076
Unsecured		
From Limited Companies		
From Related Parties	3,35,00,000	2,12,00,000
From Other	86,00,000	7,00,000
Total	4,21,00,000	18,37,95,076
Cash Credit Loan from Bank is secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by pari-passu second charge on entire fixed assets of the Company. Current Interest Rate is 10.25% to 12.40%.		
Note 21 Trade payables		
Financial Liabilities carried at amortised cost		
MSMED [refer note (a) below]	4,69,747	6,23,966
Other Trade Payable	10,59,48,042	13,13,43,339
Total	10,64,17,789	13,13,43,339
Notes :		
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due to micro and small enterprise Interest due on above	4,69,747	6,23,966
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006(27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.		
Note 22 Other financial liabilities - Current		
Financial Liabilities carried at amortised cost		
Current Maturities of Term loans from Non Banking financial Institution (refer note 17)	55,46,364	49,09,949
Current Maturities of Equipment & Vehicle loans from Banks (refer note 17)	20,58,537	6,11,383
Interest accrued and due	44,76,916	43,67,018
Employee Benefits	18,38,307	16,81,155
Financial Liabilities carried at Fair Value through Profit & Loss		
Foreign Currency Forward Contracts Payable/(Receivable)	23,09,386	(8,03,698)
Total	1,62,29,510	1,07,65,807

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

	Amount in Rs	
	For the year ended March 31,2020	For the year ended March 31,2019
Note 23 Other current liabilities		
Advance from customers	93,82,181	43,20,886
Duties & Taxes		
Statutory & other dues payables	1,26,91,265	1,12,64,397
Liability for expenses	65,26,909	50,85,693
Total	2,86,00,355	2,06,70,976
Note 24 Provisions - Current		
Provisions for Employee Benefits		
Leave Encashment (refer note No. 19)	39,86,766	37,85,541
Total	39,86,766	37,85,541
Note 25 Current Tax Liabilities (Net)		
Provision for Income Tax (Net of Advance Tax)	32,92,079	57,71,923
	32,92,079	57,71,923
Note 26 Other Income		
Interest income on		
Fixed Deposits	7,96,338	8,00,332
Others	2,62,618	3,03,244
Profit on sales of Property, plant and equipment	35,010	88,977
Liability no longer required written back	-	9,86,847
Profit on Redemption of Mutual Fund	1,22,629	88,584
Gain on measuring investments at FVTPL	50,548	(24,190)
Scrap Sales	1,05,500	3,75,842
Other Income	18,949	-
Total	13,91,592	26,19,636
Note 27 Cost of Material Consumed		
Raw Materials	34,56,25,721	42,86,25,058
Packing Materials	1,57,77,739	1,69,93,992
Total	36,14,03,460	44,56,19,050
Note 28 Increase/(Decrease) in value of Inventories of Finished Goods/ Stock-in-Trade and Work-in-Progress		
Closing Stock		
Finished Goods	2,36,62,539	6,50,16,504
Trading Goods	2,36,972	7,79,667
Less: Opening Stock:		
Finished Goods	(6,50,16,504)	(2,08,25,178)
Trading Goods	(7,79,667)	(24,97,522)
Total	(4,18,96,660)	4,24,73,471
Note 29 Employee benefit expenses		
Salaries, wages and bonus	2,33,03,052	2,05,20,546
Contribution to Provident & other funds	34,82,748	32,19,333
Staff welfare	39,26,208	34,43,567
	3,07,12,009	2,71,83,446

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

	Amount in Rs	
	For the year ended March 31,2020	For the year ended March 31,2019
Note 30 Other expenses		
Consumption of Stores and Spares	61,42,077	71,61,000
Power and Fuel Expenses	2,29,65,197	2,51,24,417
Repair to :		
Building	17,00,545	11,30,710
Machinery	13,94,795	13,48,010
Others	7,01,737	4,94,242
Manufacturing & Supervision Charges	1,37,39,812	1,44,54,161
Storage & Handling Expenses	-	1,46,00,420
Packing Expenses	53,67,507	49,82,990
Freight, Delivery Expenses	9,54,35,045	8,52,09,476
Selling Expenses	26,78,013	13,29,585
Rent	2,31,195	10,76,633
Rates and Taxes	11,81,028	17,44,466
Payment to Auditors :		
Audit Fee	50,000	50,000
Certification Fee	58,500	1,06,500
Legal & Professional Expenses	54,46,881	63,02,905
Freight Subsidy Claims Written Off (Refer Note 41)	3,61,51,907	-
Director's Fees :		
Board Meeting Fees	3,00,000	3,60,000
Committee Meeting Fees	1,20,000	1,30,000
Information & Technology Expenses	1,00,015	55,573
Bad Debts	12,74,521	-
Insurance Charges	4,20,456	3,54,817
Motor Vehicle Expenses	8,57,552	11,75,771
Deferred Freight Subsidy	98,05,800	
Other Maintenance Expenses	26,58,543	22,22,860
Provision for Doubtful Debts	34,77,682	-
Miscellaneous Expenses	55,33,682	61,78,461
	21,77,92,489	17,55,92,997
Note 31 Finance costs		
Interest	3,70,08,741	4,57,73,538
Bank charges	20,46,203	25,40,964
Foreign Exchange Hedging Expenses	20,91,879	26,25,555
Other Charges	40,000	-
	4,11,86,824	5,09,40,057

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

	Amount in Rs	
	March 31,2020	March 31,2019
Note 32 Effective tax reconciliation		
Income Tax Recognised in Statement of Profit & Loss		
Current Tax	40,85,388	61,21,566
Deferred Tax	9,31,646	69,60,627
Total Income tax Expense recognised in the current year	50,17,034	1,30,82,193

The income tax expense can be reconciled to the accounting profit as follows:

Particulars	Amount in Rs	
	March 31,2020	March 31,2019
Profit before tax	1,98,46,163	2,75,78,466
Applicable tax rate	27.82%	27.82%
Computed Tax Expense	55,21,203	76,72,329
Tax Effect of :		
Benefit on account of Unabsorbed losses under income tax	(32,97,105)	(89,83,279)
Timing difference in respect of expenses allowed under income tax	(22,24,098)	13,10,950
Liability Under Minimum Alternate Tax	40,85,388	61,21,566
Current Tax Provisions (A)	40,85,388	61,21,566
Reversal of Deferred Tax Asset on unabsorbed losses under Income Tax	32,97,105	89,83,279
Deferred Tax Asset on items allowed on payment basis	(23,65,459)	(20,22,652)
Deferred Tax Provision (B)	9,31,646	69,60,627
Tax expenses recognised in the statement of Profit & Loss (A+B)	50,17,034	1,30,82,193
Effective Tax Rate	25.28%	47.44%

Note 33 Earnings per equity share

Particulars	March 31,2020	March 31,2019
Profit as per Statement of Profit and Loss	2,12,61,932	1,43,81,729
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	5.89	3.99

Note 34 Contingencies and Commitments (to the extent not provided for)

Particulars	March 31,2020	31 March 2019
I) Guarantees given		
Guarantees given by the Company not acknowledged as debt	1,99,660	1,99,660
Total	1,99,660	1,99,660
II) Commitments		
Commitment of Capital Expenditure not provided for in the accounts (Estimated)	-	28,00,000
Total	-	28,00,000

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

Amount in Rs

Note 35 Employee Benefit Obligations

I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

Particulars	Amount in Rs.	
	31 March, 2020	31 March, 2019
Employers' Contribution to Provident Fund	16,00,894	13,98,227

I) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Particulars	Gratuity		Accumulated Leave	
	Funded		Unfunded	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	9,02,817	7,43,624	4,90,396	3,87,055
Interest cost	(9,007)	(2,596)	3,53,707	4,18,503
Actuarial loss/(gain) recognized during the year	-	-	2,15,107	(3,00,809)
Amount recognized in the statement of profit and loss	8,93,810	7,41,028	10,59,210	5,04,749
(ii) Changes in Present Value Obligation				
Present value of defined benefit obligation as at	1,70,17,823	1,51,90,382	60,84,793	55,80,045
Current service cost	9,02,817	7,43,624	4,90,396	3,87,055
Interest cost	9,91,051	11,39,279	3,53,707	4,18,503
Actuarial loss/(gain) recognized during the year	15,40,938	(55,462)	2,15,107	(3,00,810)
Benefits paid	(1,53,563)	-	(77,020)	-
Present value of Defined Benefit Obligation as at the end of the year	2,02,99,066	1,70,17,823	70,66,983	60,84,793
(iii) Change in fair value of plan assets				
Fair value of plan assets as at the start of the year	1,70,95,000	1,52,25,000	-	-
Return on plan assets	4,70,646	2,28,125	-	-
Interest Income	10,00,058	11,41,875	-	-
Actuarial loss/(gain)	-	-	-	-
Contribution	19,00,000	5,00,000	-	-
Benefits paid	(1,53,563)	-	(77,020)	-
Fair value of plan assets as at the end of the year	2,03,12,141	1,70,95,000	-	-
Reconciliation of present value of defined benefit obligation and the fair value of plan assets				
Funded Status	13,074	77,177	-	-
Present value obligation as at the end of the year	2,02,99,066	1,70,17,823	70,66,983	60,84,793
Fair value of plan assets as at the end of the year	2,03,12,140	1,70,95,000	-	-
Net liability/(asset) recognized in balance sheet	-	-	70,66,983	60,84,793
Amount recognised in the statement of Other Comprehensive Income				
Actuarial (Gain)/Loss for the year on Present value of obligation	6,33,759	88,186	-	-
Actuarial (Gain)/Loss for the year on Asset	9,07,179	(1,43,648)	-	-
Return on Plan Asset, Excluding Interest Income	4,70,646	2,28,125	-	-
Unrecognised actuarial (Gain)/Loss at the end of the year	10,70,292	(2,83,587)	-	-
Breakup of Actuarial gain/loss:				
Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	6,33,759	88,186	-	-
Actuarial (gain)/loss on arising from experience adjustment	9,07,179	(1,43,648)	-	-

Assumptions

Financial Assumptions

	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
Discount rate p.a.	5.85%	7.50%	5.85%	7.50%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%

Demographic Assumptions

Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	6 Years	6 Years	5 Years	5 Years

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

f) Sensitivity Analysis

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

Sensitivity analysis for Gratuity

	As at 31 March, 2020		As at 31 March, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	2,00,95,263	2,05,14,439	1,68,43,560	1,72,00,935
%Change Compared to base due to sensitivity	-1.00%	1.06%	-1.02%	1.08%
Salary Growth (-/+ 0.5%)	2,05,08,958	2,00,98,308	1,71,99,063	1,68,43,560
%Change Compared to base due to sensitivity	1.03%	-0.99%	1.07%	-1.02%
Attrition Rate (-/+ 0.5%)	2,03,03,126	2,02,95,006	1,70,21,397	1,70,14,249
%Change Compared to base due to sensitivity	0.02%	-0.02%	0.02%	-0.02%
Mortality Rate (-/+ 10%)	2,03,26,064	2,02,72,068	1,70,43,350	1,69,92,296
%Change Compared to base due to sensitivity	0.13%	-0.13%	0.15%	-0.15%

Sensitivity analysis for Accumulated Leave

	As at 31 March, 2020		As at 31 March, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	69,51,690	71,90,757	59,94,783	61,80,545
%Change Compared to base due to sensitivity	-1.63%	1.75%	-1.52%	-1.62%
Salary Growth (-/+ 0.5%)	71,87,683	69,53,379	61,79,636	59,94,805
%Change Compared to base due to sensitivity	1.71%	-1.61%	1.61%	-1.52%
Attrition Rate (-/+ 0.5%)	70,69,812	70,64,150	60,87,147	60,82,439
%Change Compared to base due to sensitivity	0.04%	-0.04%	0.04%	-0.04%
Mortality Rate (-/+ 10%)	70,80,463	70,53,500	60,96,902	60,72,684
%Change Compared to base due to sensitivity	0.19%	-0.19%	0.21%	-0.21%

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

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

Expected contribution during the next annual reporting period:

Particulars

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

Gratuity

Rs. 1,96,862

Allocation of Plan Asset (Amt in Rs.)

Allocation in % of Plan Asset

Table Showing Allocation of Plan Asset at the end Measurement Period

	Gratuity (Funded)		Gratuity (Funded)	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
Cash & Cash Equivalent	14,80,702	4,91,000	7.29%	2.87%
Special Deposit Scheme	5,19,833	5,19,833	2.56%	3.04%
State Government Securities	91,89,180	92,32,320	45.24%	54.01%
Government of India Securities	1,04,950	2,01,250	0.52%	1.18%
Corporate Bonds	79,67,155	56,38,165	39.22%	32.98%
Debt Securities	4,15,000	3,15,000	2.04%	1.84%
Other	6,35,320	6,97,432	3.13%	4.08%
Total	2,03,12,140	1,70,95,000	100.00%	100.00%

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2020

Note 36 Financial instruments and other related disclosures

i. Capital Management

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

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

The debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2020, the ratio was 0.2426

Particulars	Amount in Rs	
	31 March, 2020	31 March, 2019
Equity Share Capital	3,60,74,800	3,60,74,800
Other Equity	69,47,43,231	67,45,51,592
Total Equity (A)	73,08,18,031	71,06,26,392
Non-Current Borrowings	14,43,75,076	14,61,82,702
Short Term Borrowings	5,41,81,817	19,36,83,426
Total Borrowings (Gross Debt) (B)	19,85,56,892	33,98,66,128
Less: Investments	(25,81,372)	(5,00,760)
Less: Cash and Cash Equivalents	(83,85,828)	(5,99,346)
Less: Other Bank Balances	(1,04,41,320)	(1,03,47,808)
Net Debt (C)	17,71,48,373	32,84,18,214
Net Debt to Equity (C/A)	0.2424	0.4622

Disclosures on Financial Instruments

I) Financial Instruments by Category

As at March 31, 2020

Particulars	Amount in Rs			
	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	26,000	25,55,372	25,81,372	25,81,372
Trade Receivables	12,90,08,672	-	12,90,08,672	12,90,08,672
Cash and Cash Equivalents	83,85,828	-	83,85,828	83,85,828
Other Bank Balances	1,04,41,320	-	1,04,41,320	1,04,41,320
Loans	4,67,88,889	-	4,67,88,889	4,67,88,889
Other Financial Assets	35,95,711	-	35,95,711	35,95,711
Total Financial Assets	19,82,46,420	25,55,372	20,08,01,791	20,08,01,791
Financial Liabilities				
Borrowings	18,64,75,076	-	18,64,75,076	18,64,75,076
Trade Payables	10,64,17,789	-	10,64,17,789	10,64,17,789
Other Financial Liabilities	2,49,98,963	23,09,386	2,73,08,349	2,73,08,349
Total Financial Liabilities	31,78,91,828	23,09,386	32,02,01,214	32,02,01,214

As at March 31, 2019

Particulars	Amount in Rs			
	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	26,000	4,74,760	5,00,760	5,00,760
Trade Receivables	18,60,62,781	-	18,60,62,781	18,60,62,781
Cash and Cash Equivalents	5,99,346	-	5,99,346	5,99,346
Other Bank Balances	1,03,47,808	-	1,03,47,808	1,03,47,808
Loans	4,69,50,835	-	4,69,50,835	4,69,50,835
Other Financial Assets	4,81,93,397	-	4,81,93,397	4,81,93,397
Total Financial Assets	29,21,80,167	4,74,760	29,26,54,927	29,26,54,927
Financial Liabilities				
Borrowings	32,99,77,778	-	32,99,77,778	32,99,77,778
Trade Payables	13,19,67,305	-	13,19,67,305	13,19,67,305
Other Financial Liabilities	2,27,82,683	(8,03,698)	2,19,78,985	2,19,78,985
Total Financial Liabilities	48,47,27,766	(8,03,698)	48,39,24,068	48,39,24,068

(ii) Fair value hierarchy

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

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

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

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

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

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

Particulars	Fair Value Hierarchy Level	Amount in Rs	
		31 March, 2020	31 March, 2019
Financial Assets			
Current Investments	Level 1	25,55,372	4,74,760
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	23,09,386	(8,03,698)

(iii) Financial risk management objectives and policies**Financial risk factors**

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

(A) Market risk

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

(a) Interest rate risk

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

(b) Foreign currency risks

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

Particulars	31 March, 2020	31 March, 2019
Foreign Currency Payable (Amount in USD)	13,96,800	15,27,850

(B) Liquidity risk

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

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

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

Particulars	Amount in Rs	
	31 March, 2020	31 March, 2019
One Year or less		
Borrowings	4,21,00,000	18,37,95,076
Trade Payables	10,64,17,789	13,19,67,305
Other Financial Liabilities	1,62,29,510	1,07,65,807
More than One Year		
Borrowings	14,43,75,076	14,61,82,702
Other Financial Liabilities	1,10,78,840	1,12,13,178

(C) Credit risk

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

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

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

THE PHOSPHATE COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31,2020

Note 37 Related Party Disclosures:

List of Related Parties :

1. Subsidiary	Relation	Extent of Holding
Abhinandan Goods Pvt. Ltd.	Subsidiary	100%

2. Key Management Personnel

Shri Suresh Kumar Bangur	Executive Director & CEO
Shri Ajay Bangur	President & CFO
Shri Shankar Banerjee	Company Secretary & Compliance Officer

3. Other Directors

Shri Binod Khaitan	Non-Executive Director
Shri Hemant Bangur	Non-Executive Director
Shri Dilip P Goculdas	Independent Director
Smt Sonali Sen	Independent Director

4. Entities over which Director, Key Managerial Personnel and their relatives have significant influence with whom transaction have taken place during the year

Adelina Investments Pvt. Ltd.
Art Finance & Trade Pvt. Ltd.
Chintamani Holdings Pvt. Ltd
Cowcody Builders Pvt. Ltd.
Credwyn Holdings India Pvt. Ltd.
Devendra Finvest & Holding Pvt Ltd
Gloster Limited
Kanchan Udyog Ltd.
Kettlewell Bullen & Co. Ltd
Kherapati Vanijya Ltd.
Mani Invest Brokers Private Limited
Maxworth Industrial Services Ltd
Noshirvan & Company Private Ltd
PDGD Investments & Trading Private Ltd
Shreyans Paperplast Pvt. Ltd.
The Oriental Co. Ltd.
Wind Power Vinimay Pvt Ltd

The following table summarises related-party transactions included in the financial statements for the year ended March 31, 2020 & March 31, 2019 and details of outstanding balances as on March 31, 2020 & March 31, 2019

Nature of Transactions	Subsidiary (1)	Key Managerial Personnel & Other Directors (2+3)	Amount in Rs (lacs)	
			Entities where Director, KMP and relatives have significant influence (4)	Total
Salary and Other Benefits	-	57,44,144	-	57,44,144
	-	52,71,261	-	52,71,261
Contribution to Provident Fund & Superannuation Policy	-	14,68,288	-	14,68,288
	-	13,52,550	-	13,52,550
Other Perquisites	-	19,52,175	-	19,52,175
	-	17,03,087	-	17,03,087
Meeting Fees	-	4,20,000	-	4,20,000
	-	4,90,000	-	4,90,000
Interest on Loan	-	-	2,08,34,835	2,08,34,835
	-	-	2,54,39,332	2,54,39,332
Loan Taken	-	-	15,67,00,000	15,67,00,000
	-	-	26,90,50,000	26,90,50,000
Loan Repaid	-	-	13,34,00,000	13,34,00,000
	-	-	28,16,00,000	28,16,00,000
Outstanding Receivable	4,19,35,000	-	-	4,19,35,000
	4,19,35,000	-	-	4,19,35,000
Outstanding Payable	-	-	13,35,00,000	13,35,00,000
	-	-	11,38,14,568	11,38,14,568

THE PHOSPHATE COMPANY LIMITED**Notes to Financial Statements as at and for the year ended March 31,2020**

- Note 38** A Part of Land and Building thereon has been sold to the company's wholly owned subsidiary M/S Abhinandan Goods Pvt Ltd. Execution of conveyance Deed is pending for necessary compliance.
- Note 39** The COVID-19 pandemic has rapidly spread across the world as well as in India and has caused shutdown of all offices from March 24, 2020. The Company has resumed its operations in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business, and believes that the impact is likely to be from short to medium term in nature. The management does not see long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Management has also evaluated the recoverability of receivables and realisability of inventory on hand based on subsequent realisations and customer orders respectively. However, given the uncertainties associated with the eventual outcome, nature and duration of the pandemic, the impact may be different from that estimated as on the date of approval of these financial statements.
- Note 40** On 20th May 2020, the Operations of the Company were also affected by Aumphan cyclone which has severely damaged the assets at the factory. The Company is adequately insured and has lodged claim with insurance Company.
- Note 41** The Company had filed appeal before Hon. High Court, Kolkata against dismissal of its claim of freight subsidy on fertilisers against the Ministry of Fertilisers, Government of India. During the year, the High Court has given a favourable order in the matter, however, the Ministry of Fertilisers, Government of India, has misread and/or misinterpreted the said order and made part payment of the claim. The management is considering taking legal recourse for recovery of the full amount, however, in view of uncertainty the balance amount has prudently been written off.
- Note 42** Balances of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year.
- Note 43** Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform to the current year presentation.

For, S K AGARWAL AND CO.
Chartered Accountants
Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhota
(Partner)
Mmbership No. : 068851

Suresh Kumar Bangur
Executive Director
{DIN 00040862}

Sonali Sen
Independent Director
{DIN 00451839}

Place : Kolkata
Dates : 31 July, 2020

Ajay Bangur
President & CFO

Shankar Banerjee
Dy. Secretary

Independent Auditor's Report

To the Members of The Phosphate Company Limited

Report on the audit of Consolidated Ind AS financial statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of The Phosphate Company Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2020, and consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 39 to the Consolidated financial statement, which describes the uncertainties and potential impact of the Covid-19 pandemic of the Group's operation and results as assessed by the management. The actual results may differ from such estimates depending upon future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
Revenue from Sale of Goods	
<p>The Group recognizes revenue when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. As described in the accounting policy in note 2(b) and as reflected to the Ind AS Consolidated financial statements, revenue from sale of goods is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates / incentives.</p>	<p>Our audit procedure includes the following:</p> <ul style="list-style-type: none"> ● Considered the adequacy of the Group's revenue recognition policy and its compliance in terms of Ind AS 115 "Revenue from contracts with customers" ● Assessed the design and tested the operating effectiveness of the internal financial controls related to revenue recognition.

<p>The Group has various incentive schemes for its distributors which are based on volume of sales achieved during the stipulated period. The estimate of sales likely to be achieved by each distributor requires judgment</p> <p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter</p>	<ul style="list-style-type: none"> ● Performed sample tests of individual sales transaction and traced to sales invoices and other related documents. In respect of the samples selected, tested and the revenue has been recognized in accordance with Ind AS 115. ● We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. ● Selected Samples of rebates and discounts during the year, compared them with the supporting documents and perform recalculation of those variable considerations as per scheme documents. ● Assessed the relevant disclosure made in the consolidated Ind AS financial statement.
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We have determined that there are no other key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor’s Report thereon

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

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

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

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

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

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated Ind AS financial statements. We are also responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

We did not audit the financial statement/financial information of one subsidiary, whose financial statements/financial information reflect total assets of Rs.1,086.71 Lakhs as at 31st March 2020, total revenue (including other Income) of Rs. Nil and net profit/(loss) after tax amounting to Rs. (0.19) lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statement / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

As required by 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 of the aforesaid consolidated Ind AS financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 34 of the Consolidated Ind AS financial statements).
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.

For **S K AGRAWAL AND CO**
Chartered Accountants
Firm Registration No.-306033E

Place: Kolkata
Dated : 31st July 2020

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 20068851AAAAFP5073

Annexure -A to the Independent Auditors' Report

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of The Phosphate Company Limited ("the Holding Company") and its subsidiary company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S K AGRAWAL AND CO.**
Chartered Accountants
Firm Registration No.-306033E

Hemant Kumar Lakhotia
(Partner)
Membership No. 068851
UDIN: 20068851AAAAFP5073

Place: Kolkata
Dated : 31st July 2020

THE PHOSPHATE COMPANY LIMITED
Consolidated Balance Sheet as at 31st March, 2020

Particulars	Notes	Amount in Rs	
		As at 31st March, 2020	As at 31st March, 2019
ASSETS			
I. Non-current assets			
a) Property, Plant and Equipment	3	80,84,18,666	80,80,25,504
b) Capital Work-in-Progress	3	2,43,64,055	1,72,44,451
c) Financial Assets			
i) Investments	4	26,000	26,000
ii) Loans	5	48,53,889	50,00,835
d) Deferred Tax Assets (Net)	6	33,89,615	-
		<u>84,10,52,225</u>	<u>83,02,96,790</u>
II. Current assets			
a) Inventories	7	11,57,25,335	17,25,59,808
b) Financial Assets			
i) Investments	8	25,55,372	4,74,760
ii) Trade Receivables	9	13,15,55,423	18,86,09,532
iii) Cash and Cash Equivalents	10	84,94,210	8,13,237
iv) Other Bank Balances	11	1,04,41,320	1,03,47,808
v) Loans	12	-	15,000
vi) Other Financial Assets	13	35,95,711	4,81,93,398
c) Other Current Assets	14	4,08,88,734	3,55,11,100
		<u>31,32,56,104</u>	<u>45,65,24,643</u>
Total Assets		<u>1,15,43,08,329</u>	<u>1,28,68,21,433</u>
EQUITY AND LIABILITIES			
A. Equity			
a) Equity Share Capital	15	3,60,74,800	3,60,74,800
b) Other Equity	16	69,48,57,218	67,46,84,484
		<u>73,09,32,018</u>	<u>71,07,59,284</u>
B. Liabilities			
I. Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	17	14,43,75,075	14,61,82,702
ii) Other Financial Liabilities	18	1,10,78,840	1,12,13,178
b) Provisions	19	30,80,217	22,99,252
c) Deferred Tax Liabilities (Net)	6	-	24,34,351
		<u>15,85,34,132</u>	<u>16,21,29,483</u>
II. Current liabilities			
a) Financial Liabilities			
i) Borrowings	20	10,61,15,501	24,08,05,076
ii) Trade Payables			
a) total outstanding dues of micro enterprises and small enterprises; and	21	4,69,747	6,23,966
b) total outstanding dues of creditors other than micro enterprises and small enterprises	21	10,59,48,042	13,13,43,339
iii) Other Financial Liabilities	22	1,62,29,510	1,07,65,807
b) Other Current Liabilities	23	2,88,00,534	2,08,37,014
c) Provisions	24	39,86,766	37,85,541
d) Current Tax Liabilities (Net)	25	32,92,079	57,71,923
		<u>26,48,42,179</u>	<u>41,39,32,666</u>
Total Equity and Liabilities		<u>1,15,43,08,329</u>	<u>1,28,68,21,433</u>
Significant Accounting Policies	2		
The accompanying notes form an integral part of the Financial Statements part of the Financial Statements			
As per our report of even date attached.			

For, S K AGARWAL AND CO.
Chartered Accountants
Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia
(Partner)
Mmbership No. : 068851

Suresh Kumar Bangur
Executive Director
{DIN 00040862}

Sonali Sen
Independent Director
{DIN 00451839}

Place : Kolkata
Dates : 31 July, 2020

Ajay Bangur
President & CFO

Shankar Banerjee
Dy. Secretary

THE PHOSPHATE COMPANY LIMITED

Statement of Consolidated Profit & Loss for the year ended 31st March 2020

Particulars	Notes	Amount in Rs	
		For the year ended 31st March, 2020	For the year ended 31st March, 2019
I. Income			
Gross Sales/ Income from Operations		78,82,78,578	77,40,97,579
Less: Discounts, Rebates & Taxes		5,96,87,700	5,40,77,962
Revenue from Operations		72,85,90,878	72,00,19,617
Other Income	26	13,91,592	26,19,636
Total income	I	72,99,82,470	72,26,39,253
II. Expenses			
Cost of Material Consumed	27	36,14,03,460	44,56,19,050
Purchase of Stock in Trade		64,96,596	2,69,20,016
Increase/(Decrease) in value of Inventories of Finished Goods /Stock-in-Trade and Work-in-Progress	28	(4,18,96,660)	4,24,73,471
Employee Benefit Expenses	29	3,07,12,008	2,87,99,294
Other Expenses	30	21,78,16,638	17,41,39,582
Total expenses	II	65,83,25,362	63,30,04,471
III. Profit before Interest, Depreciation and Tax (EBIDTA) (I - II)		7,16,57,107	8,96,34,782
Finance Costs	31	4,11,88,222	5,09,41,656
Depreciation and Amortisation Expense	3	1,06,48,270	1,12,78,692
IV. Profit/(loss) before tax		1,98,20,615	2,74,14,434
V. Tax expense:			
Current tax	32	40,85,388	61,21,566
Provision for Earlier Years		3,16,166	1,14,544
MAT Credit Entitlement		(67,48,969)	-
Deferred tax	32	9,25,003	69,28,998
Total Tax Expenses		(14,22,412)	1,31,65,108
VI. Profit/(loss) for the period		2,12,43,027	1,42,49,326
VII. Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans		(10,70,293)	2,83,587
Tax impact on above		-	-
VIII. Total Comprehensive Income for the Year		2,01,72,734	1,45,32,913
IX. Earnings per equity share			
Basic & Diluted	33	5.89	3.95
Cash		7.23	7.08

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For, S K AGARWAL AND CO.

Chartered Accountants

Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia

(Partner)

Mmbership No. : 068851

Suresh Kumar Bangur

Executive Director

{DIN 00040862}

Sonali Sen

Independent Director

{DIN 00451839}

Place : Kolkata

Dates : 31 July, 2020

Ajay Bangur

President & CFO

Shankar Banerjee

Dy. Secretary

THE PHOSPHATE COMPANY LIMITED

Consolidated Cash Flow Statement for the year ended 31 March, 2020

Particulars	Amount in Rs	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash Flow from Operating Activities		
Net Profit before Tax	1,98,20,615	2,74,14,434
Add: Adjustments for Non Cash & Non Operating Items		
Interest Received	(10,58,956)	(11,03,575)
Interest Paid	3,70,08,741	4,57,73,538
Depreciation of Property plant & Equipment	1,06,48,270	1,12,78,692
Freight Subsidy Claims Written Off	3,61,51,907	
Deffered Freight Subsidy	98,05,800	
Bad Debts	12,74,521	-
Provision for Doubtful Debts	34,77,682	-
Liability no longer required written back	-	(9,86,848)
Profit on Redemption of Mutual Fund	(1,22,629)	(88,584)
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	(50,548)	24,190
Profit on Sale of property, plant and equipment	(35,010)	(88,977)
Operating Profit before Working Capital Changes	11,69,20,393	8,22,22,870
Add: Increase /Decrease in Working Capital		
Increase in Current Liabilities	(1,21,22,294)	41,56,798
(Increase)/Decrease in Non-Current/Current Financial and other Assets	(53,24,200)	(74,59,695)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	7,80,965	(6,18,944)
Increase/ (Decrease) in Provision	(8,69,068)	14,07,279
(Increase)/Decrease in Inventories	5,68,34,473	(6,05,94,829)
(Increase)/ Decrease Trade & Other Receivables	5,09,56,886	1,90,30,542
	9,02,56,763	(4,40,78,849)
Cash generated from Operation	20,71,77,156	3,81,44,021
Less: Direct Tax Paid	(68,81,398)	(15,07,567)
Net Cash flow from Operating Activities	20,02,95,758	3,66,36,454
B. Cash Flow from Investing Activities		
Purchase of Property, plant and Equipment/Capital Work in Progress	(1,87,25,044)	(1,13,89,277)
Proceeds from sale of Property, plant and equipment	5,99,018	5,53,664
Interest Received	10,58,956	11,03,575
Proceeds from Sale of Mutual Fund	3,80,92,565	10,37,534
Purchase of Mutual Fund	(3,99,99,999)	(4,98,950)
Net Cash used in Investing Activities	(1,89,74,504)	(91,93,454)
C. Cash Flow from Financing Activities		
(Repayment of)/ Proceeds from Long Term Borrowings (Net)	(19,41,965)	4,32,69,074
(Repayment of)/ Proceeds from Short Term Borrowings (Net)	(13,46,89,575)	(2,47,30,535)
Less: Interest Paid	(3,70,08,741)	(4,57,73,538)
Net Cash used in Financing Activities	(17,36,40,281)	(2,72,34,999)
Net Changes in Cash & Cash Equivalents (A+B+C)	76,80,973	2,08,000
Cash & Cash Equivalents-Opening Balance	8,13,237	6,05,237
Cash & Cash Equivalents-Closing Balance#	84,94,210	8,13,237
Debt Reconciliation Statement as per IndAS 7		
Current Borrowings		
Opening Balance	24,08,05,076	26,55,35,611
(Repayment of)/ Proceeds from borrowings (Net)	(13,46,89,575)	(2,47,30,535)
Closing Balance	10,61,15,501	24,08,05,076
Non- Current Borrowings and Certain Components of Financial Liabilities		
Opening Balance	14,61,82,702	10,16,52,050
(Repayment of)/ Proceeds from borrowings (Net)	(18,07,627)	4,45,30,652
Closing Balance	14,43,75,075	14,61,82,702

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

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

As per our report of even date attached.

For, S K AGARWAL AND CO.

Chartered Accountants

Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhota

(Partner)

Mmbership No. : 068851

Suresh Kumar Bangur

Executive Director

{DIN 00040862}

Sonali Sen

Independent Director

{DIN 00451839}

Place : Kolkata

Dates : 31 July, 2020

Ajay Bangur

President & CFO

Shankar Banerjee

Dy. Secretary

THE PHOSPHATE COMPANY LIMITED

Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

a. Equity Share Capital

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up

Amount in Rs

Balance as at 1 April, 2018	3,60,74,800
Changes in Equity Share Capital during the year 2018-19	-
Balance as at 31 March, 2019	3,60,74,800
Changes in Equity Share Capital during the year 2019-20	-
Balance as at 31 March, 2020	3,60,74,800

b. Other Equity

Particulars	Reserve and Surplus			Other Comprehensive Income	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1 April, 2018	2,62,50,000	64,60,28,254	(1,03,96,428)	(17,30,255)	66,01,51,571
Profit for the year	-	-	1,42,49,326	-	1,42,49,326
Amount Transferred to General Reserve	-	10,00,000	(10,00,000)	-	-
Other Comprehensive Income	-	-	-	2,83,587	2,83,587
Balance as at 31 March, 2019	2,62,50,000	64,70,28,254	28,52,898	(14,46,668)	67,46,84,484
Balance as at 1 April, 2019	2,62,50,000	64,70,28,254	28,52,898	(14,46,668)	67,46,84,484
Profit for the year	-	-	2,12,43,027	-	2,12,43,027
Amount Transferred to General Reserve	-	20,00,000	(20,00,000)	-	-
Other Comprehensive Income	-	-	-	(10,70,293)	(10,70,293)
Balance as at 31 March, 2020	2,62,50,000	64,90,28,254	2,20,95,925	(25,16,961)	69,48,57,218

Nature and Purpose of Reserves

A) **Securities Premium:** This reserve represents premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(B) **General Reserve:** This reserve includes transfer of Profit from retained earnings from time to time. It also includes reserve created on fair valuation of land. The reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

(C) **Retained Earnings :** This reserve represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

(D) **Other comprehensive Income Reserves :** This reserve represents effects of remeasurements of defined benefit plans that will not be reclassified to Statement of Profit & Loss.

For, S K AGARWAL AND CO.

Chartered Accountants

Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia

(Partner)

Mmbership No. : 068851

Suresh Kumar Bangur

Executive Director

{DIN 00040862}

Sonali Sen

Independent Director

{DIN 00451839}

Place : Kolkata

Dates : 31 July, 2020

Ajay Bangur
President & CFOShankar Banerjee
Dy. Secretary

THE PHOSPHATE GROUP LIMITED**Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020****1. Group Overview**

The consolidated financial statements comprise financial statements of The Phosphate Company Limited ("the Company") and its subsidiary (collectively, "the Group") for the year ended March 31, 2020.

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

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

Name of Subsidiary Company	Extent of Holding
Abhinandan Goods Pvt. Ltd.	100%

2. Significant Accounting Policies**a) Basis of Preparation**

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

b) Basis of Consolidation

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

"i) The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.

ii) The difference between the cost of investment in the subsidiary over its proportionate share in the net assets value at the time of acquisition of stake in subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against Goodwill. Changes in parents ownership interest in subsidiary that do not result in the parent losing control of the subsidiary are recognised directly in equity.

iii) Non controlling interest in net profit/loss of the subsidiary for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders' of the company. Non controlling interest in net assets of the subsidiary is identified and presented separately in Consolidated Financial Statements. iv) As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's financial statements. v) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the company."

c) Revenue from Contract with Customer

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

Sale of Products

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

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Contract balances**Trade receivables**

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

Refund Liabilities

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

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

d) Subsidy

Subsidy / Concession receivable on the Group's product are accounted on accrual basis and where there is a reasonable assurance that such subsidy will be receivable and the Group will be able to comply with the requirements attached with its realisation.

e) Property, Plant & Equipment

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

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

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

f) Inventories

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

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

g) Financial Instruments**Initial recognition and measurement**

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

Subsequent measurement**i. Non derivative financial instruments****1) Financial assets carried at amortized cost**

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

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

2) Financial assets at fair value through other comprehensive income

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

3) Financial assets at fair value through profit or loss

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

4) Financial liabilities

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

ii. Derivative financial instruments

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

Derecognition of financial instruments

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

h) Fair Value Measurement

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

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

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

i) Impairment

Impairment is recognized based on the following principles:

Financial Assets

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

Non-Financial Assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds its recoverable

THE PHOSPHATE GROUP LIMITED**Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020**

amount. The recoverable amount is the higher of an assets fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating unit) Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of reporting period.

j) Provisions

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

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

k) Foreign Currency Transactions & Translations

The functional currency of the Group is Indian Rupee. These Financial Statements are presented in Indian Rupee. Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction. Gains & losses arising on account of realization are accounted for in the Statement of Profit & Loss.

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

l) Cash and Cash Equivalents

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

m) Employee Benefits**Defined Contribution Plan**

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

Defined Benefit Plan

"The Group operates a defined benefit gratuity plan in India, comprising of Gratuity fund with an approved trust. The Group's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The Group recognises the changes in the net defined benefit obligation like service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income, as an expense in the Statement of Profit and Loss. Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered."

Other Long Term Employee Benefits

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

n) Leases

Ind AS 116 supersedes Ind AS 17 Leases including its appendices. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Group as a lessee

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

Right-of-use assets

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

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

Lease liabilities

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

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

Short-term leases and leases of low-value assets

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

o) Borrowing Cost

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

THE PHOSPHATE GROUP LIMITED**Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020****1. Group Overview**

The consolidated financial statements comprise financial statements of The Phosphate Company Limited ("the Company") and its subsidiary (collectively, "the Group") for the year ended March 31, 2020.

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

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

Name of Subsidiary Company	Extent of Holding
Abhinandan Goods Pvt. Ltd.	100%

2. Significant Accounting Policies**a) Basis of Preparation**

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

b) Basis of Consolidation

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

"i) The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation.

ii) The difference between the cost of investment in the subsidiary over its proportionate share in the net assets value at the time of acquisition of stake in subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. For this purpose, the company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation is adjusted against Goodwill. Changes in parents ownership interest in subsidiary that do not result in the parent losing control of the subsidiary are recognised directly in equity.

iii) Non controlling interest in net profit/loss of the subsidiary for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders' of the company. Non controlling interest in net assets of the subsidiary is identified and presented separately in Consolidated Financial Statements. iv) As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's financial statements. v) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the company."

c) Revenue from Contract with Customer

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

Sale of Products

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

p) **Income Taxes**

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

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

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

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

q) **Earnings per Share**

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

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

r) **Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Description	Gross Block				Accumulated depreciation				Net block	
	1 April, 2019	Additions	Disposals/ Adjustments	31 March, 2020	1 April, 2019	Additions	Disposals/ Adjustment	31 March, 2020	31 March, 2020	31 March, 2019
Freehold land	71,13,27,021	-	-	71,13,27,021	-	-	-	-	71,13,27,021	71,13,27,021
Building	3,95,70,007	-	8,62,288	3,87,07,719	70,24,991	20,83,959	8,19,174	82,89,776	3,04,17,943	3,25,45,016
Plant and machinery	8,10,78,949	1,11,57,756	45,66,373	8,76,70,332	2,03,56,676	77,46,531	41,45,533	2,39,57,674	6,37,12,658	6,07,22,273
Computers	4,93,801	73,156	1,85,109	3,81,848	3,34,763	51,101	1,75,854	2,10,010	1,71,838	1,59,038
Water & Acid Installation:	13,35,181	3,45,656	-	16,80,837	3,53,466	90,084	-	4,43,550	12,37,287	9,81,715
Laboratory Equipment:	4,38,026	28,872	-	4,66,898	2,51,789	51,000	-	3,02,789	1,64,109	1,86,237
Furniture & Fittings	5,81,788	-	29,548	5,52,240	3,66,493	43,997	29,937	3,80,553	1,71,687	2,15,295
Motor Cars & Trucks	29,79,729	-	9,51,330	20,28,399	10,97,295	5,81,229	8,60,142	8,18,382	12,10,017	18,82,434
Electric Installation:	10,056	-	-	10,056	3,581	369	-	3,950	6,106	6,475
Total Tangible Assets (A)	83,78,14,558	1,16,05,440	65,94,648	84,28,25,350	2,97,89,054	1,06,48,270	60,30,640	3,44,06,684	80,84,18,666	80,80,25,504
Capital work-in-progress	1,72,44,451	1,87,00,256	1,15,80,652	2,43,64,055	-	-	-	-	2,43,64,055	1,72,44,451
Total	85,50,59,009	3,03,05,696	1,81,75,300	86,71,89,405	2,97,89,054	1,06,48,270	60,30,640	3,44,06,684	83,27,82,721	82,52,69,955

Description	Gross Block				Accumulated depreciation				Net block	
	1 April, 2018	Additions	Disposals/ Adjustment	31 March, 2019	1 April, 2018	Additions	Disposals/ Adjustment	31 March, 2019	31 March, 2019	31 March, 2018
Freehold land	71,13,27,021	-	-	71,13,27,021	-	-	-	-	71,13,27,021	71,13,27,021
Building	3,95,70,007	-	-	3,95,70,007	45,64,186	24,60,805	-	70,24,991	3,25,45,016	3,50,05,821
Plant and machinery	7,63,44,188	55,75,398	8,40,637	8,10,78,949	1,34,72,438	73,05,901	4,21,663	2,03,56,676	6,07,22,273	6,28,71,750
Computers	4,52,731	42,770	1,700	4,93,801	1,39,139	1,95,624	-	3,34,763	1,59,038	3,13,592
Water & Acid Installation:	13,35,181	-	-	13,35,181	2,69,246	84,220	-	3,53,466	9,81,715	10,65,935
Laboratory Equipment:	4,38,026	-	-	4,38,026	1,92,726	59,063	-	2,51,789	1,86,237	2,45,300
Furniture & Fittings	5,62,932	20,156	1,300	5,81,788	2,22,767	1,43,726	-	3,66,493	2,15,295	3,40,165
Motor Cars & Trucks	20,92,233	9,99,500	1,12,004	29,79,729	1,38,036	10,28,550	69,291	10,97,295	18,82,434	19,54,197
Electric Installation:	10,056	-	-	10,056	2,778	803	-	3,581	6,475	7,278
Total Tangible Assets (A)	83,21,32,375	66,37,824	9,55,641	83,78,14,558	1,90,01,316	1,12,78,692	4,90,954	2,97,89,054	80,80,25,504	81,31,31,059
Capital work-in-progress	1,24,92,998	1,07,47,123	59,95,670	1,72,44,451	-	-	-	-	1,72,44,451	1,24,92,998
Total	84,46,25,373	1,73,84,947	69,51,311	85,50,59,009	1,90,01,316	1,12,78,692	4,90,954	2,97,89,054	82,52,69,955	82,56,24,057

As at
March 31, 2020As at
March 31, 2019**Note 4- Investments- Non Current Investments in Government or trust securities****Investments carried at Amortised Cost (Unquoted)**

National Savings Certificate	26,000	26,000
Total	26,000	26,000
Aggregate amount of Unquoted Investments	26,000	26,000

Note 5- Loans - Non Current**Financial assets carried at amortised cost (Unsecured, considered good)**

Security deposits	48,53,889	50,00,835
Total	48,53,889	50,00,835

Note 6- Deferred Tax Assets/(Liabilities)**Deferred Tax Assets**

Losses/ Unabsorbed Depreciation under Income Tax	1,50,161	34,40,623
Expenses allowable against taxable income in future years	56,43,749	43,17,595
MAT Credit Entitlement	67,48,969	

Deferred Tax Liabilities

Timing difference in depreciable assets	(91,53,264)	(1,01,92,569)
Total	33,89,615	(24,34,351)

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31, 2020	Amount in Rs As at March 31, 2019
Note 7- Inventories		
(Valued at lower of cost or net realisable value)		
Raw Materials*	7,94,54,790	9,25,25,874
Packing Materials	15,23,570	31,07,727
Stores & Spare Parts	1,08,47,464	1,11,30,036
Finished Goods (including W.I.P)	2,36,62,539	6,50,16,504
Trading Goods	2,36,972	7,79,667
Total	11,57,25,335	17,25,59,808
* Includes Stock-In-Transit	10,07,708	1,90,95,333
Note 8- Investments - Current		
Investments at Fair Value through Profit or Loss		
Investments in Mutual Funds (Unquoted)		
253.432 units Kotak Liquid Growth Fund (Previous Year 125.841 Units)	10,13,849	-
22673.926 units SBI Short Term Debt Growth Fund (Previous Year NIL)	5,28,706	4,74,760
210.019 units Nippon Life India AM Ltd (Previous Year NIL)	10,12,817	-
Total	25,55,372	4,74,760
Aggregate amount of Unquoted Investments	25,55,372	4,74,760
Fair value of Unquoted Investments	25,55,372	4,74,760
Note 9- Trade Receivables		
Financial Assets carried at amortised cost		
(unsecured, considered good)		
- Considered good	4,14,60,187	6,77,87,515
- Considered doubtful	34,77,682	-
Less: Provision for Bad Debt	(34,77,682)	-
	4,14,60,187	6,77,87,515
Subsidy receivable from Central Government	9,00,95,236	12,08,22,017
	13,15,55,423	18,86,09,532
Note 10- Cash and Cash Equivalents		
Financial Assets carried at amortised cost		
Balance with banks	79,74,407	2,60,995
Cash in hand	5,19,803	5,52,242
Total	84,94,210	8,13,237
Note 11- Other Bank Balances		
Financial Assets carried at amortised cost		
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)	1,04,41,320	1,03,47,808
Total	1,04,41,320	1,03,47,808
Note 12- Loans- Current		
Financial Assets carried at amortised cost		
(Unsecured, considered good)		
Advances to Employees	-	45,000
Total	-	45,000
Note 13- Other Financial Assets- Current		
Financial Assets carried at amortised cost		
(Unsecured, considered good)		
Interest Receivable		
From Banks	8,72,884	5,17,455
Advance recoverable in cash or kind	27,22,827	4,76,75,942
Total	35,95,711	4,81,93,397
Note 14- Other Current Assets		
(Unsecured, considered good)		
Advance to suppliers	3,53,834	1,47,577
Advances against expenses	9,10,041	38,66,020
Prepaid expenses	12,24,082	19,27,920
Input tax receivable	3,84,00,777	2,95,69,584
Total	4,08,88,734	3,55,11,100

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	As at March 31,2020	Amount in Rs As at March 31,2019
Note 15 -Equity Share Capital		
Authorised capital		
1,00,00,000 Equity Shares of Rs. 10 each	10,00,00,000	10,00,00,000
1,50,000 (1,50,000) Redeemable Preference Shares of Rs.1000 each	15,00,00,000	15,00,00,000
	25,00,00,000	25,00,00,000
Issued, subscribed and Paid-up capital		
36,07,480 equity shares ofRs. 10 each	3,60,74,800	3,60,74,800
	3,60,74,800	3,60,74,800

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

	31 March, 2020		31 March, 2019	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	36,07,480	3,60,74,800	36,07,480	3,60,74,800
Add: Share issued during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	3,60,74,800	36,07,480	3,60,74,800

b) Rights/preferences/restrictions attached to equity shares

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

c) Details of shareholders holding more than 5% shares in the Company

	As at 31 March, 2020		As at 31 March, 2019	
	No of shares	% holding	No of shares	% holding
Madhav Trading Corpn. Ltd.	3,74,880	10.39	3,74,880	10.39
Shrivats Khaitan	2,31,000	6.40	2,31,000	6.40
Life Insurance Corporation of India	1,89,230	5.25	1,89,240	5.25

	As at March 31,2020	As at March 31,2019
Note 16- Other Equity		
Securities Premium		
As per last Balance Sheet	2,62,50,000	2,62,50,000
Addition during the Year	-	-
Balance as at the end of the year	2,62,50,000	2,62,50,000
General Reserve		
As per last Balance Sheet	64,70,28,254	64,60,28,254
Add: Amount Transferred from Retained Earnings	20,00,000	10,00,000
Balance as at the end of the year	64,90,28,254	64,70,28,254
Retained Earnings		
As per last Balance Sheet	28,52,898	(1,03,96,428)
Profit for the Year	2,12,43,027	1,42,49,326
Less: Amount Transferred to General Reserve	(20,00,000)	-10,00,000
Balance as at the end of the year	2,20,95,925	28,52,898
Other Comprehensive Income		
As per last Balance Sheet	(14,46,668)	(17,30,255)
Addition during the Year	(10,70,293)	2,83,587
Balance as at the end of the year	(25,16,961)	(14,46,668)
Total	69,48,57,218	67,46,84,484

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 17- Borrowings (Non Current)		
Financial Liabilities carried at amortised cost		
Secured		
a. Term loans from Non Banking financial Institution	4,43,28,345	4,92,38,294
Less: Current maturities of Term Loan (refer note 22)	55,46,364	49,09,949
	3,87,81,981	4,43,28,345
b. Term loans from Banks		
(I) Vehicle loans from banks	18,12,219	24,65,740
(II) Equipment loans from banks	58,39,412	
Less: Current maturities of Equipment & Vehicle Loan (refer note 22)	20,58,537	6,11,383
	55,93,094	18,54,357
Unsecured		
From Limited Companies		
From Related Parties	9,89,00,000	8,90,00,000
From Other Body Corporates	11,00,000	1,10,00,000
Total	14,43,75,075	14,61,82,702

(i) Repayment terms and nature of securities given for term loan as follows :

SI No	Name of the Bank	Nature of security	Repayment Terms	31-Mar-20	31-Mar-19
a.	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No.47, Rishi Bankim Chandra Road, Rishra Hooghly. Current Interest rate is 12.25%.	Repayable in 84 equal monthly installment of Rs. 8,89,336 commencing from February 2019.	4,43,28,345	4,92,38,294
bl(i)	State Bank of India	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.	Repayable in 36 equal monthly installment of Rs. 14,065 commencing from December, 2017.	-	2,15,417
bl(ii)	Syndicate Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 10.90%.	Repayable in 75 equal monthly installment of Rs. 12,373.85 commencing from December, 2015.	2,66,549	3,70,878
bl(iii)	Syndicate Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 9.20%.	Repayable in 81 equal monthly installment of Rs. 14,719.19 commencing from May, 2018.	6,97,313	7,95,210
bl(iv)	Syndicate Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 9.50%.	Repayable in 84 equal monthly installment of Rs. 13,980.78 commencing from March, 2019	7,57,328	8,40,513
bl(v)	State Bank of India	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme. Current Interest rate is 10.90%.	Repayable in 84 equal monthly installment of Rs. 13,740 commencing from November, 2013.	91,029	2,43,722
blI(i)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	29,19,706	Nil
blI(ii)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	29,19,706	Nil

THE PHOSPHATE GROUP LIMITED**Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020**

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 18- Other financial liabilities - Non Current		
Financial Liabilities carried at amortised cost		
Deposit from Dealer	1,10,78,840	1,12,13,178
Total	1,10,78,840	1,12,13,178
Note 19- Provisions - Non Current		
Provisions for Employee Benefits		
Leave Encashment	70,66,983	60,84,793
Less: Current Liability (refer note 24)	39,86,766	37,85,541
Total	30,80,217	22,99,252
Note 20- Borrowings - Current		
Financial Liabilities carried at amortised cost		
Secured		
From Banks		
Cash Credit	-	16,18,95,076
Unsecured		
From Limited Companies		
From Related Parties	4,62,75,043	5,62,10,000
From Other Body Corporates	5,98,40,458	2,27,00,000
Total	10,61,15,501	24,08,05,076

Cash Credit Loan from Bank is secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by pari-passu second charge on entire fixed assets of the Company. Current Interest Rate is 10.25% to 12.40%.

Note 21- Trade payables**Financial Liabilities carried at amortised cost**

MSMED [refer note (a) below]	4,69,747	6,23,966
Other Trade Payable	10,59,48,042	13,13,43,339
Total	10,64,17,789	13,19,67,305

Notes :

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006

i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due to micro and small enterprise Interest due on above	4,69,747	6,23,966
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

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

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	Amount in Rs	
	As at March 31,2020	As at March 31,2019
Note 22- Other Financial Liabilities- Current		
Financial Liabilities carried at amortised cost		
Current Maturities of Term loans from Non Banking financial Institution (refer note 17)	55,46,364	49,09,949
Current Maturities of Equipment & Vehicle loans from Banks (refer note 17)	20,58,537	6,11,383
Interest accrued and due	44,76,916	43,67,018
Employee Benefits	18,38,307	16,81,155
Financial Liabilities carried at Fair Value through Profit & Loss		
Foreign Currency Forward Contracts Payable/(Receivable)	23,09,386	(8,03,698)
Total	1,62,29,510	1,07,65,807
Note 23- Other Current Liabilities		
Advance from customers	93,82,181	43,20,886
Duties & Taxes		
Statutory & other dues payables	1,28,78,546	1,14,24,535
Liability for expenses	65,39,807	50,91,593
Total	2,88,00,534	2,08,37,014
Note 24- Provisions - Current		
Provisions for Employee Benefits		
Leave Encashment (refer note No. 19)	39,86,766	37,85,541
Total	39,86,766	37,85,541
Note 25- Current Tax Liabilities (Net)		
Provision for Income Tax (Net of Advance Tax)	32,92,079	57,71,923
Total	32,92,079	57,71,923

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	For the year ended March 31,2020	For the year ended March 31,2019
	Note 26- Other income	
Interest income on		
Fixed Deposits	7,96,338	10,41,444
Others	2,62,618	62,132
Profit on sales of Property, plant and equipment	35,010	88,977
Liability no longer required written back	-	9,86,848
Profit on Redemption of Mutual Fund	1,22,629	88,584
Gain on measuring investments at FVTPL	50,548	24,190
Scrap Sales	1,05,500	3,75,842
Other Income	18,949	-
Total	13,91,592	26,19,637
Note 27- Cost of Material Consumed:		
Raw Materials	36,14,03,460	42,86,25,058
Packing Materials	1,57,77,739	1,69,93,992
Total	36,14,03,460	44,56,19,050

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	Amount in Rs	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 28- Increase/(Decrease) in value of Inventories of Finished Goods /Stock-in-Trade and Work-in-Progress		
Closing Stock		
Finished Goods	2,36,62,539	6,50,16,504
Trading Goods	2,36,972	7,79,667
Less : Opening Stock		
Finished Goods	(6,50,16,504)	(2,08,25,178)
Trading Goods	(7,79,667)	(24,97,522)
Total	(4,18,96,660)	4,24,73,471
Note 29- Employee benefit expenses		
Salaries, wages and bonus	2,33,03,052	2,21,27,303
Contribution to Provident & other funds	34,82,748	32,19,333
Staff welfare	39,26,208	34,52,658
Total	3,07,12,008	2,87,99,294
Note 30- Other Expenses		
Consumption of Stores and Spares	61,42,077	71,61,000
Power and Fuel Expenses	2,29,65,197	2,51,24,417
Repair to :	-	-
Building	17,00,545	11,30,710
Machinery	13,94,795	13,48,010
Others	7,01,737	4,94,242
Manufacturing & Supervision Charges	1,37,39,812	1,44,54,161
Storage & Handling Expenses	-	1,46,00,420
Packing Expenses	53,67,507	49,82,990
Freight, Delivery Expenses	9,54,35,045	8,52,09,476
Selling Expenses	26,78,013	13,29,585
Rent	2,31,195	10,76,633
Rates and Taxes	11,85,678	17,51,116
Payment to Auditors :		
Audit Fee	58,850	55,900
Certification Fee	64,400	1,12,550
Legal & Consultancy Expenses	54,46,881	48,24,548
Freight Subsidy Claims Written Off (Refer Note 41)	3,61,51,907	-
Director's Fees :		
Board Meeting Fees	3,20,000	3,60,000
Committee Meeting Fees	1,00,000	1,30,000
Information & Technology Expenses	1,00,015	55,573
Bad Debts	12,74,521	-
Insurance Charges	4,20,456	3,54,817
Motor Vehicle Expenses	8,57,552	11,75,771
Deffered Freight Subsidy	98,05,800	
Other Maintenance Expenses	26,58,543	22,22,860
Provision for Doubtful Debts	34,77,682	-
Miscellaneous Expenses	55,38,430	61,84,804
Total	21,78,16,638	17,41,39,582
Note 31- Finance Cost		
Interest	3,70,08,741	4,57,73,538
Bank charges	20,47,602	25,42,563
Foreign Exchange Rate Fluctuation	20,91,879	26,25,555
Other Charges	40,000	-
Total	4,11,88,222	5,09,41,656

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

	Amt in Rs.	
	31 March, 2020	31 March, 2019
Note 32 Effective tax reconciliation		
Income Tax Recognised in Statement of Profit & Loss		
Current Tax	40,85,388	61,21,566
Deferred Tax	9,25,003	69,28,998
Total Income tax Expense recognised in the current year	50,10,391	1,30,50,564

The income tax expense can be reconciled to the accounting profit as follows:

Particulars	Amount in Rs	
	31 March, 2020	31 March, 2019
Profit before tax	1,98,20,615	2,74,14,434
Applicable tax rate	27.82%	25.75%
Computed Tax Expense	55,14,095	70,59,217
Tax Effect of :		
Benefit on account of Unabsorbed losses under income tax	(32,90,462)	(98,14,246)
Timing difference in respect of expenses allowed under income tax	(22,23,633)	27,55,029
Liability under Minimum Alternate Tax	40,85,388	61,21,566
Current Tax Provisions (A)	40,85,388	61,21,566
Reversal of Deferred Tax Asset on unabsorbed losses under Income Tax	32,90,462	98,14,246
Deferred Tax Asset on items allowed on payment basis	(23,65,459)	(28,85,248)
Deferred Tax Provision (B)	9,25,003	69,28,998
Tax expenses recognised in the statement of Profit & Loss (A+B)	50,10,391	1,30,50,564
Effective Tax Rate	25.28%	47.60%

Note 33 Earnings per equity share

Particulars	31 March, 2020	31 March, 2019
Profit as per Statement of Profit and Loss	2,12,43,027	1,42,49,326
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	5.89	3.95

Note 34 Contingencies and Commitments (to the extent not provided for)

Particulars	31 March, 2020	31 March, 2019
I) Guarantees given		
Guarantees given by the Group not acknowledged as debt	1,99,660	1,99,660
Total	1,99,660	1,99,660

II) Commitments

Commitment of Capital Expenditure not provided for in the accounts (Estimated)	-	28,00,000
Total	-	28,00,000

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Note 35 Employee Benefit Obligations

I) Defined Contribution Plan

Contribution to defined contribution plan, recognized are charged off during the year as follows :

Particulars	Amount in Rs.	
	31 March, 2020	31 March, 2019
Employers' Contribution to Provident Fund	16,00,894	13,98,227

I) Defined Benefit Plan

Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Gratuity		Accumulated Leave	
	Funded		Unfunded	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	9,02,817	7,43,624	4,90,396	3,87,055
Interest cost	(9,007)	(2,596)	3,53,707	4,18,503
Actuarial loss/(gain) recognized during the year	-	-	2,15,107	(3,00,809)
Amount recognized in the statement of profit and loss	8,93,810	7,41,028	10,59,210	5,04,749

(ii) Changes in Present Value Obligation

Present value of defined benefit obligation as at the start of the year	1,70,17,823	1,51,90,382	60,84,793	55,80,045
Current service cost	9,02,817	7,43,624	4,90,396	3,87,055
Interest cost	9,91,051	11,39,279	3,53,707	4,18,503
Actuarial loss/(gain) recognized during the year	15,40,938	(55,462)	2,15,107	(3,00,810)
Benefits paid	(1,53,563)	-	-77,020	-
Present value of Defined Benefit Obligation as at the end of the year	2,02,99,066	1,70,17,823	70,66,983	60,84,793

(iii) Change in fair value of plan assets

Fair value of plan assets as at the start of the year	1,70,95,000	1,52,25,000	-	-
Return on plan assets	4,70,646	2,28,125	-	-
Interest Income	10,00,058	11,41,875	-	-
Actuarial loss/(gain)	-	-	-	-
Contribution	19,00,000	5,00,000	-	-
Benefits paid	(1,53,563)	-	(77,020)	-
Fair value of plan assets as at the end of the year	2,03,12,141	1,70,95,000	-	-

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

Funded Status	13,074	77,177	-	-
Present value obligation as at the end of the year	2,02,99,066	1,70,17,823	70,66,983	60,84,793
Fair value of plan assets as at the end of the year	2,03,12,140	1,70,95,000	-	-
Net liability/(asset) recognized in balance sheet	-	-	70,66,983	60,84,793

Amount recognised in the statement of Other Comprehensive Income

Actuarial (Gain)/Loss for the year on Present value of obligation	6,33,759	88,186	-	-
Actuarial (Gain)/Loss for the year on Asset	9,07,179	(1,43,648)	-	-
Return on Plan Asset, Excluding Interest Income	4,70,646	2,28,125	-	-
Unrecognised actuarial (Gain)/Loss at the end of the year	10,70,292	(2,83,587)	-	-

Breakup of Actuarial gain/loss:

Actuarial (gain)/loss on arising from change in demographic assumption	-	-	-	-
Actuarial (gain)/loss on arising from change in financial assumption	6,33,759	88,186	-	-
Actuarial (gain)/loss on arising from experience adjustment	9,07,179	(1,43,648)	-	-

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Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Assumptions

	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
Financial Assumptions				
Discount rate p.a.	5.85%	7.50%	5.85%	7.50%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	6 Years	6 Years	5 Years	5 Years

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

f) Sensitivity Analysis

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

Sensitivity analysis for Gratuity

	As at 31 March, 2020		As at 31 March, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	2,00,95,263	2,05,14,439	1,68,43,560	1,72,00,935
%Change Compared to base due to sensitivity	-1.00%	1.06%	-1.02%	1.08%
Salary Growth (-/+ 0.5%)	2,05,08,958	2,00,98,308	1,71,99,063	1,68,43,560
%Change Compared to base due to sensitivity	1.03%	-0.99%	1.07%	-1.02%
Attrition Rate (-/+ 0.5%)	2,03,03,126	2,02,95,006	1,70,21,397	1,70,14,249
%Change Compared to base due to sensitivity	0.02%	-0.02%	0.02%	-0.02%
Mortality Rate (-/+ 10%)	2,03,26,064	2,02,72,068	1,70,43,350	1,69,92,296
%Change Compared to base due to sensitivity	0.13%	-0.13%	0.15%	-0.15%

Sensitivity analysis for Accumulated Leave

	As at 31 March, 2020		As at 31 March, 2019	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	69,51,690	71,90,757	59,94,783	61,80,545
%Change Compared to base due to sensitivity	-1.63%	1.75%	-1.52%	-1.62%
Salary Growth (-/+ 0.5%)	71,87,683	69,53,379	61,79,636	59,94,805
%Change Compared to base due to sensitivity	1.71%	-1.61%	1.61%	-1.52%
Attrition Rate (-/+ 0.5%)	70,69,812	70,64,150	60,87,147	60,82,439
%Change Compared to base due to sensitivity	0.04%	-0.04%	0.04%	-0.04%
Mortality Rate (-/+ 10%)	70,80,463	70,53,500	60,96,902	60,72,684
%Change Compared to base due to sensitivity	0.19%	-0.19%	0.21%	-0.21%

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

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

Expected contribution during the next annual reporting period:

Particulars

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

Gratuity

Rs. 1,96,862

Table Showing Allocation of Plan Asset at the end Measurement Period	Allocation of Plan Asset (Amt in Rs.)		Allocation in % of Plan Asset	
	Gratuity (Funded)		Gratuity (Funded)	
	31 March, 2020	31 March, 2019	31 March, 2020	31 March, 2019
Cash & Cash Equivalents	14,80,702	4,91,000	7.29%	2.87%
Special Deposit Scheme	5,19,833	5,19,833	2.56%	3.04%
State Government Securities	91,89,180	92,32,320	45.24%	54.01%
Government of India Securities	1,04,950	2,01,250	0.52%	1.18%
Corporate Bonds	79,67,155	56,38,165	39.22%	32.98%
Debt Securities	4,15,000	3,15,000	2.04%	1.84%
Other	6,35,320	6,97,432	3.13%	4.08%
Total	2,03,12,140	1,70,95,000	100.00%	100.00%

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Note 36 Financial instruments and other related disclosures

i. Capital Management

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

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

The debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2020, the ratio is 0.33

Particulars	Amount in Rs	
	31 March, 2020	31 March, 2019
Equity Share Capital	3,60,74,800	3,60,74,800
Other Equity	69,48,57,218	67,46,84,484
Total Equity (A)	73,09,32,018	71,07,59,284
Non-Current Borrowings	14,43,75,075	14,61,82,702
Short Term Borrowings	11,81,97,318	25,06,93,426
Total Borrowings (Gross Debt) (B)	26,25,72,393	39,68,76,128
Less: Investments	(25,81,372)	(5,00,760)
Less: Cash and Cash Equivalents	(84,94,210)	(8,13,237)
Less: Other Bank Balances	(1,04,41,320)	(1,03,47,808)
Net Debt (C)	24,10,55,492	38,52,14,323
Net Debt to Equity (C/A)	0.330	0.542

Disclosures on Financial Instruments

I) Financial Instruments by Category

As at March 31, 2020

Amount in Rs.

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	26,000	25,55,372	25,81,372	25,81,372
Trade Receivables	13,15,55,423	-	13,15,55,423	13,15,55,423
Cash and Cash Equivalents	84,94,210	-	84,94,210	84,94,210
Other Bank Balances	1,04,41,320	-	1,04,41,320	1,04,41,320
Loans	48,53,889	-	48,53,889	48,53,889
Other Financial Assets	35,95,711	-	35,95,711	35,95,711
Total Financial Assets	15,89,66,553	25,55,372	16,15,21,925	16,15,21,925
Financial Liabilities				
Borrowings	25,04,90,576	-	25,04,90,576	25,04,90,576
Trade Payables	10,64,17,789	-	10,64,17,789	10,64,17,789
Other Financial Liabilities	2,49,98,964	23,09,386	2,73,08,350	2,73,08,350
Total Financial Liabilities	38,19,07,329	23,09,386	38,42,16,715	38,42,16,715

As at March 31, 2019

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	26,000	4,74,760	5,00,760	5,00,760
Trade Receivables	18,86,09,532	-	18,86,09,532	18,86,09,532
Cash and Cash Equivalents	8,13,237	-	8,13,237	8,13,237
Other Bank Balances	1,03,47,808	-	1,03,47,808	1,03,47,808
Loans	50,15,835	-	50,15,835	50,15,835
Other Financial Assets	4,81,93,398	-	4,81,93,398	4,81,93,398
Total Financial Assets	25,30,05,810	4,74,760	25,34,80,570	25,34,80,570
Financial Liabilities				
Borrowings	38,69,87,778	-	38,69,87,778	38,69,87,778
Trade Payables	13,13,43,339	-	13,13,43,339	13,13,43,339
Other Financial Liabilities	2,27,82,683	(8,03,698)	2,19,78,985	2,19,78,985
Total Financial Liabilities	54,11,13,800	(8,03,698)	54,03,10,102	54,03,10,102

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Note 36 Financial instruments and other related disclosures

(ii) Fair value hierarchy

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

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

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

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

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

Particulars	Fair Value Hierarchy Level	Amount in Rs	
		31 March, 2020	31 March, 2019
Financial Assets			
Current Investments	Level 1	25,55,372	4,74,760
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	23,09,386	(8,03,698)

(iii) Financial risk management objectives and policies

Financial risk factors

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

(A) Market risk

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

(a) Interest rate risk

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

(b) Foreign currency risks

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

Particulars	31 March 2020	31 March 2019
Foreign Currency Payable (Amount in USD)	13,96,800	15,27,850

(B) Liquidity risk

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

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

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

Particulars	Amount in Rs	
	31 March, 2020	31 March 2019
One Year or less		
Borrowings	10,61,15,501	24,08,05,076
Trade Payables	10,64,17,789	13,19,67,305
Other Financial Liabilities	1,62,29,510	1,07,65,807
More than One Year		
Borrowings	14,43,75,075	14,61,82,702
Other Financial Liabilities	1,10,78,840	1,12,13,178

(C) Credit risk

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

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

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

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Note 37 Related Party Disclosures:

List of Related Parties :

1. Key Management Personnel

Shri Suresh Kumar Bangur	Executive Director & CEO
Shri Ajay Bangur	President & CFO
Shri Shankar Banerjee	Company Secretary & Compliance Officer

2. Other Directors

Shri Binod Khaitan	Non-Executive Director
Shri Hemant Bangur	Non-Executive Director
Shri Dilip P Goculdas	Independent Director
Smt Sonali Sen	Independent Director

3. Entities over which Director, Key Managerial Personnel and their relatives have significant influence with whom transaction have taken place during the year

Adelina Investments Pvt. Ltd.
 Art Finance & Trade Pvt. Ltd.
 Chintamani Holdings Pvt. Ltd
 Cowcody Builders Pvt. Ltd.
 Credwyn Holdings India Pvt. Ltd.
 Devendra Finvest & Holding Pvt Ltd
 Gloster Limited
 Kanchan Udyog Ltd.
 Kettlewell Bullen & Co Ltd
 Kherapati Vanijya Ltd.
 Mani Invest Brokers Private Limited
 Maxworth Industrial Services Ltd
 Noshirvan & Company Private Ltd
 PDGD Investments & Trading Private Ltd
 Shreyans Paperplast Pvt. Ltd.
 The Oriental Co. Ltd.
 Wind Power Vinimay Pvt Ltd

The following table summarises related-party transactions included in the financial statements for the year ended March 31, 2020 & March 31, 2019 and details of outstanding balances as on March 31, 2020 & March 31, 2019

Nature of Transactions	Amount in Rs		
	Key Managerial Personnel & Other Directors (1+2)	Entities where KMP and relatives have significant influence (3)	Total
Salary and Other Benefits	57,44,144	-	57,44,144
	52,71,261	-	52,71,261
Contribution to Provident Fund & Superannuation Policy	14,68,288	-	14,68,288
	13,52,550	-	13,52,550
Other Perquisites	19,52,175	-	19,52,175
	17,03,087	-	17,03,087
Meeting Fees	4,20,000	-	4,20,000
	4,90,000	-	4,90,000
Interest Payment	-	2,76,84,850	2,76,84,850
	-	2,54,39,332	2,54,39,332
Loan Taken	-	18,40,20,000	18,40,20,000
	-	26,90,50,000	26,90,50,000
Loan Repaid	-	16,54,00,000	16,54,00,000
	-	28,16,00,000	28,16,00,000
Outstanding Payable	-	18,58,30,000	18,58,30,000
	-	11,38,14,568	11,38,14,568

THE PHOSPHATE GROUP LIMITED

Notes to Consolidated Financial Statements as at and for the year ended March 31, 2020

Note 38: Additional Information
Financial Year 2019-20

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	Amount in Rs.	As a % of Cons. Figure	Amount in Rs.	As a % of Cons. Figure	Amount in Rs.	As a % of Cons. Figure	Amount in Rs.
Parent :								
The Phosphate Company Limited	99.98%	73,08,18,031	100.09%	2,12,61,932	100.00%	(10,70,293)	100.09%	2,01,91,639
Subsidiary :								
Abhinandan Goods Private Limited	0.40%	29,35,489	-0.09%	(18,905)	0.00%	-	-0.09%	(18,905)
Less: Inter-Company Elimination and Consolidation Adjustments	-0.33%	-24,06,000	0.00%	-	0.00%	-	0.00%	-
Total :	100%	73,09,32,018	100%	2,12,43,027	100%	(10,70,293)	100%	2,01,72,734

Financial Year 2018-19

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	Amount in Rs.	As a % of Cons. Figure	Amount in Rs.	As a % of Cons. Figure	Amount in Rs.	As a % of Cons. Figure	Amount in Rs.
Parent :								
The Phosphate Company Limited	99.98%	71,06,26,392	100.93%	1,43,81,729	100.00%	2,83,587	100.91%	1,46,65,316
Subsidiary :								
Abhinandan Goods Private Limited	0.36%	25,38,891	-0.93%	(1,32,403)	0.00%	-	-0.91%	(1,32,403)
Less: Inter-Company Elimination and Consolidation Adjustments	-0.34%	-24,06,000	0.00%	-	0.00%	-	0.00%	-
Total :	100%	71,07,59,284	100%	1,42,49,326	100%	2,83,587	100%	1,45,32,913

Note 39: The COVID-19 pandemic has rapidly spread across the world as well as in India and has caused shutdown of all offices from March 24, 2020. The Company has resumed its operations in a phased manner in line with the directives of the Government of India. The Company's management has made initial assessment of likely adverse impact on business, and believes that the impact is likely to be from short to medium term in nature. The management does not see long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Management has also evaluated the recoverability of receivables and realisability of inventory on hand based on subsequent realisations and customer orders respectively. However, given the uncertainties associated with the eventual outcome, nature and duration of the pandemic, the impact may be different from that estimated as on the date of approval of these financial statements.

Note 40: On 20th May 2020, the Operations of the Company were also affected by Aumphan cyclone which has severely damaged the assets at the factory. The Company is adequately insured and has lodged claim with insurance Company.

Note 41: The Company had filed appeal before Hon. High Court, Kolkata against dismissal of its claim of freight subsidy on fertilisers against the Ministry of Fertilisers, Government of India. During the year, the High Court has given a favourable order in the matter, however, the Ministry of Fertilisers, Government of India, has misread and/or misinterpreted the said order and made part payment of the claim. The management is considering taking legal recourse for recovery of the full amount, however, in view of uncertainty the balance amount has prudently been written off.

Note 42: Balance of some parties (including of Trade receivables and Trade payables) and loans and advances are subject to reconciliation/confirmations from the respective parties. The management does not expect any material differences affecting the financial statement for the year

Note 43: Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to conform necessary to the current year presentation.

For, S K AGARWAL AND CO.
Chartered Accountants
Firm Registration Number : 306033E

For and on behalf of the Board of Directors

Hemant Kumar Lakhotia
(Partner)
Mmembershhip No. : 068851

Suresh Kumar Bangur
Executive Director
{DIN 00040862}

Sonali Sen
Independent Director
{DIN 00451839}

Place : Kolkata
Dates : 31 July, 2020

Ajay Bangur
President & CFO

Shankar Banerjee
Dy. Secretary