

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/341

August 28, 2023

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: 10026031

Scrip Code: 542123

Re: Reg.34

Dear Sir,

Pursuant to Regulation 34 of SEBI (LODR) Regulation 2015, enclosed please find Annual Report for 2022-23 alongwith Notice of the Annual General Meeting to be held on Friday, the 22nd September 2023.

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

Mem. No.A45073

Encl.a/a



ANNUAL REPORT **2022-23**



THE PHOSPHATE COMPANY LIMITED

THE PHOSPHATE COMPANY LIMITED

CIN : L24231WB1949PLC017664

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Shri Shankar Banerjee

STATUTORY AUDITORS

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

BANKERS

State Bank of India, Kolkata
Canara Bank, Kolkata

REGISTRAR & SHARE TRANSFER AGENT

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

Registered Office

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

WORKS

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

DIRECTORS' REPORT

Your Directors have pleasure in presenting their Seventy Fourth Annual Report together with the Audited Accounts of the Company for the year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

(Amount in lakhs Rs.)

Particulars	Standalone		Consolidated	
	Current year	Previous year	Current year	Previous year
Total Revenue from Operation	159,90	126,38	159,90	126,38
EBIDTA	10,86	8,64	10,92	8,69
Finance Cost	3,34	3,35	3,34	3,36
Depreciation	1,03	1,05	1,03	1,05
Tax Provisions	1,82	1,52	1,84	1,54
Profit after tax	4,67	2,72	4,71	2,74
Other Comprehensive Income	(2)	(6)	(2)	(6)
Total Comprehensive Income	4,65	2,66	4,69	2,68

BUSINESS PERFORMANCE & AFFAIRS

Your Company has achieved an all-time High Gross turnover of Rs. 159.90 crore during the year compared to Rs. 126.38 crore achieved in previous year.

During the year, your company produced 80,013 MT of Green Single Super Phosphate Fertilizer, which is marginally lower compared to 80,019 MT produced during previous Period.

Your Company could sold 76,430 MT of Single Super Phosphate Fertilizer comprising of both in Powder & Granulated form during the year, compared to 79,922 MT sold during previous period due to poor and irregular rainfall during the latter part of the year.

A substantial amount of GST claim remains accumulated in the books of your Company on year-to-year basis after availing input credit and claiming refunds. Accordingly by commercial prudence, your Directors have made a provision for non-refundable GST for F.Y.20-21 & F.Y.21-22. This provisional amount can be availed as input credit/refunds at a future date with favorable legislative pronouncement.

Your Company has achieved a higher Earnings before providing for Interest, Depreciation & Tax (EBITDA) of Rs. 1086 lakh during the year compared to Rs. 864 lakh in the previous year. After providing for Interest, Depreciation, Tax and Other Comprehensive Items, Total Comprehensive, Income during the year stood at Rs.465 lakhs compared to Rs. 266 lakhs in previous year.

OUTLOOK

Govt. of India has announced Nutrient Based Subsidy (NBS) Policy for PHOSPHATE & SULPHUR nutrient as available in Single Super Phosphate Fertiliser. On Sale of Fertiliser to Farmers, a Subsidy of Rs. 6872/- per MT is paid under Direct Benefit Transfer (DBT) Scheme to Company. Present Rate of Subsidy is valid upto 30-09-2023.

Availability of Raw Material is still critical due to the continuity of Russia-Ukraine war, a prominent region for exporting Fertilizer Raw Material. However, your Company is confident of meeting its targets, despite challenging conditions.

DIVIDEND

To conserve resources no dividend is proposed by the Company.

TRANSFER TO GENERAL RESERVES

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

PUBLIC DEPOSITS

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

BUSINESS RISK MANAGEMENT

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

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

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

STATUTORY AUDITOR & AUDIT REPORT

M/s. S.K.Agrawal and Co Chartered Accountants LLP F.R.No.306033E/E300272 are the statutory auditors of the Company till the conclusion of 79th AGM of the Company to be held in the year 2027.

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(1) Companies Act 2013 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.RNo.000020) as the Cost Auditors of the Company for the Financial Year ending 31st March, 2024. Pursuant to Section 148(3) 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, 2024.

SECRETARIAL AUDITOR, SECRETARIAL AUDIT REPORT & SECRETARIAL STANDARDS

In compliance with the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, upon the recommendation of the Audit Committee, has approved the appointment of CS Ajay Kumar Agarwal, Proprietor of M/s Agarwal A & Associates, Company Secretaries in Whole-time-Practice [C.P. No. 13493 (FCS-7604)], as the Secretarial Auditor of the Company for the Financial Year ending March 31, 2023. The Secretarial Audit Report for the financial year ended March 31, 2023, in Form MR-3, forms an integral part of this report and is annexed as **Annexure A1 & A2**.

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

DIRECTORS

The Board of Directors of the Company has an optimum combination of executive and non-executive directors and woman director. Non-Executive Directors in the Board are in majority.

The Board of Directors of your Company comprises of Shri Binod Khaitan (DIN:00128502), Shri Hemant Bangur (DIN:00040903) Non-Independent & Non-Executive Directors, Shri Dilip Pratapsingh Goculdas (DIN:00367409) as Independent Director, Smt. Sonali Sen (DIN:00451839) as Independent as well as Woman Director and Shri Suresh Kumar Bangur (DIN:00040862) as Whole-time Director designated as Executive Director.

RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION

In terms of the provisions of Section 152 of the Act read with Article of the Articles of Association of the Company, Shri Binod Khaitan (DIN: 00128502) Director, will retire by rotation at the ensuing AGM and is eligible for re-appointment.

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

APPOINTMENT OF WHOLETIME DIRECTOR

The Board of Directors in its meeting held on 9th August 2022 had re-appointed Shri Suresh Kumar Bangur (DIN:00040862) as the whole-time Director of the Company designated as Executive Director for a period of one year upto 11th August 2023. Shri Suresh Kumar Bangur will demit the office with the close of his current tenure which is ending on 11th August 2023. Your Board put on record its appreciation for the dedicated service rendered by Shri Bangur during his long tenure as whole-time director of the Company.

The Board in its meeting held on 31st July 2023 on the recommendation of Nomination & Remuneration Committee appointed Shri Ajay Bangur (DIN:00041711) as an Additional Director. He is also appointed the Whole-Time Director of the Company w.e.f. 12th August 2023 designated as Executive Director subject to approval of the members at the ensuing Annual General Meeting. The profile and particulars of experience, attributes and functional expertise of Shri Bangur are duly disclosed in the Notice convening the AGM. The Board recommends and seeks your support in confirming the appointment of Shri Bangur.

DECLARATION BY INDEPENDENT DIRECTOR

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

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

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Board of Directors of the Company met 5 times during the financial year 2022-23. The respective dates of the Board

Meetings were 18th May 2022, 9th August 2022, 9th November 2022, 12th December 2022 and 20th January 2023. Intervening gap between two meetings is within the time limit prescribed under the Companies Act, 2013 and SEBI Regulations.

DIRECTORS RESPONSIBILITY STATEMENT

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

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

BOARD INDUCTION, TRAINING AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

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

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of your Company in its Meeting held on 15th May, 2014, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are –

Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (other than Managing/ Whole-time Directors), Key-Executives and Senior Management and the Remuneration of Other Employees. The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure –D** and forms part of this Report.

AUDIT COMMITTEE

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

The Audit Committee of the Company comprised of 3 (Three) members, namely Shri Dilip P Goculdas as the Chairman of the Committee, Smt. Sonali Sen and Shri Suresh Kumar Bangur as members of the Committee. Shri Goculdas and Smt. Sen are Independent Directors and Shri Bangur is a Non-Independent Executive Director. The Committee met five times in the financial year 2022-23 respectively on 17th May 2022, 9th August 2022, 9th November 2022, 13th December 2022 and 20th January 2023. The Board accepted all the recommendations of the Audit Committee during the year.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company has a duly constituted stakeholder's relationship committee. The members are Shri Binod Khaitan (as Chairman), Shri Hemant Bangur and Shri Suresh Kumar Bangur. One meeting of the Committee was held during the year on 20th January 2023.

FORMAL ANNUAL EVALUATION

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

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

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

KEY MANAGERIAL PERSONNEL

Shri Suresh Kumar Bangur, Executive Director & CEO (DIN:00040862), Shri Ajay Bangur (DIN:00041711) President & CFO (PAN:ADRPB5699N) and Shri Shankar Banerjee (ACS 45073) Dy. Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company.

SUBSIDIARY COMPANIES

M/s Abhinandan Goods Pvt. Ltd. is a wholly owned subsidiary of your Company. The salient features of the Financial Statement including details of performance and financial position of the Subsidiary Company is presented in the prescribed format in Form AOC-1 as per **Annexure-E** forming a part of the Director's Report. There is no other company which has become or ceased to be a subsidiary, associate or joint venture during the financial year 2022-23.

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

CONSOLIDATED FINANCIAL STATEMENTS

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

LISTING

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

SHARE CAPITAL & RECONCILIATION

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

The Equity Share Capital of the Company is Rs. 3,60,74,800 divided into 36,07,480 Equity Shares of Rs.10/- each as on the close of the FY 2022-23.

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

DEMATERIALISATION OF SHARES

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

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

As on March 31, 2023, 95.02% of the Company's share capital stands dematerialized.

PREVENTION OF INSIDER TRADING

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

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

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

INTERNAL CONTROL SYSTEM & ADEQUACY

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

Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee for its information & direction.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

RELATED PARTY TRANSACTIONS

All related party transactions were placed before the Audit Committee for approval. Form AOC-2 will not form part of Board's report as all the transactions with related parties are in arm's length basis and in ordinary course of business. There are also no materially significant related party transactions during the year which may have a potential conflict with the interest of the Company at large. Related party transactions as required under the Indian Accounting Standards are disclosed in Notes to the financial statements of the Company for the financial year ended March 31, 2023. The Policy on Related Party Transaction is available on the Company's website at <https://www.phosphate.co.in/financial-investors.html>. None of the Directors had any pecuniary relationship or transactions with the Company except the payments made to them in the form of remuneration, sitting fee, commission and reimbursement of expenses, if any.

CODE OF CONDUCT

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

EXTRACT OF ANNUAL RETURN

The Annual Return for FY 2022-23 in form No. MGT-7 as per provisions of the Act and Rules thereto, is available at <https://www.phosphate.co.in/investors.html>.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments in the business operations of the Company for the financial year ended March 31, 2023 to the date of signing of the Directors Report.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / STATUTORY AUTHORITIES

There are no significant material orders passed by the Regulatory Authorities or Courts or Tribunal that would impact the status of going concern of the Company and its future operations.

CREDIT RATING

Your Company has been awarded an External Credit Rating of IND BB+/Stable for Fund-based working capital limits & Term loans and IND A4+ for Non-fund-based working capital limits from Banks by India Ratings & Research.

INSURANCE

All the properties of your Company are adequately insured.

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

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

Technology Absorption

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

Foreign Exchange Earnings & Outgo

Particulars	2022-23	2021-22
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo		
-Purchase of Raw materials	Rs. 59,02,87,499	Rs. 41,70,16,092
-Others	NIL	NIL

Particulars of Employees

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

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. Other applicable provisions of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 is furnished in **Annexure –C** and forms part of this Report

SEXUAL HARASSMENT

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. During the year 2022-23, no case of Sexual Harassment was reported.

REPORTING OF FRAUDS :

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

HUMAN RESOURCES

As on March 31, 2023 your company had 47 permanent employees. The company acknowledges the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company maintained cordial relationship with workers and staff during the year. Particulars of employees required under section 197(12) of the Companies Act 2013 read with Rule 5(1) of Companies (Management and Administration) Rules 2014 is annexed in Annexure F and forms an integral part of this report.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board,

Kolkata,
Dated : 27th July, 2023

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)

Binod Khaitan
Director
(DIN : 00128502)

CAUTIONARY STATEMENT :

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

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

FORM No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st March, 2023

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

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2023

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, 2023.

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 and papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 31st March, 2023**, 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, 2023 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-The Company's in-house Investor Service Centre is registered with the SEBI as Category II Share Transfer Agent;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - (e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; Clause 6A and 6B of SEBI Circular - CIR/CFD/CMD1/114/2019 dated October 18, 2019- Not Applicable;

2. The following Acts, over and above other laws are specifically applicable to the Company as per the Management Representation Letter issued by the Company of even date:
 - (i) Fertiliser (Control) Order 1985 issued under the Essential Commodities Act, 1955 by the Central Government.
3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which are **not** applicable to the Company during the financial year under report :-
 - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (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 Meetings of Board of Directors (SS-1) and General Meetings (SS-2) 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. No changes in the composition of the Board of Directors took place during the period under review.
 - (ii) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
 - (iii) All decision at Board Meetings and Committee Meetings are carried with requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

We further report that during the Audit period there are no specific events /actions which have a major bearing on the Company's affairs.

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

For **AGARWAL A & ASSOCIATES**
Company Secretaries

CS Ajay Kumar Agarwal
Proprietor

C.P. No. : 13493

M.No. : F7604

Peer Review Cer. No. :1592/2021

UDIN No. : F007604E000686161

Place : Kolkata

Date : 27th July, 2023

'ANNEXURE A'

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.
3. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **AGARWAL A & ASSOCIATES**
Company Secretaries

CS Ajay Kumar Agarwal

Proprietor

C.P. No. : 13493

M.No. : F7604

Peer Review Cer. No. :1592/2021

UDIN No. : F007604E000686161

Place : Kolkata

Date : 27th July, 2023

MANAGEMENT DISCUSSION AND ANALYSIS**Cautionary Statement**

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

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

	Production			Consumption- PoS		
	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>
Urea	246	251	285	350	342	357
DAP	38	42	43	119	93	105
NPK	93	83	93	118	115	101
SSP	49	54	56	45	57	50
MOP	-	-	-	34	25	16

Note :- Consumption includes Import of Fertiliser

Industry review :

India is among Top-Two consumer of Chemical Fertiliser in World. Fertiliser Industry through its wholesalers & retailers are well distributed across length and breadth of Country servicing to remotest village as well as farmers.

Government Policy

Government is giving Subsidy on Single Super Phosphate (SSP) fertiliser to the tune of Rs.6874 PMT on sale of Fertiliser to farmers recorded through Point of Sale (POS) machine capturing buyers details on real-time basis.

Review of the Company

LAKSHMI Brand is the choicest fertiliser of the farmers. Despite pandemic challenges, the Company could achieve an all-time high Turnover of Rs.160 crores during the year.

Opportunities & Risks**Opportunities**

Single Super Phosphate (SSP) fertiliser manufactured by your Company is most affordable nutrient rich fertiliser having Phosphorous, Sulphur, Calcium besides many minor nutrients. Government has renewed its focus making SSP more popular amongst farmers.

Risk

Since most of the raw-material for manufacture of SSP is imported from Middle-east Countries, Geo-Political Risks of these Counties weighs heavy on this sector.

Internal Control Systems and their adequacy :

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

Disclosure of Accounting Treatment :

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

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

A. Related Party Disclosures

Compliance of Accounting Standards:

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

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

Management Discussion and Analysis

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

B. Disclosure of Accounting Treatment

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

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

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

Annexure D

POLICY FOR SELECTION & APPOINTMENT OF DIRECTORS & THEIR REMUNERATION

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

Criteria of selection of Non-Executive Directors

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

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

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

Remuneration

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

CEO & Managing Director - Criteria for selection / appointment

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

Remuneration for the CEO & Managing Director

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

Remuneration Policy for the Senior Management Employees

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

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

FORM NO. AOC - 1

(Pursuant to first provision to Sub-Section(3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries as on 31-03-2023

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	1.57
6	Total Assets	1125.89
7	Total Liabilities	1100.32
8	Investments	Nil
9	Profit (Loss) before Taxation	5.84
10	Provision for Taxation (Income Tax + Deferred Tax)	2.33
11	Profit (Loss) after Taxation	3.51
12	Proposed dividend	Nil
13	% of shareholding	100
14	Date of acquisition of the subsidiary company	26-03-2016

Notes:

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

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

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

Kolkata
Dated : 31st July, 2023

(Suresh Kumar Bangur)
Executive Director
DIN : 00040862

(Binod Khaitan)
Director
DIN : 0012850

Annexure - F

[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 2022-23 are given below:

Non-Executive Directors	Ratio to Median	Percentage Increase in Remuneration*
A) Independent		
i) Shri Dilip P Goculdas	0.41	33.33
ii) Smt. Sonali Sen	0.41	33.33
B) Non Independent		
i) Shri Binod Khaitan	0.20	-11.11
ii) Shri Hemant Bangur	0.31	100.00
C) Whole-time Director		
i) Shri Suresh Kumar Bangur	14.28	9.25

Remarks:

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

- The percentage increase in remuneration of the Chief Financial Officer is 9.20% and of the Company Secretary is 14.62%.
- The percentage increase/(decrease) in the median remuneration of employees in the financial year is 2.04%.
- The number of permanent employees on the rolls of the Company as on 31/03/2023 is 46 against 47 as on 31/03/2022.
- The percentage increase/(decrease) in the Average salaries of employees, other than managerial personnel, in the last financial year is 5.59% as against an increase/(decrease) of 9.72% 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 2022-23.

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

Kolkata
Dated : 31st July, 2023

(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 2023, 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, 2023, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

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

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

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

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- II. As required by Section 143(3) of the Act, we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statements of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014;

- e. On the basis of the written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended :

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

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note no. 35 of the standalone Ind AS financial statements).
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring the amount, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared and paid dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail(edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

UDIN : 23068851BGVKYA6306

Place : Kolkata

Date : May 26, 2023

THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
B. The Company does not have any intangible asset and hence reporting under clause 3(i)(a)(B) is not applicable.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification of all the Property, Plant and Equipment over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on Property, plant and equipment to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification is commensurate with the size of the Company and no discrepancies of 10% or more in aggregate for each class of inventory were noticed by the Company.
- (b) As disclosed in Note 39 of the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The company is required to file Financial Follow-up Report I at the end of each quarter which contains profitability statement and Financial Follow-up Report II at the end of each quarter which contains statement of assets and liabilities. Based on the records examined by us in the normal course of audit of the financial statements, the statements filed by the Company at each quarter end with such banks are in agreement with the books of accounts of the Company.
- iii. The Company has not granted any loans, or advance un nature of loan, stood guarantee, or provided security to any other entity. Accordingly, paragraph 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits under the provisions of Sections 73 to Section 76 of the Companies Act, 2013 during the year. Hence, the provisions of Clause (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost record under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. According to the information and explanations given to us in respect of statutory dues :
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods & Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess, and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.
 - (b) There are no dues of income tax, duty of customs, service tax, sales tax, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute. Accordingly, the requirement to report on clause 3(vii)(b) of the Order is not applicable to the Company.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (c) The term loans were applied for the purpose for which they were raised.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not raised any money from any person or entity on account of or to pay the obligations of its subsidiary.
 - (f) The Company has not raised any loans during the year by pledging securities held in their subsidiary. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No material fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given by the management, during the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of The Companies (Audit and Auditor) Rules, 2014 with the Central Government.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the internal audit system of the Company is commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

- xv. According to information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year under audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company does not fulfill any of the 3 eligibility conditions of Corporate Social Responsibility as mentioned in the section 135 of The Companies Act, 2013. Since the Company is exempt from Corporate Social Responsibility reporting under clause 3(xx)(a) and 3(xx)(b) is not applicable.

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

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

UDIN : 23068851BGVKYA6306

Place : Kolkata

Date : May 26, 2023

ANNEXURE `B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **The Phosphate Company Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 LLP**

Chartered Accountants

Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia

Membership No. 068851

UDIN : 23068851BGVKYA6306

Place : Kolkata

Date : May 26, 2023

Balance Sheet as at 31st March, 2023

(Rs. in Lacs)

ASSETS	Notes	As at 31.03.2023	As at 31.03.2022
ASSETS			
I. Non-current assets			
a) Property, Plant and Equipment	3	69,92.83	70,94.56
b) Capital work-in-progress	3	2.13	–
c) Financial Assets			
i) Investments	4	10,24.32	10,24.32
ii) Other Financial assets	5	48.26	45.90
d) Deferred Tax assets (Net)	6	1,44.37	42.51
		82,11.91	82,07.29
II. Current assets			
a) Inventories	7	30,42.97	12,83.50
b) Financial Assets			
i) Investments	8	7,20.62	2,25.03
ii) Trade receivables	9	11,61.77	1,39.56
iii) Cash and cash equivalents	10	4.19	4.81
iv) Other Bank Balances	11	2,29.49	2,01.03
v) Loans	12	0.11	0.23
vi) Other Financial Assets	13	1,25.32	1,24.74
c) Other Current Assets	14	6,95.32	10,03.30
		59,79.81	29,82.20
Total Assets		1,41,91.72	111,89.49
EQUITY AND LIABILITIES			
A. Equity			
a) Equity Share Capital	15	3,60.75	3,60.75
b) Other Equity	16	79,20.76	74,55.70
		82,81.51	78,16.45
B. Liabilities			
I. Non-current liabilities			
a) Financial Liabilities			
i) Borrowings	17	14,54.17	10,72.97
ii) Other Financial liabilities	18	1,10.13	1,09.90
b) Provisions	19	46.84	44.83
		16,11.14	12,27.70
II. Current liabilities			
a) Financial Liabilities			
i) Borrowings	20	18,59.08	4,00.28
ii) Trade payables	21	15,55.06	9,91.30
a) total outstanding dues of micro and small enterprises; and	21	6.28	0.62
b) total outstanding dues of creditors other than micro and small enterprises	21	15,48.78	9,90.68
iii) Other financial liabilities	22	27.72	29.30
b) Other current liabilities	23	6,16.73	6,02.49
c) Provisions	24	42.24	39.22
d) Current Tax Liabilities (Net)	25	1,98.24	82.75
		42,99.07	21,45.34
Total Equity and Liabilities		1,41,91.72	1,11,89.49

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

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

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Profit and Loss for the year ended 31st March, 2023

(Rs. in Lacs)

PARTICULARS	Notes	For the Year ended 31.03.2023	For the Year ended 31.03.2022
I Income			
Revenue from operations	26	146,96.71	116,56.99
Other Income	27	1,21.58	17.21
Total Income		148,18.29	116,74.20
II Expenses			
Cost of Materials Consumed	28	109,69.71	82,04.31
Purchase of Trading Goods		18.44	4.31
(Increase)/Decrease in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(5,45.43)	(1,30.96)
Employee benefit expenses	30	4,20.46	3,96.32
Other expenses	31	28,69.20	23,36.71
Total expenses		137,32.38	108,10.69
III Earning before Interest, Depreciation and Tax (EBIDTA) (I - II)		10,85.91	8,63.51
Finance costs	32	3,33.72	3,35.09
Depreciation and amortisation expense	3	1,03.35	1,04.67
IV Profit before tax		6,48.84	4,23.75
V Tax expense :	33		
(1) Current tax		2,78.29	1,55.61
(2) Provision for Earlier Years		5.54	49.24
(3) Mat Credit written-off		–	14.71
(4) Deferred tax		(1,01.86)	(68.13)
Total Tax		1,81.97	1,51.43
VI Profit for the Year (IV-V)		4,66.87	2,72.32
VII Other Comprehensive Income			
Items that will not be classified to statement of Profit or Loss			
Remeasurements of the defined benefit liabilities		(1.80)	(6.33)
Total Comprehensive Income for the Year (VI+VII)		4,65.07	2,65.99
Earnings per equity share			
Basic & Diluted	34	12.94	7.55
Cash		12.98	8.97

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

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

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Cash Flow Statement for the Year ended 31st March, 2023

(Rs. in Lacs)

PARTICULARS	For the Year ended 31.03.2023	For the Year ended 31.03.2022
A. Cash Flow from Operating Activities		
Net Profit before Tax	6,48.84	4,23.75
Add : Adjustments for Non Cash & Non Operating Items		
Interest Received	(12.88)	(12.93)
Interest Paid	3,20.62	2,61.60
Depreciation of Property plant & Equipment	1,03.35	1,04.67
Liability no longer required written back	(85.18)	–
Provision for GST	4,35.83	1,44.63
Profit on Redemption of Mutual Fund	(20.14)	(3.79)
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	(3.33)	0.13
Profit on Sale of property,plant and equipment	–	(0.54)
Operating Profit before Working Capital Changes	13,87.11	9,17.52
Add : Increase /Decrease in Working Capital		
Increase/(Decrease) in Current Liabilities	2,27.35	13.99
(Increase)/Decrease in Non-Current/Current Financial and other Assets	2,77.13	(6,36.14)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	(1.35)	15.47
Increase/(Decrease) in Provision	3.23	4.55
(Increase)/Decrease in Inventories	(17,59.47)	(1,18.52)
(Increase)/ Decrease Trade & Other Receivables	(10,22.67)	5,65.13
Cash generated from Operation	(8,88.67)	7,62.00
Less: Direct Tax Paid (net of refunds)	(1,68.35)	(1,85.51)
Net Cash flow from/ (used in) operating Activities	10,57.02	5,76.49
B. Cash Flow from Investing Activities		
Purchase of Property,Plant & Equipment	(3.76)	(33.06)
Proceeds from Sale of Property,Plant & Equipment	0.01	0.86
Interest Received	12.88	12.93
Proceeds from Sale of Mutual Fund	38.64.81	19,99.06
Purchase of Mutual Fund	(43,36.92)	(21,94.26)
Net Cash used in Investing Activities	(4,62.98)	(2,14.47)
C. Cash Flow from Financing Activities		
(Repayment of) / Proceeds from Long Term Borrowings (Net)	3,81.20	7,12.22
(Repayment of) / Proceeds from Short Term Borrowings (Net)	14,58.80	(8,11.89)
Less: Interest Paid	(3,20.62)	(2,61.60)
Net Cash used in Financing Activities	15,19.38	(3,61.27)
Net Changes in Cash & Cash Equivalents (A+B+C)	(0.62)	0.75
Cash & Cash Equivalents-Opening Balance	4.81	4.06
Cash & Cash Equivalents-Closing Balance	4.19	4.81
Cash and cash equivalents consists		
Balances with Bank	0.02	0.02
Cash on Hand	4.17	4.79
Cash and cash equivalents as at year end	4.19	4.81

As per our report of even date attached.
For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP
Chartered Accountants
Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
(Partner)
Membership No. : 068851
Place : Kolkata
Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur Executive Director (DIN : 00040862)	Sonali Sen Independent Director (DIN : 00451839)
Ajay Bangur President & CFO	Shankar Banerjee Dy. Secretary (ACS : 45073)

Statement of Changes in Equity for the year ended 31.03.2023

A) EQUITY SHARE CAPITAL

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

(Rs. in Lacs)

Balance as at 1 April, 2021	3,60.75
Changes in Equity Share Capital during the year 2021-22	-
Balance as at 31 March, 2022	3,60.75
Changes in Equity Share Capital during the year 2022-23	-
Balance as at 31 March, 2023	3,60.75

B) OTHER EQUITY

(Rs. in Lakhs)

Particulars	Reserves & Surplus			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April, 2021	2,62.50	64,90.34	4,36.87	71,89.71
Profit for the year			2,72.32	2,72.32
Remeasurements of Net Defined Benefit Plans			(6.33)	(6.33)
Balance as at 31 March, 2022	2,62.50	64,90.34	7,02.86	74,55.70
Balance as at 1 April, 2022	2,62.50	64,90.34	7,02.86	74,55.70
Profit for the year			4,66.87	4,66.87
Remeasurements of Net Defined Benefit Plans			(1.80)	(1.80)
Balance as at 31 March, 2023	2,62.50	64,90.34	11,67.93	79,20.77

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 represents undistributed cumulative profits of the Company and can be utilized in accordance with the provisions of the Companies Act, 2013.

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

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

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Notes to Financial Statements as at 31st March, 2023

1. Company Overview

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

2. Significant Accounting Policies

a) Basis of Preparation

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

b) Revenue from Contract with Customer

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

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 towards satisfaction of a performance obligation 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 when there is a reasonable assurance and certainty 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.

Notes to Financial Statements for the Year ended 31st March, 2023

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

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

e) Inventories

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

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

f) Financial Instruments

Initial recognition and measurement

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

Subsequent measurement

i. Non derivative financial instruments

1) Financial assets carried at amortized cost

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

2) Financial assets at fair value through other comprehensive income

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

3) Financial assets at fair value through profit or loss

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

4) Financial liabilities

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

5) Investment in subsidiaries

Investment in subsidiaries is carried at cost 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

Notes to Financial Statements for the Year ended 31st March, 2023

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 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.

Notes to Financial Statements for the Year ended 31st March, 2023**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.

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.

Notes to Financial Statements for the Year ended 31st March, 2023

Right-of-use assets

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

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

Lease liabilities

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

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

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

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

Short-term leases and leases of low-value assets

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

Company as a lessor

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

o) Income Taxes

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

Notes to Financial Statements for the Year ended 31st March, 2023

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) Segment Report

Operating segments are reported in a manner consistent with the internal reporting provided to chief operating decision maker. The Company predominantly engaged in single reportable segment of "Fertiliser" during the year.

r) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The Company has evaluated the amendment and there is no impact on its financial statement.

Notes to Financial Statements for the Year ended 31st March, 2023

Note 3 Property, plant and equipment (Current year)

(Rs. in Lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2022	Additions	Disposals/ Adjustments	31 March 2023	1 April 2022	Additions	Disposals/ Adjustments	31 March 2023	31 March 2023	31 March 2022
Freehold land	6,298.27	–	–	6,298.27	–	–	–	–	6,298.27	6,298.27
Building	387.08	–	–	387.08	120.08	16.58	–	136.66	250.42	267.00
Plant and machinery	875.13	1.28	–	876.41	366.00	83.03	–	449.03	427.38	509.14
Computers	6.52	0.15	0.21	6.46	3.72	0.68	0.20	4.20	2.26	2.80
Water & Acid Installation	16.81	–	–	16.81	7.77	0.94	–	8.71	8.10	9.04
Laboratory Equipment	4.67	–	–	4.67	3.69	0.21	–	3.90	0.77	0.98
Furniture & Fittings	6.10	0.20	–	6.30	4.54	0.26	–	4.80	1.50	1.56
Motor Cars & Trucks	15.23	–	–	15.23	9.50	1.65	–	11.15	4.08	5.73
Electric Installation	0.10	–	–	0.10	0.05	–	–	0.05	0.05	0.05
Total Tangible Assets	7,609.91	1.63	0.21	7,611.33	515.35	103.35	0.20	618.50	6,992.83	7,094.56
Capital work-in-progress	–	2.13	–	2.13	–	–	–	–	2.13	–
Total	7,609.91	3.76	0.21	7,613.46	515.35	103.35	0.20	618.50	6,994.96	7,094.56

Note 3 Property, plant and equipment (Previous year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
Freehold land	6,298.27	–	–	6,298.27	–	–	–	–	6,298.27	6,298.27
Building	387.08	–	–	387.08	102.20	17.88	–	120.08	267.00	284.88
Plant and machinery	837.58	37.55	–	875.13	285.70	80.30	–	366.00	509.13	551.88
Computers	4.98	2.37	0.83	6.52	3.00	1.50	0.78	3.72	2.80	1.98
Water & Acid Installation	16.81	–	–	16.81	6.10	1.67	–	7.77	9.04	10.71
Laboratory Equipment	4.67	–	–	4.67	3.41	0.28	–	3.69	0.98	1.26
Furniture & Fittings	5.74	0.73	0.37	6.10	4.29	0.60	0.35	4.54	1.56	1.45
Motor Cars & Trucks	20.28	–	5.05	15.23	11.87	2.44	4.81	9.50	5.73	8.41
Electric Installation	0.10	–	–	0.10	0.05	–	–	0.05	0.05	0.05
Total Tangible Assets	7,575.51	40.65	6.25	7,609.91	416.62	104.67	5.94	515.35	7,094.56	7,158.89
Capital work-in-progress	7.58	14.45	22.03	–	–	–	–	–	–	7.58
Total	7,583.09	55.10	28.28	7,609.91	416.62	104.67	5.94	515.35	7,094.56	7,166.47

Capital Work-in-Progress

(a) Capital Work-in-Progress ageing Schedule

(Rs. in Lacs)

Tangible Assets under development	31st March 2023		31st March 2022	
	Amount in CWIP for a period of		Amount in CWIP for a period of	
	Less than 1 Year	Total	Less than 1 Year	Total
Projects in progress	2.13	2.13	–	–

CWIP	31st March 2023		31st March 2022	
	To be completed in		To be completed in	
	Less than 1 Year	Total	Less than 1 Year	Total
Projects – Automation in SSP Plant	2.13	2.13	–	–

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 4 : Investments - Non Current	As at 31st March 2023	As at 31st March 2022
Investments carried at Cost (Unquoted)		
Investments in Equity Instruments In Subsidiary		
Abhinandan Goods Pvt. Ltd. 2,40,000 Equity Shares of Rs.10/- each		
Investments in Preference Share of Subsidiary	24.06	24.06
Abhinandan Goods Pvt. Ltd. 1,000 9% Compulsourly Reedemable Preference Shares of Rs.100000/- each	10,00.00	10,00.00
Investments carried at Amortised Cost (Unquoted)		
Investments in Government or trust securities		
National Savings Certificate	0.26	0.26
Total	10,24.32	10,24.32
Aggregate amount of Unquoted Investments	10,24.32	10,24.32
Investment carried at Cost	10,24.32	10,24.32

(Rs. in Lacs)

Note 5 : Other Financial Assets	As at 31st March 2023	As at 31st March 2022
Financial assets carried at Amortised Cost (Unsecured, considered good)		
Security deposits	48.26	45.90
Total	48.26	45.90

(Rs. in Lacs)

Note 6 : Deferred Tax Asset/(Liabilities) (Net)	As at 31st March 2022	As at 31st March 2021
Deferred Tax Assets		
Expenses allowable against taxable income in future years	1,99.63	1,09.11
Deferred Tax Liabilities		
Timing difference in depreciable assets	(55.26)	(66.60)
Total	1,44.37	42.51

(Rs. in Lacs)

Note 7 : Inventories	As at 31st March 2023	As at 31st March 2022
(Valued at lower of cost or net realisable value)		
Raw Materials*	19,49.23	7,34.75
Packing Materials	33.14	31.82
Stores & Spare Parts	97.05	98.80
Finished Goods	9,63.55	4,18.13
Trading Goods	—	—
Total	30,42.97	12,83.50
* Includes Stock-In-Transit	7,23.70	—

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 8 : Investments	As at 31st March 2023	As at 31st March 2022
Investment carried at fair value through Profit & Loss		
Investments in Mutual Funds (Unquoted)		
570.1530 Units of Kotak Liquid Fund - Growth option (Previous Year NIL)	25.75	–
NIL Units of SBI Liquid Fund - Growth option (Previous Year 2114.8530 Units)	–	70.02
14275.2280 Units Kotak Liquid Fund - Growth option (Previous Year 3622.5670 Units)	6,44.87	155.01
499975.0010 Units of SBI Fixed Maturity Plan Sr. 82 (91 Days) Growth option (Previous Year NIL)	50.00	–
Total	7,20.62	225.03

(Rs. in Lacs)

Note 9 : Trade Receivables	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good)		
Financial Assets carried at amortised cost		
- Considered Good	2,08.04	42.21
- Considered Doubtful	4.73	0.81
	2,12.77	43.02
Less : Provision for Bad Debt	(4.73)	(0.81)
Sundry Debtors (Net)	2,08.04	42.21
Subsidy receivable from Central Government	9,53.73	97.35
Total	11,61.77	1,39.56
Outstanding for the following periods from due date of transactions		
Particulars		
(i) Undisputed Trade Receivables - Considered Good		
Less than 6 Months	11,59.96	1,35.68
6 Months to 1 Year	1.01	–
1-2 Years	–	0.01
2-3 Years	0.01	–
More than 3 Years	0.97	3.87
Sub Total	11,61.77	1,39.56
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		
Less than 6 Months	4.21	–
6 Months to 1 Year	0.02	–
More than 3 Years	0.02	0.33
Sub Total	4.25	0.33
(iii) Disputed Trade Receivables - which have significant increase in credit risk		
More than 3 Years	0.48	0.48
Sub Total	0.48	0.48
Total	11,66.50	1,40.37

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 10 : Cash and cash equivalents	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost		
Balance with banks	0.02	0.22
Cash on hand	4.17	4.79
Total	4.19	4.81

(Rs. in Lacs)

Note 11 : Other Bank Balances	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost		
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)	2,29.49	2,01.03
Total	2,29.49	2,01.03

(Rs. in Lacs)

Note 12 : Loans- Current	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good) Financial Assets carried at amortised cost		
Advances to Employees	0.11	0.23
Total	0.11	0.23

(Rs. in Lacs)

Note 13 : Other Financial Assets- Current	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good) Financial Assets carried at amortised cost		
Interest Receivable		
From Banks	7.32	6.64
Advance recoverable in cash or kind	1,18.00	1,18.10
Total	1,25.32	1,24.74

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 14 : Other Current Assets	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good)		
Advance to suppliers	90.69	0.35
Advances against expenses	9.23	12.08
Prepaid expenses	36.28	23.02
	1,36.20	35.44
Input Tax Receivable	12,37.01	12,09.89
Less : Provision for GST Receivable	6,77.87	2,42.04
	5,59.14	9,67.85
Total	6,95.34	10,03.30

(Rs. in Lacs)

Note 15 : Equity share capital	As at 31st March 2023	As at 31st March 2022
Authorised capital		
1,00,00,00 (1,00,00,000) equity shares of Rs. 10 each	10,00.00	10,00.00
1,50,000 (1,50,000) Redeemable Preference Shares of Rs. 1000 each	15,00.00	15,00.00
	25,00.00	25,00.00
Issued, subscribed and Paid-up capital		
36,07,480 (36,07,480) equity shares of Rs.10 each (of the above 9,84,360 Equity Shares allotted as fully paid-up by way of Bonus Shares by capitalisation of Share Premium & General Reserve)	3,60.75	3,60.75
	3,60.75	3,60.75

(Rs. in Lacs)

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares at the beginning of the year	36,07,480	360.75	36,07,480	3,60.75
Add : Share issued / buy back during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	360.75	36,07,480	3,60.75

b) Rights/preferences/restrictions attached to equity shares

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

(Rs. in Lacs)

c) Details of shareholders holding more than 5% shares in the Company	As at 31st March 2023		As at 31st March 2022	
	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

Notes to Financial Statements for the Year ended 31st March, 2023

Note 15 (Contd.)

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

Sl. No.	Name	As at 31st March 2023			As at 31st March 2022	
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares
1.	Ajay Bangur	7,800	0.22	—	7,800	0.22
2.	Amvi Tradecom Private Limited	1,00,000	2.77	—	1,00,000	2.77
3	Anirudh Bangur	15,100	0.42	—	15,100	0.42
4	Bangur Trafin Pvt. Ltd.	3,000	0.08	—	3,000	0.08
5	Bimala Devi	5,400	0.15	—	5,400	0.15
6	Bina Bangur	70,900	1.97	—	70,900	1.97
7	Binod Kumar Khaitan	82,400	2.28	—	82,400	2.28
8	Chandrakala Khaitan	1,48,280	4.11	—	1,48,280	4.11
9	Credwyn Holdings India	1,75,000	4.85	—	1,75,000	4.85
10	Devendra Finvest and Holding Pvt Ltd	220	0.01	—	220	0.01
11	Gita Bangur	46,200	1.28	—	46,200	1.28
12	Gloster Limited	1,70,000	4.71	—	1,70,000	4.71
13	Hemant Bangur	200	0.01	—	200	0.01
14	Joonktolee Tea And Industries Ltd.	—	—	(3.84)	1,38,680	3.84
15	Luxmi Devi	38,044	1.05	—	38,044	1.05
16	Madan Gopal Bangur	23,400	0.65	—	23,400	0.65
17	Madhav Trading Corporation Limited	3,74,880	10.39	—	3,74,880	10.39
18	Milan Bangur	4,000	0.11	—	4,000	0.11
19	Murli Dhar Khaitan	300	0.01	—	300	0.01
20	Nikate Khaitan	1,05,600	2.93	—	1,05,600	2.93
21	Nikate Khaitan (HUF)	1,64,740	4.57	—	1,64,740	4.57
22	Pradyumna Bangur	26,580	0.74	—	26,580	0.74
23	Raj Packwell Limited	1,00,000	2.77	—	1,00,000	2.77
24	Rajendra Kumar Bangur	56,900	1.58	—	56,900	1.58
25	Ramesh Kumar Bangur	27,206	0.75	—	27,206	0.75
26	Ramesh Kumar Bangur	4,000	0.11	—	4,000	0.11
27	Sakate Khaitan	—	—	(1.52)	54,760	1.52
28	Shree Prakash Bangur	5,400	0.15	—	5,400	0.15
29	Shrimangala Khaitan	64,760	1.80	1.52	10,000	0.28
30	Shrivats Khaitan	2,31,000	6.40	—	2,31,000	6.40
31	Sudarshan Bangur	26,300	0.73	—	26,300	0.73
32	Suresh Kumar Bangur	26,816	0.74	—	26,816	0.74
33	Suresh Kumar Bangur HUF	2,000	0.06	—	2,000	0.06
34	Suresh Kumar Bangur-Trust	99,100	2.75	—	99,100	2.75
35	Sushma Bangur	840	0.02	—	840	0.02
36	The Oriental Company Limited	1,48,290	4.11	3.84	9,610	0.27
37	Usha Kiran Bangur	13,380	0.37	—	13,380	0.37
38	Veena Bangur	520	0.01	—	520	0.01
39	Vijay Kumar Bangur	29,400	0.81	—	29,400	0.81
40	Wind Power Vinimay Pvt. Ltd.	87,840	2.43	—	87,840	2.43
	Total Shares	24,85,796	68.90		24,85,796	68.90

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 16 : Other Equity	As at 31st March 2023	As at 31st March 2022
Securities Premium		
Opening Balance	2,62.50	2,62.50
Addition/Deduction during the Year	-	-
Closing Balance	2,62.50	2,62.50
General Reserve		
Opening Balance	64,90.34	64,90.34
Addition during the Year	-	-
Closing Balance	64,90.34	64,90.34
Retained Earnings		
Opening Balance	7,02.86	4,36.87
Profit for the Year	4,66.87	2,72.32
Remeasurements of Net Defined Benefit Plans	(1.80)	(6.33)
	11,67.92	7,02.86
	79,20.76	74,55.70

(Rs. in Lacs)

Note 17 : Borrowings (Non Current)	As at 31st March 2023	As at 31st March 2022
Financial Liabilities carried at amortised cost		
Secured		
a) Term loans from Non Banking financial Institution	2,54.39	3,25.17
b) GECL loans from Banking financial Institution	3,04.00	3,04.00
Less : Current maturities of Term Loan (refer note 20)	1,04.22	70.77
Sub Total	4,54.17	5,58.40
c) Vehicle loans from banks	-	11.12
d) Equipment loans from banks	5.10	24.45
Less : Current maturities of Vehicle & Equipment Loan (refer note 20)	5.10	22.00
Sub Total	-	13.57
Unsecured		
From Limited Companies		
From Related Parties	8,66.00	4,82.00
From Other	1,34.00	19.00
Sub Total	10,00.00	5,01.00
Total	14,54.17	10,72.97

Notes to Financial Statements as at 31st March, 2023

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

Sl. No.	Name of Bank	Nature of security	Repayment Terms	31-Mar-2023	31-Mar-2022
a	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No.47, Rishi Bankim Chandra Road, Rishra Hooghly . Current Interest rate is 14.65%.	Repayble in 84 equal montly installment of Rs. 8,89,336 commencing from February 2019.	2,54.39	3,25.17
b(i)	State Bank Of India	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 9.25%	Repayble in 36 equal monthly installment commencing from December,2023	1,71.00	1,71.00
b(ii)	Canara Bank	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 9.25%	Repayble in 36 equal monthly installment commencing from December,2023	1,33.00	1,33.00
c (i)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.	Repayble in 81 equal monthly installment of Rs. 14,719.19 commencing from May, 2018.	–	5.14
c (ii)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.	Repayble in 84 equal monthly installment of Rs. 13,980.78 commencing from March, 2019.	–	5.98
d (i)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayble in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	2.55	12.22
d (ii)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayble in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	2.55	12.22

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 18 : Other Financial Liabilities - Non Current Financial Liabilities carried at amortised cost	As at 31st March 2023	As at 31st March 2022
Deposit from Dealer	1,10.13	1,09.90
Total	1,10.13	1,09.90

(Rs. in Lacs)

Note 19 : Provisions - Non Current	As at 31st March 2023	As at 31st March 2022
Provisions for Employee Benefits Leave Encashment (refer note 36)	89.08	84.05
Less : Current Portion	42.24	39.22
Total	46.84	44.83

(Rs. in Lacs)

Note 20 : Borrowing Current - Financial Liabilities carried at amortised cost	As at 31st March 2023	As at 31st March 2022
Secured From Banks		
Cash Credit	17,49.76	3,07.51
Current Maturities of Term loans (refer note 17)	1,04.22	70.77
Current Maturities of Vehicle & Equipment loans (refer note 17)	5.10	22.00
Total	18,59.08	4,00.28

Cash Credit Loan from Banks are secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by second charge on Factory Land & Building. Current Interest Rate is 9.15-11.65%

(Rs. in Lacs)

Note 21 : Trade Payable - Financial Liabilities carried at amortised cost	As at 31st March 2023	As at 31st March 2022
MSMED [refer note (a) below]	6.28	0.62
Others Trade Payable	15,48.78	9,90.68
Total	15,55.06	9,91.30

Notes to Financial Statements as at 31st March, 2023

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	6.28	0.62
(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 under MSME Scheme.

Outstanding for the following periods from due date of transaction

Particulars

(i) MSME		
Less than 1 Year	6.28	0.62
Sub Total	6.28	0.62
(ii) Others		
Less than 1 Year	15,48.00	9,88.91
1-2 Years	0.97	1.77
Sub Total	15,48.78	9,90.68
Total	15,55.06	9,91.30

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

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 22 : Other financial liabilities - Current	As at	As at
Financial Liabilities carried at amortised cost	31st March 2023	31st March 2022
Interest accrued and due	3.77	3.18
Employee Benefits	28.92	26.12
Financial Liabilities carried at Fair Value through Profit & Loss		
(Gain)/Loss on Fair Valuation of Forward Contracts	(4.97)	–
Total	27.72	29.30

(Rs. in Lacs)

Note 23 : Other current liabilities	As at	As at
	31st March 2023	31st March 2022
Advance from customers	1,41.17	1,50.71
Duties & Taxes		
Employee related payables	29.26	1,37.97
Statutory & other dues payables	4,46.30	3,13.81
Liability for expenses		
Total	6,16.73	6,02.49

(Rs. in Lacs)

Note 24 : Provisions - Current	As at	As at
	31st March 2023	31st March 2022
Provisions for Employee Benefits		
Leave Encashment	42.24	39.22
Total	42.24	39.22

(Rs. in Lacs)

Note 25 : Current Tax Liabilities (Net)	As at	As at
	31st March 2023	31st March 2022
Provision for Income Tax (Net of Advance Tax)	1,98.24	82.75
Total	1,98.24	82.75

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 26 : Total Revenue from Operations	For the year ended 31st March 2023	For the year ended 31st March 2022
Gross Sales/ Income from Operations	159,89.81	126,38.22
Less : Discounts, Rebates & Taxes	13,33.19	9,96.63
Sub Total	146,56.62	116,41.59
Other Operating Income		
Insurance Claim	9.53	–
Scrap Sales	30.56	15.40
Total	146,96.71	116,56.99

(Rs. in Lacs)

Note 27 : Other Income	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest income on		
Fixed Deposits	10.26	10.24
Others	2.62	2.69
Profit on sales of Property, plant and equipment	–	0.55
Liability no longer required written back	85.18	–
Profit on Redemption of Mutual Fund	20.14	3.79
Gain on measuring investments at FVTPL	3.33	(0.13)
Other Misc Income	0.05	0.07
Total	1,21.58	17.21

(Rs. in Lacs)

Note 28 : Cost of Material Consumed	For the year ended 31st March 2023	For the year ended 31st March 2022
Raw Materials	107,55.88	79,80.78
Packing Materials	2,13.83	2,23.53
Total	109,69.71	82,04.31

(Rs. in Lacs)

Note 29 : Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening Stock :		
Finished Goods	1,73.43	1,83.72
Work-in-Progress	2,44.70	1,02.95
Trading Goods	–	0.50
Less : Closing Stock		
Finished Goods	(2,48.08)	(1,73.43)
Work-in-Progress	(7,15.48)	(2,44.70)
Trading Goods	–	–
Total	(5,45.43)	(1,30.96)

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 30 : Employee benefit expenses	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries, wages and bonus	3,20.83	3,00.63
Staff welfare	52.68	52.87
Contribution to Provident & other funds	46.95	42.82
	4,20.46	3,96.32

(Rs. in Lacs)

Note 31 : Other expenses	For the year ended 31st March 2023	For the year ended 31st March 2022
Consumption of Stores and Spares	2,33.12	1,61.03
Power and Fuel Expenses	3,07.73	3,35.90
Repair to :		
Building	68.31	46.90
Machinery	72.28	75.00
Others	55.26	9.76
Manufacturing & Supervision Charges	1,72.84	1,77.37
Packing Expenses	67.14	71.92
Freight, Delivery Expenses	11,21.19	11,07.74
Selling Expenses	1,77.34	55.06
Rent	7.80	9.02
Rates and Taxes	4,44.85	1,56.80
Payment to Auditors :		
Audit Fee	0.75	0.60
Certification Fee	0.65	0.35
Legal & Professional Expenses	36.55	27.33
Director's Fees :		
Board Meeting Fees	4.10	3.10
Committee Meeting Fees	1.10	0.80
Information & Technology Expenses	1.61	1.91
Insurance Charges	14.54	12.07
Motor Vehicle Expenses	10.63	8.58
Other Maintenance Expenses	33.30	30.46
Charity & Donation	0.55	13.35
Bad Debt	–	34.15
Less : Provision for Bad Debt	–	(34.15)
Provision for Doubtful Debts	3.92	0.18
Miscellaneous Expenses	33.64	31.48
Total	28,69.20	23,36.71

(Rs. in Lacs)

Note 32 : Finance costs	As at 31st March 2023	For the year ended 31st March 2022
Interest	3,20.61	2,61.60
Bank charges	27.70	41.55
Foreign Exchange Rate Fluctuation	(15.12)	31.94
Other Charges	0.53	–
Total	3,33.72	3,35.09

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 33 : Effective Tax reconciliation Income Tax Recognised in Statement of Profit & Loss	As at 31st March 2023	As at 31st March 2022
Current Tax	2,78.29	1,55.61
(Excess)/Short Provision for Earlier Years	5.55	49.24
Mat Credit Written-off	–	14.71
Deferred Tax	(1,01.86)	(68.13)
Total Income tax Expense recognised in the current year	1,81.98	1,51.43
The income tax expense can be reconciled to the accounting profit as follows :		
Profit before tax	6,48.84	4,23.75
Applicable tax rate	25.17%	25.17%
Computed Tax Expense	1,63.30	106.65
Add/(Deduct)		
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(3.01)	(24.70)
(Excess)/Short Provision for Earlier Years	5.55	49.24
Mat Credit Written-off	–	14.71
Tax effect of certain temporary differences measured at lower rates	–	–
Others	16.14	5.53
Total Income Tax Expense/(Credit)	1,81.98	1,51.43

(Rs. in Lacs)

Note 34 : Earnings per equity shares	As at 31st March 2023	As at 31st March 2022
Profit as per Statement of Profit and Loss	4,66.87	2,72.32
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	12.94	7.55

(Rs. in Lacs)

Note 35 : Contingencies and Commitments (to the extent not provided for)	As at 31st March 2023	As at 31st March 2022
I) Guarantees given		
Guarantees given by the Company not acknowledged as debt	2.00	2.00
Total	2.00	2.00
II) Commitments		
Commitment of Capital Expenditure not provided for in the accounts (Estimated)	30.00	–
Total	30.00	–

(Rs. in Lacs)

Note 36 : Employee Benefit Obligations	As at 31st March 2022	As at 31st March 2021
I) Defined Contribution Plan		
Contribution to defined contribution plan, recognized are charged off during the year as follows :		
Employers' Contribution to Provident Fund	24.21	21.36
II) Defined Benefit Plan		
Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		

Notes to Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Particulars	Gratuity Funded		Accumulated Leave Unfunded	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	12.37	11.84	6.47	6.34
Interest cost	(0.14)	(0.76)	5.98	4.28
Actuarial loss/(gain) recognized during the year	–	–	(7.07)	0.26
Amount recognized in the statement of profit and loss	12.23	11.08	5.38	10.88
(ii) Changes in Present Value Obligation				
Present value of defined benefit obligation as at the start of the year	2,36.30	2,28.87	84.04	73.17
Current service cost	12.37	11.84	6.47	6.34
Interest cost	16.72	12.66	5.98	4.28
Actuarial loss/(gain) recognized during the year	1.98	(7.78)	(7.07)	0.25
Benefits paid	(3.68)	(24.85)	(0.35)	–
Present value of Defined Benefit Obligation as at the end of the year	2,63.69	2,36.30	89.07	84.04
(iii) Change in fair value of plan assets				
Fair value of plan assets as at the start of the year	2,36.37	2,29.35	–	–
Return on plan assets	0.19	1.45	–	–
Interest Income	16.85	13.42	–	–
Actuarial loss/(gain)	–	–	–	–
Contribution	14.00	17.00	–	–
Benefits paid	(3.68)	(24.85)	(0.35)	–
Fair value of plan assets as at the end of the year underlying	2,63.73	2,36.37	(0.35)	–
Reconciliation of present value of defined benefit obligation and the fair value of plan assets				
Funded Status	0.04	0.07	–	–
Present value obligation as at the end of the year	2,63.69	2,36.30	89.07	84.04
Fair value of plan assets as at the end of the year	2,63.73	2,36.37	–	–
Net liability/(asset) recognized in balance sheet	(0.00)	0.00	89.07	84.04
Amount recognised in the statement of Other Comprehensive Income				
Actuarial (Gain)/Loss for the year on Present value of obligation	(6.57)	(0.35)	–	–
Actuarial (Gain)/Loss for the year on Asset	8.56	8.13	–	–
Return on Plan Asset, Excluding Interest Income	0.19	1.45	–	–
Unrecognised actuarial (Gain)/Loss at the end of the year	1.80	6.33	–	–
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	(6.57)	(0.35)	–	–
Actuarial (gain)/loss on arising from experience adjustment	8.56	8.13	–	–
Assumptions				
Financial Assumptions				
Discount rate p.a.	7.13%	5.85%	7.13%	5.85%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	6 Years	6 Years	5 Years	5 Years

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

Notes to Financial Statements as at 31st March, 2023

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 occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

(Rs. in Lacs)

Sensitivity analysis for Gratuity	As at 31 March, 2023		As at 31 March, 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	261.55	265.97	233.88	238.87
%Change Compared to base due to sensitivity	-0.81%	0.86%	-1.02%	1.09%
Salary Growth (-/+ 0.5%)	265.94	261.56	238.81	233.91
%Change Compared to base due to sensitivity	0.85%	-0.81%	1.06%	-1.01%
Attrition Rate (-/+ 0.5%)	263.68	263.70	236.28	236.31
%Change Compared to base due to sensitivity	0.00%	0.00%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	263.68	263.71	236.27	236.33
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%

(Rs. in Lacs)

Sensitivity analysis for Accumulated Leave	As at 31 March, 2023		As at 31 March, 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	87.38	90.91	82.13	86.12
%Change Compared to base due to sensitivity	-1.91%	2.06%	-2.28%	2.47%
Salary Growth (-/+ 0.5%)	90.89	87.38	86.06	82.15
%Change Compared to base due to sensitivity	2.03%	-1.90%	2.41%	-2.25%
Attrition Rate (-/+ 0.5%)	89.07	89.08	84.03	84.05
%Change Compared to base due to sensitivity	0.00%	0.00%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	89.06	89.09	84.02	84.07
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.03%	0.03%

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

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

Expected contribution during the next annual reporting period:

Particulars

Gratuity

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

Rs. 0.14 Lacs

Table Showing Allocation of Plan Asset at the end Measurement Period	Allocation of Plan Asset Gratuity (Funded)		Allocation in % of Plan Asset Gratuity (Funded)	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Cash & Cash Equivalents	0.83	9.64	0.31%	4.08%
Special Deposit Scheme	5.19	5.20	1.97%	2.20%
State Government Securities	52.02	51.99	19.72%	22.00%
Government of India Securities	55.80	46.51	21.16%	19.68%
Corporate Bonds	129.02	99.49	48.92%	42.09%
Debt Securities	15.10	17.15	5.73%	7.26%
Other	5.77	6.39	2.19%	2.70%
Total	263.73	236.37	100.00%	100.00%

Notes to Financial Statements as at 31st March, 2023

Note 37 : Financial instruments and other related disclosures

i. Capital Management

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

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

The net debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2023, the ratio is 0.2848

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Equity Share Capital	3,60.75	3,60.75
Other Equity	79,20.76	74,55.70
Total Equity (A)	82,81.51	78,16.45
Non-Current Borrowings	14,54.17	10,72.97
Short Term Borrowings	18,59.08	4,00.28
Total Borrowings (Gross Debt) (B)	33,13.25	14,73.25
Investments	7,20.88	2,25.29
Cash and Cash Equivalents	4.19	4.81
Other Bank Balances	2,29.49	2,01.03
Sub Total (C)	9,54.56	4,31.13
Net Debt (B-C) (D)	23,58.69	10,42.12
Net Debt to Equity (D/A)	0.28	0.13

Disclosures on Financial Instruments

I) Financial Instruments by Category

As at March 31, 2023

(Rs. in Lacs)

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	0.26	7,20.62	7,20.88	7,20.88
Trade Receivables	11,61.77	–	11,61.77	11,61.77
Cash and Cash Equivalents	4.19	–	4.19	4.19
Other Bank Balances	2,29.49	–	2,29.49	2,29.49
Loans	0.11	–	0.11	0.11
Other Financial Assets	1,25.32	–	1,25.32	1,25.32
Total Financial Assets	15,21.14	7,20.62	22,41.76	22,41.76
Financial Liabilities				
Borrowings	33,13.25	–	33,13.25	33,13.25
Trade Payables	15,55.06	–	15,55.06	15,55.06
Other Financial Liabilities	27.72	(4.97)	22.75	22.75
Total Financial Liabilities	48,96.03	(4.97)	48,91.06	48,91.06

Notes to Financial Statements as at 31st March, 2023

Note 37 : Financial Instruments and other related disclosure

(Rs. in Lacs)				
As at March 31, 2022				
Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	0.26	2,25.03	2,25.29	2,25.29
Trade Receivables	1,39.56	–	1,39.56	1,39.56
Cash and Cash Equivalents	4.81	–	4.81	4.81
Other Bank Balances	2,01.03	–	2,01.03	2,01.03
Loans	0.23	–	0.23	0.23
Other Financial Assets	1,24.74	–	1,24.74	1,24.74
Total Financial Assets	4,70.63	2,25.03	6,95.66	6,95.66
Financial Liabilities				
Borrowings	14,73.25	–	14,73.25	14,73.25
Trade Payables	991.30	–	9,91.30	9,91.30
Other Financial Liabilities	29.30	–	29.30	29.30
Total Financial Liabilities	24,93.85	–	24,93.85	24,93.85

(ii) Fair value hierarchy

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

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

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

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

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

Particulars	Fair Value Hierarchy Level	31 March, 2023	31 March, 2022
Financial Assets			
Current Investments	Level 1	7,20.62	2,25.03
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	(4.97)	–

(iii) Financial risk management objectives and policies

Financial risk factors

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

(A) Market risk

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

Notes to Financial Statements as at 31st March, 2023

(a) Interest rate risk

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

(b) Foreign currency risks

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

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Foreign Currency Payable (Amount in USD)	14,22,650	10,61,000

(B) Liquidity risk

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

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

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

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
One Year or less Borrowings	18,59.08	4,00.28
Trade Payables	15,55.06	9,91.30
Other Financial Liabilities	27.72	29.30
More than One Year Borrowings	14,54.17	10,72.97
Other Financial Liabilities	1,10.13	1,09.90

(C) Credit risk

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

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

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

Notes to Financial Statements as at 31st March, 2023

Note 38 : Related Party Disclosures :

List of Related Parties :

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

The following table summarises related-party transactions included in the financial statements for the year ended March 31, 2023 & March 31, 2022 and details of outstanding balances as on March 31, 2023 & March 31, 2022 (Rs. in Lacs)

Nature of Transactions	Subsidiary (1)	Key Managerial Personnel & Other Directors (2+3)	Entities where KMP and relatives have significant influence (4)	Total
Salary and Other Benefits		78.63 71.59	– –	78.63 71.59
Contribution to Provident Fund & Superannuation Policy		20.01 18.28	– –	20.01 18.28
Other Perquisites		25.58 23.27	– –	25.58 23.27
Meeting Fees		4.10 3.90	– –	4.10 3.90
Interest on Loan		– –	2,19.88 1,63.76	2,19.88 1,63.76
Loan Taken		– –	24,25.00 22,34.00	24,25.00 22,34.00
Loan Repaid		– –	20,41.00 17,52.00	20,41.00 17,52.00
Outstanding Receivable	100.00 100.00	– –	– –	100.00 100.00
Outstanding Payable		– –	8,66.00 4,82.00	8,66.00 4,82.00

Notes to Financial Statements as at 31st March, 2023

Note 39 :

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

Quarter	Particulars of Security Provided	Amount as per Books of Account	Amount as reported in the Statement	Amount of Difference
March'23	Inventory	30,42.97	30,42.97	-
	Trade Receivables	11,61.76	11,61.76	-
	Trade Payables	15,55.06	15,55.06	-
December'22	Inventory	28,45.02	28,45.02	-
	Trade Receivables	14,21.33	14,21.33	-
	Trade Payables	26,61.68	26,61.68	-
September'22	Inventory	38,84.81	38,84.81	-
	Trade Receivables	605.12	605.12	-
	Trade Payables	35,37.67	35,37.67	-
June'22	Inventory	41,12.43	41,12.43	-
	Trade Receivables	6,18.71	6,18.71	-
	Trade Payables	34,54.97	34,54.97	-

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

Notes to Financial Statements as at 31st March, 2023

Note 40

Ratio Analysis

(Rs. in Lacs)

Ratio	31st March 2023	31st March 2022	% Change from 31st March 2022 to 31st March 2023	Reason for Variance
Current Ratio	1.39	1.39	0%	
Debt-Equity Ratio	0.40	0.19	112%	Increase in Borrowing
Debt Service Coverage Ratio	0.33	0.59	-44%	Increase in Borrowing
Return on Equity Ratio	5.80%	3.54%	64%	Increase in Net Profit
Inventory Turnover Ratio	17.22	25.94	-34%	Increase in Stock of FG
Trade Receivables Turnover Ratio	22.59	27.54	-18%	Increase in Avg Trade Receivables
Trade Payables Turnover Ratio	9.75	9.99	-2%	
Net Capital Turnover Ratio	8.74	13.93	37%	Increase in Revenue
Net Profit Ratio	3.18%	2.34%	36%	Increase in Net Profit
Return on Capital Employed	9.37%	9.30%	1%	
Return on Investment	1.97%	1.08%	82%	Increase in interest income

Provide the Reasons for Variance of more than 25% in the above ratios

Elements of Ratios

(Rs. in Lacs)

Ratio	Numerator	Denominator	31 March 2023		31 March 2022	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities	59,79.81	42,99.07	29,82.20	21,45.34
Debt-Equity Ratio	Debt (Borrowing)	Total Equity	33,13.25	82,81.51	14,73.25	78,16.45
Debt Service Coverage Ratio	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Debt (Borrowing)	10,85.91	33,13.25	8,63.51	14,73.25
Return of Equity Ratio	Net Profit after Tax for the period/year Less Preference Dividend	Average Equity	4,66.87	80,48.98	2,72.32	76,83.46
Inventory Turnover Ratio	Cost of Goods Sold Goods	Average Finished	118,97.55	6,90.84	91,42.80	3,52.40
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	146,96.71	6,50.67	116,56.99	4,23.27
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	124,16.88	12,73.18	81,96.78	8,20.66
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	146,96.71	16,80.74	116,56.99	8,36.86
Net Profit Ratio	Net Profit after Tax for the year	Revenue from Operations	4,66.87	146,96.71	2,72.32	116,56.99
Return on Capital Employed	Earnings before interest, depreciation and taxes (Profit Before Tax + Finance cost + Depreciation)	Equity + Debt (Borrowings)	10,85.91	115,94.76	8,63.51	92,89.70
Return on Investment	Interest Income on fixed deposits, bonds and debentures + Dividend Income + Profit on sale of investments + Profit on fair valuation of investments carried at FVTPL	Average = Current investments + Non current Investments + Other bank balances	33.73	17,12.41	13.90	12,87.53

Notes to Financial Statements as at 31st March, 2022

Note 41 Other Statutory Information

- (i) The Company do not have any Benami Property. Furthe, there is no proceedings initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) :
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.
- (vii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (viii) The Company has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with the Companies(Restriction on Number of Layers) Rules,2017.
- (ix) There are no events or transactions after the reporting period which is required to be disclosed under Ind AS 10.
- (x) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. The Company has no Core Investment Company as part of the Group.

Note 42

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. 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. The Company is in the process of amalgamating its wholly owned subsidiary into Holding Co.

Note 43

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 44

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

As per our report of even date attached.
For **S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP**
Chartered Accountants
Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
(Partner)
Membership No. : 068851
Place : Kolkata
Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)

Ajay Bangur
President & CFO

Sonali Sen
Independent Director
(DIN : 00451839)

Shankar Banerjee
Dy. Secretary
(ACS : 45073)

INDEPENDENT AUDITOR'S REPORT

To
The Members of
The Phosphate Company Limited

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

We have audited the accompanying consolidated Ind AS financial statements of The Phosphate Company Limited ("the Company") and its Subsidiary Company (the Company and its Subsidiary Company together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, 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, 2023, 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.

Key Audit Matters

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

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

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

<p>Considering the judgment and estimates involved in revenue recognition, it is considered to be a key audit matter.</p>	<ul style="list-style-type: none"> • We discussed and obtained an understanding from the management on the key assumptions applied and inputs used in estimating provisions for discounts, sales incentives and sales returns and compared the same with the past trends and the provision made by the management. • Selected Samples of rebates and discounts during the year, compared them with the supporting documents and perform recalculation of those variable considerations as per scheme documents. <p>Assessed the relevant disclosure made in the Consolidated Ind AS financial statement.</p>
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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 Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included Other Section of Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated Ind AS financial statements. We are also responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

Other Matter

We did not audit the financial statement/financial information of one subsidiary, whose financial statements/financial information reflect total assets of Rs. 1125.89 Lakhs as at 31st March 2023, total revenue (including other Income) of Rs. 6.28 lakhs and net profit/(loss) after tax amounting to Rs. 3.51 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

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us by the Holding Company and based on the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that there are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) report of the Subsidiary Company (incorporated in India) included in the Consolidated Financial Statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2023 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. 36 of the Consolidated Ind AS financial statements).
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv.
 - a) The respective managements of the Holding Company and its Subsidiary Company which is company incorporated in India whose financial statements have been audited under the Act has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its Subsidiary Company which is company incorporated in India whose financial statements have been audited under the Act has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Holding Company has not declared and paid dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiary, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For S K AGRAWAL AND CO
CHARTERED ACCOUNTANTS LLP

Chartered Accountants
 Firm Registration No.-306033E/E300272

Hemant Kumar Lakhotia
 (Partner)
 Membership No. 068851
 UDIN : 23068851BGVKYB2175

Place: Kolkata
 Dated: May 26, 2023

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2023, 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 Company, which is company 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 2023, 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 LLP
Chartered Accountants
Firm Registration No.-306033E/E300272

Hemant Kumar Lakhota
(Partner)
Membership No. 068851
UDIN : 23068851BGVKYB2175

Place: Kolkata
Dated: May 26, 2023

Consolidated Balance Sheet as at 31st March, 2023

(Rs. in Lacs)

ASSETS	Notes	As at 31.03.2023	As at 31.03.2022
ASSETS			
I. Non-current assets			
a) Property, Plant and Equipment	3	69,92.84	70,94.57
b) Capital Work-in-Progress	3	2.13	-
c) Investment Property	4	10,93.78	10,93.78
d) Financial Assets			
i) Investments	5	0.26	0.26
ii) Other Financial Assets	6	48.26	45.90
e) Deferred Tax Assets (Net)	7	145.23	44.85
		82,82.50	82,79.36
II. Current assets			
a) Inventories	8	30,42.97	12,83.50
b) Financial Assets			
i) Investments	9	7,20.62	2,25.03
ii) Trade Receivables	10	11,87.23	1,65.03
iii) Cash and Cash Equivalents	11	4.76	5.56
iv) Other Bank Balances	12	2,29.49	2,01.03
v) Loans	13	0.11	0.23
vi) Other Financial Assets	14	30.52	24.74
c) Other Current Assets	15	6,95.34	1,003.30
		59,11.04	29,08.42
Total Assets		1,41,93.54	1,11,87.78
EQUITY AND LIABILITIES			
A. Equity			
a) Equity Share Capital	16	3,60.75	3,60.75
b) Other Equity	17	79,22.28	74,53.70
		82,83.03	78,14.45
B. Liabilities			
I. Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	18	14,54.17	10,72.97
ii) Other Financial Liabilities	19	1,10.13	1,09.90
b) Provisions	20	46.84	44.83
		16,11.14	12,27.70
II. Current liabilities			
a) Financial Liabilities			
i) Borrowings	21	18,59.08	4,00.28
ii) Trade Payables			
a) total outstanding dues of micro enterprises and small enterprises; and	22	15,55.06	9,91.30
b) total outstanding dues of creditors other	22	6.28	0.62
c) total outstanding dues of creditors other	22	15,48.78	9,90.68
iii) Other Financial Liabilities	23	27.72	29.30
b) Other Current Liabilities	24	6,16.81	6,02.63
c) Provisions	25	42.24	39.22
d) Current Tax Liabilities (Net)	26	1,98.46	82.90
		42,99.37	21,45.63
Total Equity and Liabilities		1,41,93.54	1,11,87.78

Significant Accounting Policies

The accompanying notes form an integral part of the Financial Statements

2

As per our report of even date attached.

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

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Consolidated Profit & Loss for the year ended 31st March 2023

(Rs. in Lacs)

PARTICULARS	Notes	For the Year ended 31.03.2023	For the Year ended 31.03.2022
I Income			
Revenue from Operations	27	1,46,96.71	1,16,56.99
Other Income	28	1,21.86	17.22
Total income	I	1,48,18.57	1,16,74.21
II. Expenses			
Cost of Material Consumed	29	1,09,69.71	82,08.62
Purchase of Stock in Trade		18.44	-
Increase/(Decrease) in value of Inventories of Finished Goods / Stock-in-Trade and Work-in-Progress	30	(5,45.43)	(1,30.96)
Employee Benefit Expenses	31	4,20.46	3,96.32
Other Expenses	32	28,63.63	23,31.14
Total expenses	II	1,37,26.81	1,08,05.12
III. Earning before Interest, Depreciation and Tax (EBIDTA) (I - II)		10,91.76	8,69.09
Finance Costs	33	3,33.73	3,35.51
Depreciation and Amortisation Expense	3	1,03.35	1,04.67
IV. Profit/(loss) before tax		6,54.68	4,28.91
V. Tax expense:	34		
Current tax		2,79.15	1,56.36
(Excess)/Short Provision for Earlier Years		5.54	49.24
MAT Credit Entitlement/Utilized		-	14.71
Deferred tax		(100.38)	(66.79)
Total Tax Expenses		1,84.31	1,53.52
VI. Profit/(loss) for the period		4,70.37	2,75.39
VII. Other Comprehensive Income			
A. (i) Items that will not be reclassified subsequently to Profit and Loss			
(a) Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans' Tax impact on above		(1.80)	(6.33)
		-	-
VIII. Total Comprehensive Income for the Year		4,68.57	2,69.06
IX. Earnings per equity share			
Basic & Diluted	35	13.04	7.63
Cash		13.12	9.09

Significant Accounting Policies

2

The accompanying notes form an integral part of the Financial Statements

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

Place : Kolkata
Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur
Executive Director
(DIN : 00040862)

Ajay Bangur
President & CFO

Sonali Sen
Independent Director
(DIN : 00451839)

Shankar Banerjee
Dy. Secretary
(ACS : 45073)

Consolidated Cash Flow Statement for the year ended 31 March, 2023

(Rs. in Lacs)

PARTICULARS	For the Year ended 31.03.2023	For the Year ended 31.03.2022
A. Cash Flow from Operating Activities		
Net Profit before Tax	6,54.68	4,28.91
Add : Adjustments for Non Cash & Non Operating Items		
Interest Received	(13.16)	(12.93)
Interest Paid	3,20.62	2,61.99
Depreciation of Property plant & Equipment	1,03.35	1,04.67
Liability no longer required written back	(85.18)	-
Provision for GST	4,35.83	1,44.63
Profit on Redemption of Mutual Fund	(20.14)	(3.79)
(Gain)/loss on Measuring investments at Fair Value through Profit or loss	(3.33)	0.13
Profit on Sale of property, plant and equipment	-	(0.54)
Operating Profit before Working Capital Changes	13,92.67	9,23.07
Add : Increase /Decrease in Working Capital		
Increase in Current Liabilities	2,27.29	14.05
(Increase)/Decrease in Non-Current/Current Financial and other Assets	2,77.13	(6,33.11)
Increase/(Decrease) in Non-Current/Current Financial and other Liabilities	(1.35)	15.48
Increase/ (Decrease) in Provision	3.23	4.55
(Increase)/Decrease in Inventories	(17,59.47)	(1,18.52)
(Increase)/ Decrease Trade & Other Receivables	(10,27.86)	5,65.13
Cash generated from Operation	(22,81.03)	(1,52.42)
Less : Direct Tax Paid	(1,69.12)	(1,86.11)
Net Cash flow from Operating Activities	(10,57.48)	5,84.54
B. Cash Flow from Investing Activities		
Purchase of Property, plant and Equipment/Capital Work in Progress	(3.76)	(33.06)
Proceeds from sale of Property, plant and equipment	0.01	0.86
Interest Received	13.16	12.93
Proceeds from Sale of Mutual Fund	38,64.81	19,99.06
Purchase of Mutual Fund	(43,36.92)	(21,94.26)
Net Cash used in Investing Activities	(4,62.70)	(214.47)
C. Cash Flow from Financing Activities		
(Repayment of)/ Proceeds from Long Term Borrowings (Net)	3,81.20	7,12.22
(Repayment of)/ Proceeds from Short Term Borrowings (Net)	14,58.80	(8,20.90)
Less: Interest Paid	(3,20.62)	(2,61.99)
Net Cash used in Financing Activities	15,19.38	(3,70.67)
Net Changes in Cash & Cash Equivalents (A+B+C)	(0.80)	(0.60)
Cash & Cash Equivalents-Opening Balance	5.56	6.16
Cash & Cash Equivalents-Closing Balance#	4.76	5.56
Cash and cash equivalents consists		
Balances with Bank	0.33	0.50
Cash on Hand	4.43	5.06
Cash and cash equivalents as at year end	4.76	5.56

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

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

As per our report of even date attached.

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

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhota

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

Statement of Changes in Equity for the year ended 31.03.2023

A) EQUITY SHARE CAPITAL

(Rs. in Lacs)

Equity Shares of Rs. 10/- each issued, subscribed and fully paid up	
Balance as at 1 April, 2021	3,60.75
Changes in Equity Share Capital during the year 2021-22	-
Balance as at 31 March, 2022	3,60.75
Changes in Equity Share Capital during the year 2022-23	-
Balance as at 31 March, 2023	3,60.75

B) OTHER EQUITY

Particulars	Reserves & Surplus			Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April, 2021	2,62.50	64,90.28	4,31.86	71,84.64
Profit for the year	-	-	2,75.39	275.39
Remeasurements of Net Defined Benefit Plans	-	-	(6.33)	(6.33)
Balance as at 31 March, 2022	2,62.50	64,90.28	7,00.92	74,53.70
Balance as at 1 April, 2022	2,62.50	64,90.28	7,00.92	74,53.70
Profit for the year	-	-	4,70.37	4,70.37
Remeasurements of Net Defined Benefit Plans	-	-	(1.80)	(1.80)
Balance as at 31 March, 2023	2,62.50	64,90.28	11,69.49	79,22.27

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 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.

As per our report of even date attached.
 For S. K. AGRAWAL AND CO. CHARTERED ACCOUNTANTS LLP
 Chartered Accountants
 Firm Registration No. : 306033E/E300272
Hemant Kumar Lakhotia
 (Partner)
 Membership No. : 068851
 Place : Kolkata
 Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur
 Executive Director
 (DIN : 00040862)

Ajay Bangur
 President & CFO

Sonali Sen
 Independent Director
 (DIN : 00451839)

Shankar Banerjee
 Dy. Secretary
 (ACS : 45073)

Notes to Consolidated Financial Statements as at 31st March, 2023

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, 2023.

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

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

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

2. Significant Accounting Policies

a) Basis of Preparation

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

b) Basis of Consolidation

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

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

c) Revenue from Contract with Customer

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

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 towards satisfaction of a performance obligation 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.

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.

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 IndAS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

h) Fair Value Measurement

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

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

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

i) Impairment

Impairment is recognized based on the following principles :

Financial Assets

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

Non-Financial Assets

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

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

j) Provisions

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

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

k) Foreign Currency Transactions & Translations

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

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

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

l) Cash and Cash Equivalents

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

m) Employee Benefits

Defined Contribution Plan

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

Defined Benefit Plan

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

Other Long Term Employee Benefits

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

n) Leases

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.

Group as a lessee

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

Right-of-use assets

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

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

Lease liabilities

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

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

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

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

Short-term leases and leases of low-value assets

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

Group as a lessor

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

o) Borrowing Cost

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

p) Income Taxes

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

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

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

q) Earnings per Share

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

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

r) Segment Report

Operating segments are reported in a manner consistent with the internal reporting provided to chief operating decision maker. The Company predominantly engaged in single reportable segment of "Fertiliser" during the year.

s) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The Company has evaluated the amendment and there is no impact on its financial statements.

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 3 Property, plant and equipment (Current year)

(Rs. in Lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2022	Additions	Disposals/ Adjustments	31 March 2023	1 April 2022	Additions	Disposals/ Adjustments	31 March 2023	31 March 2023	31 March 2022
Property Plant & Equipment										
Freehold land	6,298.27	-	-	6,298.27	-	-	-	-	6,298.27	6,298.27
Building	387.08	-	-	387.08	120.08	16.58	-	136.66	250.42	267.00
Plant and machinery	875.26	1.28	-	876.54	366.12	83.03	-	449.15	427.39	509.14
Computers	6.51	0.15	0.21	6.45	3.72	0.68	0.20	4.20	2.25	2.79
Water & Acid Installation :	16.81	-	-	16.81	7.77	0.94	-	8.71	8.10	9.04
Laboratory Equipment :	4.67	-	-	4.67	3.69	0.21	-	3.90	0.77	0.98
Furniture & Fittings	6.11	0.20	-	6.31	4.54	0.26	-	4.80	1.51	1.57
Motor Cars & Trucks	15.23	-	-	15.23	9.51	1.65	-	11.16	4.07	5.72
Electric Installation :	0.10	-	-	0.10	0.04	-	-	0.04	0.06	0.06
Total Tangible Assets (A)	7,610.04	1.63	0.21	7,611.46	515.47	103.35	0.20	618.62	6,992.84	7,094.57
Capital work-in-progress		2.13	-	2.13	-	-	-	-	2.13	-
Total	7,610.04	3.76	0.21	7,613.59	515.47	103.35	0.20	618.62	6,994.97	7,094.57

Note 3 Property, plant and equipment (Previous year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
Property Plant & Equipment										
Freehold land	7,113.27	278.78	1,093.78	6,298.27	-	-	-	-	6,298.27	7,113.27
Building	387.08	-	-	387.08	102.20	17.88	-	120.08	267.00	284.88
Plant and machinery	837.71	37.55	-	875.26	285.82	80.30	-	366.12	509.14	551.89
Computers	4.97	2.37	0.83	6.51	2.99	1.51	0.78	3.72	2.79	1.98
Water & Acid Installation :	16.81	-	-	16.81	6.10	1.67	-	7.77	9.04	10.71
Laboratory Equipment :	4.67	-	-	4.67	3.41	0.28	-	3.69	0.98	1.26
Furniture & Fittings	5.74	0.73	0.36	6.11	4.29	0.60	0.35	4.54	1.57	1.45
Motor Cars & Trucks	20.28	-	5.05	15.23	11.87	2.44	4.80	9.51	5.72	8.41
Electric Installation :	0.10	-	-	0.10	0.04	-	-	0.04	0.06	0.06
Total Tangible Assets (A)	8,390.63	319.43	1,100.02	7,610.04	416.72	104.68	5.93	515.47	7,094.57	7,973.91
Capital work-in-progress	286.36	14.45	300.81	-	-	-	-	-	-	-
Total	8,676.99	333.88	1,400.83	7,610.04	416.72	104.68	5.93	515.47	7,094.57	7,973.91

Capital Work-in-Progress

(a) Capital Work-in-Progress ageing Schedule

CWIP	31st March 2023		31st March 2022	
	Amount in CWIP for a period of		Amount in CWIP for a period of	
	Less than 1 Year	Total	Less than 1 Year	Total
Projects in progress	2.13	2.13	-	-

CWIP	31st March 2023		31st March 2022	
	To be completed in		To be completed in	
	Less than 1 Year	Total	Less than 1 Year	Total
Projects – Automation in SSP Plant	2.13	2.13	-	-

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 4 Investment Property (Current Year)

(Rs. in Lacs)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2022	Additions	Disposals/ Adjustments	31 March 2023	1 April 2022	Additions	Disposals/ Adjustments	31 March 2023	31 March 2023	31 March 2022
Capital Work-in-Progress	1,093.78	-	-	1,093.78	-	-	-	-	1,093.78	1,093.78

(Previous Year)

Description	Gross Block				Accumulated Depreciation				Net Block	
	1st April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	31 March 2022	31 March 2021
Capital Work-in-Progress	1,093.78	-	-	1,093.78	-	-	-	-	1,093.78	1,093.78

(Rs. in Lacs)

Note 5 : Investments - Non Current	As at 31st March 2023	As at 31st March 2022
Investments in Government or trust securities		
Investments carried at Amortised Cost (Unquoted)		
National Savings Certificate	0.26	0.26
Total	0.26	0.26
Aggregate amount of Unquoted Investments	0.26	0.26

Note 6 : Other Financial Assets	As at 31st March 2023	As at 31st March 2022
Financial assets carried at Amortised Cost (Unsecured, considered good)		
Security deposits	48.26	45.90
Total	48.26	45.90

Note 7 : Deferred Tax Asset/(Liabilities)	As at 31st March 2023	As at 31st March 2022
Deferred Tax Assets		
Losses/Unabsorbed Depreciation under Income Tax	2,00.49	1,11.45
Deferred Tax Liabilities		
Timing difference in depreciable assets	(55.26)	(66.60)
Total	1,45.23	44.85

Note 8 : Inventories	As at 31st March 2023	As at 31st March 2022
(Valued at lower of cost or net realisable value)		
Raw Materials*	19,49.23	7,34.75
Packing Materials	33.14	31.82
Stores & Spare Parts	97.05	98.80
Finished Goods (including W.I.P.)	963.55	4,18.13
Total	30,42.97	12,83.50
* Includes Stock-In-Transit	7,23.70	-

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 9 : Investments - Current	As at 31st March 2023	As at 31st March 2022
Investment carried at fair value through Profit & Loss		
Investments in Mutual Funds (Unquoted)		
570.1530 Units Kotak Liquid Fund - Growth Option (Previous Year NIL)	25.75	1,55.01
NIL SBI Liquid Fund - Growth Option (Previous Year 2114.8530 Units)	-	70.02
14275.2280 Units of Kotak Liquid Fund - Growth Option (Previous Year 3622.5670 Units)	6,44.87	-
499975.0010 Units SBI Fixed Maturity Plan Sr. 82 (91 Days) - Growth Option (Previous Year NIL)	50.00	-
Total	7,20.62	2,25.03
Aggregate amount of Unquoted Investments	7,20.62	2,25.03
Fair value of Unquoted Investments	7,20.62	2,25.03

(Rs. in Lacs)

Note 10 : Trade Receivables	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost (Unsecured, Considered goods)		
- Considered Good	2,33.50	67.68
Subsidy receivable from Central Government	9,53.73	97.35
	11,87.23	1,65.03
- Considered Doubtful	4.73	0.81
Less: Provision for Bad Debts	(4.73)	(0.81)
Gross Trade Receivable	11,87.23	1,65.03
Outstanding for the following periods from due date of transactions		
Particulars		
(i) Undisputed Trade Receivables - Considered Good		
Less than 6 Months	11,59.96	1,35.68
6 Months to 1 Year	1.01	-
1-2 Years	-	0.01
2-3 Years	0.01	-
More than 3 Years	26.25	29.34
Sub Total	11,87.23	1,65.03
(ii) Undisputed Trade Receivables - which have significant increase in credit risk		
Less than 6 Months	4.21	-
6 Months to 1 Year	0.02	-
More than 3 Years	0.02	0.33
Sub Total	4.25	0.33
(iii) Disputed Trade Receivables - which have significant increase in credit risk		
More than 3 Years	0.48	0.48
Sub Total	0.48	0.48
Total	11,91.96	1,65.84

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 11 : Cash and cash equivalents	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost		
Balance with banks	0.33	0.50
Cash on hand	4.43	5.06
Total	4.76	5.56

(Rs. in Lacs)

Note 12 : Other Bank Balances	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost		
Fixed deposits having original maturity more than 3 months but less than 12 months (pledged)	2,29.49	2,01.03
Total	2,29.49	2,01.03

(Rs. in Lacs)

Note 13 : Loans- Current	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost (Unsecured, considered good)		
Advances to Employees	0.11	0.23
Total	0.11	0.23

(Rs. in Lacs)

Note 14 : Other Financial Assets- Current	As at 31st March 2023	As at 31st March 2022
Financial Assets carried at amortised cost (Unsecured, considered good)		
Interest Receivable		
From Banks	7.32	6.64
From Others	0.20	–
Advance recoverable in cash or kind	23.00	18.10
Total	30.52	24.74

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 15 : Other Current Assets	As at 31st March 2023	As at 31st March 2022
(Unsecured, considered good)		
Advance to suppliers	90.69	0.35
Advances against expenses	9.23	12.08
Prepaid expenses	36.28	23.02
	1,36.20	35.45
Input Tax Receivable	12,37.01	12,09.89
Less: Provision for GST Receivable	6,77.87	2,42.04
Input tax receivable	5,59.14	9,67.85
Total	6,95.34	10,03.30

(Rs. in Lacs)

Note 16 : Equity share capital	As at 31st March 2023	As at 31st March 2022
Authorised capital		
1,00,00,00 equity shares of Rs. 10 each	10,00.00	10,00.00
1,50,000 (1,50,000) Redeemable Preference Shares of Rs. 1000 each	15,00.00	15,00.00
	25,00.00	25,00.00
Issued, subscribed and Paid-up capital		
36,07,480 equity shares of Rs.10 each	3,60.75	3,60.75
	3,60.75	3,60.75

(Rs. in Lacs)

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares at the beginning of the year	36,07,480	360.75	36,07,480	360.75
Add: Share issued during the year	-	-	-	-
Equity shares at the end of the year	36,07,480	360.75	36,07,480	360.75

b) Rights/preferences/restrictions attached to equity shares

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

(Rs. in Lacs)

c) Details of shareholders holding more than 5% shares in the Company	As at 31st March 2023		As at 31st March 2022	
	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

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 16 (Contd.)

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

Name	As at 31st March 2023			As at 31st March 2022		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Ajay Bangur	7,800	0.22	–	7,800	0.22	–
Amvi Tradecom Private Limited	1,00,000	2.77	–	1,00,000	2.77	–
Anirudh Bangur	15,100	0.42	–	15,100	0.42	–
Bangur Trafin Pvt. Ltd.	3,000	0.08	–	3,000	0.08	–
Bimala Devi	5,400	0.15	–	5,400	0.15	–
Bina Bangur	70,900	1.97	–	70,900	1.97	–
Binod Kumar Khaitan	82,400	2.28	–	82,400	2.28	–
Chandrakala Khaitan	1,48,280	4.11	–	1,48,280	4.11	–
Credwyn Holdings India	1,75,000	4.85	–	1,75,000	4.85	–
Devendra Finvest and Holding Pvt Ltd	220	0.01	–	220	0.01	–
Gita Bangur	46,200	1.28	–	46,200	1.28	–
Gloster Limited	1,70,000	4.71	–	1,70,000	4.71	–
Hemant Bangur	200	0.01	–	200	0.01	–
Joonktolee Tea And Industries Ltd.	–	–	(3.84)	1,38,680	3.84	(3.84)
Luxmi Devi	38,044	1.05	–	38,044	1.05	–
Madan Gopal Bangur	23,400	0.65	–	23,400	0.65	–
Madhav Trading Corporation Limited	3,74,880	10.39	–	3,74,880	10.39	–
Milan Bangur	4,000	0.11	–	4,000	0.11	–
Murli Dhar Khaitan	300	0.01	–	300	0.01	–
Nikate Khaitan	1,05,600	2.93	–	1,05,600	2.93	–
Nikate Khaitan (HUF)	1,64,740	4.57	–	1,64,740	4.57	–
Pradyumna Bangur	26,580	0.74	–	26,580	0.74	–
Raj Packwell Limited	1,00,000	2.77	–	1,00,000	2.77	–
Rajendra Kumar Bangur	56,900	1.58	–	56,900	1.58	–
Ramesh Kumar Bangur	27,206	0.75	–	27,206	0.75	–
Ramesh Kumar Bangur	4,000	0.11	–	4,000	0.11	–
Sakate Khaitan	–	–	(1.52)	54,760	1.52	(1.52)
Shree Prakash Bangur	5,400	0.15	–	5,400	0.15	–
Shrimangala Khaitan	64,760	1.80	1.52	10,000	0.28	1.52
Shrivats Khaitan	2,31,000	6.40	–	2,31,000	6.40	–
Sudarshan Bangur	26,300	0.73	–	26,300	0.73	–
Suresh Kumar Bangur	26,816	0.74	–	26,816	0.74	–
Suresh Kumar Bangur HUF	2,000	0.06	–	2,000	0.06	–
Suresh Kumar Bangur-Trust	99,100	2.75	–	99,100	2.75	–
Sushma Bangur	840	0.02	–	840	0.02	–
The Oriental Company Limited	1,48,290	4.11	3.84	9,610	0.27	3.84
Usha Kiran Bangur	13,380	0.37	–	13,380	0.37	–
Veena Bangur	520	0.01	–	520	0.01	–
Vijay Kumar Bangur	29,400	0.81	–	29,400	0.81	–
Wind Power Vinimay Pvt. Ltd.	87,840	2.43	–	87,840	2.43	–
Total Shares	24,85,796	68.90	0.00	24,85,796	68.90	0.00

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 17 : Other Equity	As at 31st March 2023	As at 31st March 2022
Securities Premium		
Opening Balance	2,62.50	2,62.50
Addition during the Year	-	-
	2,62.50	2,62.50
General Reserve		
Opening Balance	64,90.28	64,90.28
Addition during the Year	-	-
	64,90.28	64,90.28
Retained Earnings		
As per last Balance Sheet	7,00.92	4,31.86
Profit for the Year	4,70.37	2,75.39
Remeasurements of Net Defined Benefit Plan	(1.80)	(6.33)
Balance as at the end of the year	11,69.50	7,00.92
Total	79,22.28	74,53.70

(Rs. in Lacs)

Note 18 : Borrowings (Non Current)	As at 31st March 2023	As at 31st March 2022
Financial Liabilities carried at amortised cost		
Secured		
a) Term loans from Non Banking financial Institution	2,54.39	3,25.17
b) GECL loans from Banking financial Institution	3,04.00	3,04.00
Less: Current maturities of Term Loan (refer note 20)	1,04.22	70.77
	4,54.17	5,58.40
c) Term loans from banks		
(i) Vehicle loans from banks	-	11.12
(ii) Equipment loans from banks	5.10	24.45
Less: Current maturities of Vehicle & Equipment Loan (refer note 20)	5.10	22.00
	-	13.57
Unsecured		
From Limited Companies		
From Related Parties	8,66.00	4,82.00
From Other Body Corporates	1,34.00	19.00
Total	14,54.17	10,72.97

Notes to Consolidated Financial Statements as at 31st March, 2023

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

Sl. No.	Name of Bank	Nature of security	Repayment Terms	31-Mar-2023	31-Mar-2022
a	Aditya Birla Capital	Term Loan is secured by pari passu first charge on Industrial Property located at holding No.47, Rishi Bankim Chandra Road, Rishra Hooghly . Current Interest rate is 14.65%.	Repayable in 84 equal montly installment of Rs. 8,89,336 commencing from February 2019.	2,54.39	3,25.17
b(i)	State Bank Of India	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 9.25%	Repayable in 36 equal monthly installment commencing from December,2023	1,71.00	1,71.00
b(ii)	Canara Bank	Working Capital Term Loan under GECL-Extension 1.0 scheme secured by Pari-Passu 2nd charge basis on Current Assets and entire Fixed Assets. Current Interest rate is 9.25%	Repayable in 36 equal monthly commencing from December,2023	1,33.00	1,33.00
c (i)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.	Repayable in 81 equal monthly installment of Rs. 14,719.19 commencing from December, 2018.	-	5.14
c (ii)	Canara Bank	Vehicle loan is secured by first charge by way of hypothecation of cars purchased under the scheme.	Repayable in 84 equal monthly installment of Rs. 13,980.78 commencing from May, 2019.	-	5.98
d (i)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	2.55	12.22
d (ii)	ICICI Bank Limited	Equipment Loan secured by Exclusive charge on the hypothecated assets purchased under the scheme.	Repayable in 47 equal monthly installment of Rs. 86,353 commencing from August, 2019.	2.55	12.22

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 19- Other financial liabilities - Non Current	As at 31st March 2023	As at 31st March 2022
Financial Liabilities carried at amortised cost		
Deposit from Dealer	1,10.13	1,09.90
Total	1,10.13	1,09.90

(Rs. in Lacs)

Note 20- Provisions - Non Current	As at 31st March 2023	As at 31st March 2022
Provisions for Employee Benefits		
Leave Encashment (Refer Note 37)	89.08	84.05
Less: Current Portion	42.24	39.22
Total	46.84	44.83

(Rs. in Lacs)

Note 21- Borrowings - Current	As at 31st March 2023	As at 31st March 2022
Financial Liabilities carried at amortised cost		
Secured		
From Banks		
Cash Credit	17,49.76	3,07.51
Unsecured		
From Limited Companies		
Current Maturities of Term loans from Non Banking financial Institution (refer note 17)	1,04.22	70.77
Current Maturities of Equipment & Vehicle loans from Banks (refer note 17)	5.10	22.00
Total	18,59.08	4,00.28

Cash Credit Loan from Banks are secured by entire stocks of inventory, receivables and other current assets of the company on pari-passu first charge basis & collaterally secured by second charge on entire fixed Assets of the Company. Current Interest Rate is 9.15-11.65%

(Rs. in Lacs)

Note 22 : Trade payables	As at 31st March 2023	As at 31st March 2022
Financial Liabilities carried at amortised cost		
MSMED [refer note (a) below]	6.28	0.62
Others Trade Payable	15,48.78	9,90.68
Total	15,55.06	9,91.30

Notes to Consolidated Financial Statements as at 31st March, 2023

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	6.28 0.62
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	- -
(iii)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	- -
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	- -
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	- -

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

Outstanding for the following periods from due date of payments as at 31.03.2023

Particulars

(i) MSME		
	Less than 1 Year	6.28 0.62
	Sub Total	6.28 0.62
(ii) Others		
	Less than 1 Year	15,47.81 9,88.91
	1-2 Years	0.97 1.77
	Sub Total	15,48.78 9,90.68
	Total	15,55.06 9,91.30

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.

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 23 : Other financial liabilities - Current	As at 31st March 2023	As at 31st March 2022
Financial Liabilities carried at amortised cost		
Interest accrued and due	3.77	3.18
Employee Benefits	28.92	26.12
Financial Liabilities carried at Fair Value through Profit & Loss		
Foreign Currency Forward Contracts Payable/(Receivable)	(4.97)	–
Total	27.72	29.30

(Rs. in Lacs)

Note 24 : Other current liabilities	As at 31st March 2023	As at 31st March 2022
Advance from customers	1,41.17	1,50.70
Duties & Taxes		
Statutory & other dues payables	29.28	1,37.98
Liability for expenses	4,46.36	3,13.95
Total	6,16.81	6,02.63

(Rs. in Lacs)

Note 25 : Provisions - Current	As at 31st March 2023	As at 31st March 2022
Provisions for Employee Benefits		
Leave Encashment	42.24	39.22
Total	42.24	39.22

(Rs. in Lacs)

Note 26 : Current Tax Liabilities (Net)	As at 31st March 2023	As at 31st March 2022
Provision for Income Tax (Net of Advance Tax)	198.46	82.90
Total	198.46	82.90

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 27 : Revenue from Operations	As at 31st March 2023	As at 31st March 2022
Gross Sales/ Income from Operations	1,59,89.82	126,38.22
Less : Discounts, Rebates & Taxes	13,33.20	9,96.63
Revenue from Operations	1,46,56.62	116,41.59
Other Operating Income		
Insurance Claim	9.53	–
Scrap Sales	30.56	15.40
Total Revenue from Operation	1,46,96.71	116,56.99

(Rs. in Lacs)

Note 28 : Other Income	As at 31st March 2023	As at 31st March 2022
Interest income on		
Fixed Deposits	10.26	10.24
Others	2.90	2.69
Profit on sales of Property, plant and equipment	–	0.55
Liability no longer required written back	85.18	–
Profit on Redemption of Mutual Fund	20.14	3.79
Gain on measuring investments at FVTPL	3.33	(0.13)
Other Income	0.05	0.08
Total	1,21.86	17.22

(Rs. in Lacs)

Note 29 : Cost of Material Consumed	As at 31st March 2023	As at 31st March 2022
Raw Materials	1,07,55.88	79,85.09
Packing Materials	2,13.83	2,23.53
Total	1,09,69.71	82,08.62

Rs. in Lacs

Note 30- Increase/(Decrease) in value of Inventories of Finished Goods / Stock-in-Trade and Work-in-Progress	As at 31st March 2023	As at 31st March 2022
Closing Stock :		
Finished Goods	2,48.08	1,73.43
Work-In-Progress	7,15.47	2,44.70
Trading Goods		
Less : Opening Stock		
Finished Goods	(1,73.43)	(1,83.72)
Work-In-Progress	(2,44.69)	(1,02.95)
Trading Goods	–	(0.50)
Total	5,45.43	1,30.96

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 31 : Employee benefit expenses	As at 31st March 2023	As at 31st March 2022
Salaries, wages and bonus	3,20.83	3,00.63
Contribution to Provident & other funds	52.68	52.87
Staff Welfare	46.95	42.82
Total	4,20.46	3,96.32

(Rs. in Lacs)

Note 32 : Other expenses	As at 31st March 2023	As at 31st March 2022
Consumption of Stores and Spares	2,33.12	1,61.03
Power and Fuel Expenses	3,07.73	3,35.90
Repair to :		
Building	68.31	46.90
Machinery	72.28	75.00
Others	55.27	9.76
Manufacturing & Supervision Charges	1,72.84	1,77.37
Packing Expenses	67.13	71.92
Freight, Delivery Expenses	11,21.18	11,07.74
Selling Expenses	1,77.34	55.06
Rent	1.80	3.02
Rates and Taxes	4,44.89	1,56.85
Payment to Auditors :		
Audit Fee	0.84	0.69
Certification Fee	0.81	0.98
Legal & Consultancy Expenses	36.54	26.92
Director's Fees :		
Board Meeting Fees	4.10	3.10
Committee Meeting Fees	1.10	0.80
Information & Technology Expenses	1.61	1.91
Insurance Charges	14.54	12.07
Motor Vehicle Expenses	10.64	8.58
Other Maintenance Expenses	33.30	30.47
Bad Debts	–	34.15
Less : Provision for Bad Debt adjusted	–	(34.15)
Provision for Doubtful Debts	3.92	0.18
Charity & Donation	0.56	13.35
Miscellaneous Expenses	33.78	31.54
Total	28,63.63	23,31.14

(Rs. in Lacs)

Note 33 : Finance costs	As at 31st March 2023	As at 31st March 2022
Interest	3,20.62	2,62.00
Bank charges	27.70	41.57
Foreign Exchange Rate Fluctuation	(15.12)	31.94
Other Charges	0.53	–
Total	3,33.73	3,35.51

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Note 34 : Effective tax reconciliation Income Tax Recognised in Statement of Profit & Loss	As at 31st March 2023	As at 31st March 2022
Current Tax	2,79.15	1,56.36
(Excess)/Short Provision for Earlier Years	5.54	49.24
Mat Credit written off	–	14.71
Deferred Tax	(1,00.38)	(66.79)
Total Income tax Expense recognised in the current year	1,84.31	1,53.52
The income tax expense can be reconciled to the accounting profit as follows :		
Profit before tax	6,54.68	4,28.91
Applicable tax rate	25.17%	25.17%
Computed Tax Expense	1,65	1,07.95
Add/(Deduct)		
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(2.38)	(23.91)
(Excess)/Short Provision for Earlier Years	5.55	49.24
Mat Credit written off	–	14.71
Tax effect of certain temporary differences measured at lower rates	–	–
Others	16.14	5.53
Total Income Tax Expense / (Credit)	1,84.31	1,53.52

(Rs. in Lacs)

Note 35 : Earnings per equity shares	As at 31st March 2023	As at 31st March 2022
Profit as per Statement of Profit and Loss	4,70.37	2,75.39
Weighted average number of equity shares	36,07,480	36,07,480
Earnings per share - Basic and Diluted	13.04	7.63

(Rs. in Lacs)

Note 36 : Contingencies and Commitments (to the extent not provided for)	As at 31st March 2023	As at 31st March 2022
I) Guarantees given		
Guarantees given by the Company not acknowledged as debt	2.00	2.00
Total	2.00	2.00
II) Commitments		
Commitment of Capital Expenditure not provided for in the accounts (Estimated)	30.00	–
Total	30.00	–

(Rs. in Lacs)

Note 37 : Employee Benefit Obligations	As at 31st March 2023	As at 31st March 2022
I) Defined Contribution Plan		
Contribution to defined contribution plan, recognized are charged off during the year as follows :		
Employers' Contribution to Provident Fund	24.21	21.36
I) Defined Benefit Plan		
Gratuity is paid to employees under the Payment of Gratuity Act 1972 through a recognised funded scheme. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		

Notes to Consolidated Financial Statements as at 31st March, 2023

(Rs. in Lacs)

Particulars	Gratuity Funded		Accumulated Leave Unfunded	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
(i) Amount recognised in the statement of profit and loss is as under:				
Current service cost	12.37	11.84	6.47	6.34
Interest cost	(0.14)	(0.76)	5.98	4.28
Actuarial loss/(gain) recognized during the year	-	-	(7.07)	0.26
Amount recognized in the statement of profit and loss	12.23	11.08	5.38	10.88
(ii) Changes in Present Value Obligation				
Present value of defined benefit obligation as at the start of the year	2,36.30	2,28.87	84.04	73.17
Current service cost	12.37	11.84	6.47	6.34
Interest cost	16.72	12.66	5.98	4.28
Actuarial loss/(gain) recognized during the year	1.98	(7.78)	(7.07)	0.25
Benefits paid	(3.68)	(24.85)	(0.35)	-
Present value of Defined Benefit Obligation as at the end of the year	2,63.69	2,36.30	89.07	84.04
(iii) Change in fair value of plan assets				
Fair value of plan assets as at the start of the year	2,36.37	2,29.35	-	-
Return on plan assets	0.19	1.45	-	-
Interest Income	16.85	13.42	-	-
Actuarial loss/(gain)	-	-	-	-
Contribution	14.00	17.00	-	-
Benefits paid	(3.68)	(24.85)	(0.35)	-
Fair value of plan assets as at the end of the year	2,63.73	2,36.37	(0.35)	-
Reconciliation of present value of defined benefit obligation and the fair value of plan assets				
Funded Status	0.04	0.07	-	-
Present value obligation as at the end of the year	2,63.69	2,36.30	89.07	84.04
Fair value of plan assets as at the end of the year	2,63.73	2,36.37	-	-
Net liability/(asset) recognized in balance sheet	(0.00)	0.00	89.07	84.04
Amount recognised in the statement of Other Comprehensive Income				
Actuarial (Gain)/Loss for the year on Present value of obligation	(6.57)	(0.35)	-	-
Actuarial (Gain)/Loss for the year on Asset	8.56	8.13	-	-
Return on Plan Asset, Excluding Interest Income	0.19	1.45	-	-
Unrecognised actuarial (Gain)/Loss at the end of the year	1.80	6.33	-	-
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	(6.57)	(0.35)	-	-
Actuarial (gain)/loss on arising from experience adjustment	8.56	8.13	-	-
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Financial Assumptions				
Discount rate p.a.	7.13%	5.85%	7.13%	5.85%
Rate of increase in salary p.a.	7.50%	7.50%	7.50%	7.50%
Demographic Assumptions				
Attrition Rate	1.00%	1.00%	1.00%	1.00%
Super Annuation Age	58 Years	58 Years	58 Years	58 Years
Average expected future service	6 Years	6 Years	5 Years	5 Years

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

Notes to Consolidated Financial Statements as at 31st March, 2023

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 occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

(Rs. in Lacs)

Sensitivity analysis for Gratuity	As at 31 March, 2023		As at 31 March, 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	261.55	265.97	233.88	238.87
%Change Compared to base due to sensitivity	-0.81%	0.86%	-1.02%	1.09%
Salary Growth (-/+ 0.5%)	265.94	261.56	238.81	233.91
%Change Compared to base due to sensitivity	0.85%	-0.81%	1.06%	-1.01%
Attrition Rate (-/+ 0.5%)	263.68	263.70	236.28	236.31
%Change Compared to base due to sensitivity	0.00%	0.00%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	263.68	263.71	236.27	236.33
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.01%	0.01%

(Rs. in Lacs)

Sensitivity analysis for Accumulated Leave	As at 31 March, 2023		As at 31 March, 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	87.38	90.91	82.13	86.12
%Change Compared to base due to sensitivity	-1.91%	2.06%	-2.28%	2.47%
Salary Growth (-/+ 0.5%)	90.89	87.38	86.06	82.15
%Change Compared to base due to sensitivity	2.03%	-1.90%	2.41%	-2.25%
Attrition Rate (-/+ 0.5%)	89.07	89.08	84.03	84.05
%Change Compared to base due to sensitivity	0.00%	0.00%	-0.01%	0.01%
Mortality Rate (-/+ 10%)	89.06	89.09	84.02	84.07
%Change Compared to base due to sensitivity	-0.01%	0.01%	-0.03%	0.03%

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

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

Expected contribution during the next annual reporting period:

Particulars

Gratuity

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

Rs. 0.14 Lacs

Table Showing Allocation of Plan Asset at the end Measurement Period	Allocation of Plan Asset Gratuity (Funded)		Allocation in % of Plan Asset Gratuity (Funded)	
	31 March, 2023	31 March, 2022	31 March, 2023	31 March, 2022
Cash & Cash Equivalents	0.83	9.64	0.31%	4.08%
Special Deposit Scheme	5.19	5.20	1.97%	2.20%
State Government Securities	52.02	51.99	19.72%	22.00%
Government of India Securities	55.80	46.51	21.16%	19.68%
Corporate Bonds	129.02	99.49	48.92%	42.09%
Debt Securities	15.10	17.15	5.73%	7.26%
Other	5.77	6.39	2.19%	2.70%
Total	263.73	236.37	100.00%	100.00%

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 38 : Financial instruments and other related disclosures

i. Capital Management

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

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

The debt equity ratio highlights the ability of a business to repay its debts. As at 31st March, 2023, the ratio is 0.2847

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Equity Share Capital	3,60.75	3,60.75
Other Equity	79,22.28	74,53.70
Total Equity (A)	82,83.03	78,14.45
Non-Current Borrowings	14,54.17	10,72.97
Short Term Borrowings	18,59.08	4,00.28
Total Borrowings (Gross Debt) (B)	33,13.25	14,73.25
Less: Investments	(7,20.88)	(2,25.29)
Less: Cash and Cash Equivalents	(4.76)	(5.56)
Less: Other Bank Balances	(2,29.49)	(2,01.03)
Net Debt (C)	23,58.12	10,41.37
Net Debt to Equity (C/A)	0.28	0.13

Disclosures on Financial Instruments

l) Financial Instruments by Category

As at March 31, 2023

(Rs. in Lacs)

Particulars	Amortised Cost	Fair Value through PL	Total Carrying Value	Total Fair Value
Financial Assets				
Investments	0.26	7,20.62	7,20.88	7,20.88
Trade Receivables	11,87.23	-	11,87.23	11,87.23
Cash and Cash Equivalents	4.76	-	4.76	4.76
Other Bank Balances	2,29.49	-	2,29.49	2,29.49
Loans	48.37	-	48.37	48.37
Other Financial Assets	30.52	-	30.52	30.52
Total Financial Assets	15,00.63	7,20.62	22,21.25	22,21.25
Financial Liabilities				
Borrowings	33,13.25	-	33,13.25	33,13.25
Trade Payables	15,55.06	-	15,55.06	15,55.06
Other Financial Liabilities	1,42.82	(4.97)	1,37.85	1,37.85
Total Financial Liabilities	50,11.13	(4.97)	50,06.16	50,06.16

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 37 : Financial Instruments by category

As at March 31, 2022

(Rs. in Lacs)

<u>Particulars</u>	<u>Amortised Cost</u>	<u>Fair Value through PL</u>	<u>Total Carrying Value</u>	<u>Total Fair Value</u>
Financial Assets				
Investments	0.26	2,25.03	2,25.29	2,25.29
Trade Receivables	1,65.03	–	1,65.03	1,65.03
Cash and Cash Equivalents	5.56	–	5.56	5.56
Other Bank Balances	2,01.03	–	2,01.03	2,01.13
Loans	46.13	–	46.13	46.13
Other Financial Assets	24.74	–	24.74	24.74
Total Financial Assets	4,42.75	2,25.03	6,67.78	6,67.78
Financial Liabilities				
Borrowings	14,73.25	–	14,73.25	14,73.25
Trade Payables	991.30	–	9,91.30	9,91.30
Other Financial Liabilities	1,39.20	–	1,39.20	1,39.20
Total Financial Liabilities	26,03.75	–	26,03.75	26,03.75

Note 38 : 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 observable.

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

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

(Rs. in Lacs)

<u>Particulars</u>	<u>Fair Value Hierarchy Level</u>	<u>31 March, 2023</u>	<u>31 March, 2022</u>
Financial Assets			
Current Investments	Level 1	7,20.62	2,25.03
Derivative financial instruments - Foreign Currency Forward Contracts	Level 2	(4.97)	–

(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.

Notes to Consolidated Financial Statements as at 31st March, 2023

(a) Interest rate risk

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

(b) Foreign currency risks

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

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Foreign Currency Payable (Amount in USD)	14,22,650	10,61,000

(B) Liquidity risk

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

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

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

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
One Year or less Borrowings	18,59.08	4,00.28
Trade Payables	15,55.06	9,91.30
Other Financial Liabilites	27.72	29.30
More than One Year Borrowings	14,54.17	10,72.97
Other Financial Liabilites	1,10.13	1,09.90

(C) Credit risk

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

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

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

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 39 : Related Party Disclosures :

List of Related Parties :

1. Key Management Personnel

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

2. Other Directors

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

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

Adelina Investments Pvt. Ltd.
 Art Finance & Trade Pvt. Ltd.
 Chintamani Holdings Pvt. Ltd.
 Credwyn Holdings India Pvt. Ltd.
 Devendra Finvest & Holding Pvt Ltd
 Kanchan Udyog Ltd.
 Raj Packwell Ltd.
 Mani Invest Brokers Private Limited
 Maxworth Industrial Services Ltd.
 Noshirvan & Company 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, 2023 & March 31, 2022 and details of outstanding balances as on March 31, 2023 & March 31, 2022

(Rs. in Lacs)

Nature of Transactions	Key Managerial Personnel & Other Directors (1+2)	Entities where KMP and relatives have significant influence (3)	Total
Salary and Other Benefits	78.64	–	78.64
	71.59	–	71.59
Contribution to Provident Fund & Superannuation Policy	20.01	–	20.01
	18.28	–	18.28
Other Perquisites	25.58	–	25.58
	23.27	–	23.27
Meeting Fees	4.10	–	4.10
	3.90	–	3.90
Interest Payment	–	2,19.89	2,19.89
	–	1,64.11	1,64.11
Loan Taken	–	24,25.00	24,25.00
	–	22,34.00	22,34.00
Loan Repaid	–	20,41.00	20,41.00
	–	17,61.00	17,61.00
Outstanding Payable	–	8,66.00	8,66.00
	–	4,82.00	4,82.00

Notes to Consolidated Financial Statements as at 31st March, 2023

Note 40 : Additional Information

Financial Year 2022-23

(Rs. in Lacs)

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Cons. Figure	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%	82,81.51	99.26%	4,66.87	100.00%	(1.80)	99.25%	4,65.07
Subsidiary : Abhinandan Goods Private Limited	0.31%	25.57	0.74%	3.50	0.00%	–	0.75%	3.50
Less: Inter-Company Elimination and Consolidation Adjustments	-0.29%	(24.06)	0.00%	–	0.00%	–	0.00%	–
Total :	100%	82,83.03	100%	4,70.37	100%	(1.80)	100%	4,68.57

Financial Year 2021-22

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	100.03%	78,16.45	99.29%	2,72.32	100.00%	(6.33)	99.27%	2,65.99
Subsidiary : Abhinandan Goods Private Limited	0.27%	20.94	0.71%	1.95	0.00%	–	0.73%	1.95
Less: Inter-Company Elimination and Consolidation Adjustments	-0.31%	(24.06)	0.00%	–	0.00%	–	0.00%	–
Total :	100.00%	78,14.45	100.00%	2,74.27	100.00%	(6.33)	100.00%	2,67.94

Note 41 : 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. The Company is in the process of amalgamating its wholly owned subsidiary into Holding Co.

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.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.

As per our report of even date attached.

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

Chartered Accountants

Firm Registration No. : 306033E/E300272

Hemant Kumar Lakhotia

(Partner)

Membership No. : 068851

Place : Kolkata

Date : May 26, 2023

For and on behalf of the Board of Directors

Suresh Kumar Bangur

Executive Director

(DIN : 00040862)

Ajay Bangur

President & CFO

Sonali Sen

Independent Director

(DIN : 00451839)

Shankar Banerjee

Dy. Secretary

(ACS : 45073)

BOOK POST

If undelivered please return to :

THE PHOSPHATE COMPANY LIMITED

14, Netaji Subhas Road, 3rd Floor
Kolkata - 700 001

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 75th Annual General Meeting of the Members of the Company will be held through Video conferencing/Other Audio Visual Means on Friday, the 22nd September, 2023 at 4.00 P.M. to transact the following business:

Ordinary Business

1. To consider and adopt the Standalone as well as Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2023, and the Reports of the Board of Directors and the Auditors' thereon.

Special Business

2. Appointment of a Director in place of Shri Binod Khaitan (DIN:00128502), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT Shri Binod Khaitan (DIN:00128502), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed a Director liable to retire by rotation.”

3. Appointment of Shri Ajay Bangur as a Director of the Company.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT**, Shri Ajay Bangur (DIN: 00041711, who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company with effect from 31st July 2023 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) (including any modification and re-enactment thereof) who is eligible for appointment and has consented to act as a Director of the Company be and is hereby appointed a Director of the Company liable to retire by rotation”.

4. Appointment of Shri Ajay Bangur as a Whole-Time Director of the Company.

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

RESOLVED THAT based on the recommendation of the Nomination & Remuneration Committee and approval of the Board and pursuant to provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with rules made there under, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and all applicable guidelines issued by the Central Government from time to time, consent of the members of the Company be and is hereby accorded for appointment of Sri Ajay Bangur (DIN: 00041711) as the Whole-Time Director designated as Executive Director of the Company for a period of Five years with effect from 12th August 2023 and whose period of office shall be liable to determination by retirement of directors by rotation and also on the terms and conditions and remuneration as set out in the Explanatory Statement annexed to this Notice and as per the Agreement dated 31st July 2023, entered into between the Company and Sri Ajay Bangur.”

THE PHOSPHATE COMPANY LIMITED

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the said Agreement in such manner as may be agreed to between the Board of Directors and Sri Ajay Bangur from time to time and the terms of the aforesaid Agreement shall be suitably modified to give effect to such alteration and/or variation.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company be and are hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents including making the appropriate e-filings with the Registrar of Companies, West Bengal and for the purpose of giving effect to the aforesaid resolution.”

5. As an Ordinary Resolution

Ratification of Remuneration of Cost Auditors

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Company be and is hereby accorded for payment of remuneration of Rs.17,500/- (Rupees Seventeen Thousand Five Hundred only) plus applicable taxes and reimbursement of out-of-pocket expenses, payable to M/s S. Gupta & Co., Cost & Management Accountants (Firm Registration Number 000020), for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the financial ending March 31, 2024.”

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

Regd.Office :
14, Netaji Subhas Road
Kolkata – 700 001
Date: 31st July 2023

Shankar Banerjee
Dy. Secretary
ACS:45073

NOTES:

1. A Statement under Section 102 of the Companies Act, 2013 (“Act”) relating to item no 2,3,4 & 5 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 Saturday, 16th September 2023 to Friday, 22nd September 2023 (both days inclusive).
3. The Ministry of Corporate Affairs (MCA) vide its Circular dated 28th December, 2022 read together with circulars dated 5th May, 2022, 14th December, 2021, 13th January, 2021, 8th April, 2020, 13th April, 2020 and 5th May, 2020 (collectively referred to as ‘MCA Circulars’) permitted the holding of the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India (“SEBI”) vide its Circulars dated 5th January, 2023 read together with circulars dated 13th May, 2022, 15th January, 2021 and 12th May, 2020 (‘SEBI Circulars’) has also granted certain relaxations regarding related provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). In compliance with the provisions of the Act, Listing Regulations and MCA Circulars, the AGM of the Company shall be conducted

THE PHOSPHATE COMPANY LIMITED

through VC/OAVM. The deemed venue for the AGM will be the registered office of the Company at 14, Netaji Subhas Road, Kolkata – 700 001. Attendance of the Members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum for the AGM as per section 103 of the Companies Act, 2013.

4. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
5. Since the physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Attendance Slip, Route Map and Proxy Form are not annexed to this Notice.
6. 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> 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 NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to shankar@phosphate.co.in.
8. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
9. Members holding shares in physical form are requested to notify any change in their address including Pin Code, Bank Mandate, Income Tax Permanent Account Number, e-mail, mobile number etc. to the Company's Registrar & Share Transfer Agent (RTA) in prescribed Form ISR – 1 and other forms pursuant to SEBI Circular dated 16th March, 2023. Maheshwari Datamatics Pvt. Ltd. (Unit: The Phosphate Company Limited) 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001 E-mail: mdpldc@yahoo.com, Website: www.mdpl.in. Members holding shares in dematerialized form are requested to furnish the aforesaid information to their respective depository participants for updation of their records.
10. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Request for nomination may be made to the Company or its RTA in Form SH – 13. If a Member desires to opt out or cancel the earlier nomination and record afresh nomination, he /she may submit the same in Form ISR – 3 or Form SH – 14 as the case may be. The said form can be downloaded from the Company's website at <http://www.phosphate.co.in>.
11. Members may please note that SEBI vide Circular dated 25th January, 2022 has mandated the listed companies to issue securities only in dematerialized form while processing service requests viz. issue of duplicate securities certificate; claim for unclaimed suspense account; renewal / exchange of securities certificate; endorsement; subdivision / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <http://www.phosphate.co.in>. In view of above, members holding shares in physical form are requested to convert their holding(s) to dematerialized form.

THE PHOSPHATE COMPANY LIMITED

12. 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.
13. 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.
14. 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.
15. 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.
16. 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).
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. The SEBI has vide Circular no. MRD/DoP/Cir-05/2009 dated 20th May, 2009 mandated the submission of PAN by every participant in the security market. Members holding shares in demat form /physical form are therefore, requested to submit their PAN to the Company or the RTA.
19. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Secretarial Standard on General Meeting, Schedule V in respect of the Director seeking re-appointment/ appointment at the Annual General Meeting, forming an integral part of the notice is appended below.

Details of Director seeking appointment /re-appointment at the AGM

Name	Shri Binod Khaitan	Shri Ajay Bangur
DIN	00128502	00041711
Nationality	Indian	Indian
Date of Birth, Age	23-01-1944, 80 years	19-07-1965, 58 years
Date of First Appointment to the Board	27-12-1990	31-07-2023
Qualifications	B.Com., M.B.A (Geneva)	B.Com , DPBM
Brief Resume & 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.	He is a proficient business executive with wide exposure in the business of Woven Sack, Automobiles, Agri-Inputs and Retailing including Online retailing

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Terms and Conditions of Appointment/ Re-appointment	Shri Binod Khaitan is a Non-Executive Non-Independent Director of the Company and is seeking re-appointment liable to retire by rotation.	Shri Ajay Bangur is seeking appointment as a. Director liable to retire by rotation; b. Whole-time Director designated as Executive Director for a period of 5 years. As per Terms and conditions specified in the explanatory statement annexed to this notice.
Details of Remuneration sought to be paid	Sitting fees for attending Board Meetings and Committee Meetings, if any, where he is a member.	Details of remuneration sought to be paid are detailed in Explanatory Statement
Directorships held in other companies	i. Electrosteel Castings Ltd. ii. Adelina Investments Pvt. Ltd.	i. Raj Packwell Ltd. ii. Chintamani Holdings Pvt. Ltd iii. Ekaani Fashion Pvt.Ltd. iv. Mani Invest Brokers Pvt.Ltd. v. Noshirvan & Company Pvt. Ltd vi. Shreyans Paperplast Pvt. Ltd.
Membership/ Chairmanship of Committees of other public limited company.	Nil	Nil
Disclosure of Relationship between Directors inter-se	Nil	Nil
No of Board Meetings attended in 2022-23	4 out of 5	N.A.
Shareholding in the Company and category	82400 equity shares in Promoter category	7800 equity shares in Promoter Group category

- 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 27th December 1990 and was last re-appointed by the members in the Annual General Meeting held on 21st December 2020. Upon his re-appointment as a director, Shri Khaitan shall continue to hold office as a Non-Executive Director subject to retirement by rotation.

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.

- b. Shri Ajay Bangur was appointed additional director to hold office till the ensuing Annual General Meeting and being eligible offers himself for appointment as Director. The Nomination and Remuneration Committee has proposed the appointment of Shri Bangur as a whole-time director of the Company. Upon his appointment, Shri Bangur shall continue to hold office as whole-time director of the Company subject to retirement by rotation.

Accordingly, the Board recommends his appointment.

Except Shri Bangur, 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 3 & 4.

THE PHOSPHATE COMPANY LIMITED

20. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 19th September, 2023 at 09:00 A.M. and ends on 21st September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 15th September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 15th September, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders

Individual Shareholders holding securities in demat mode with NSDL.

Login Method

1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. <https://eservices.nsd.com> either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "**Register Online for IDeAS Portal**" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.

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After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

THE PHOSPHATE COMPANY LIMITED

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices 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.
4. 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 DP ID is IN300*** and Client ID 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***
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5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) 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 to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) 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.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. 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.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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General Guidelines for shareholders

1. The Company has appointed Mr. Ajay Kumar Agarwal, Practicing Company Secretary (C.P.No.13493, Membership No. FCS: 7604) to act as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
2. 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@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
3. 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.
4. 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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to lakshmiphosphate@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to lakshmiphosphate@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at lakshmiphosphate@gmail.com. The same will be replied by the company suitably.

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

Item No.2

Shri Binod Khaitan was last re-appointed as a Director whose period of office was liable to determination by retirement by rotation, by the Shareholders in the Annual General Meeting (AGM) of the Company held on 21st December 2020.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act'), he retires by rotation at this AGM and being eligible, has offered himself for re-appointment. In terms of Section 102 of the Act, the re-appointment of a rotational director at the annual general meeting is an Ordinary Business. However, in view of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which provides that no listed entity can continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless a special resolution is passed to that effect. The respective provision of SEBI(LODR) 2015 seems to become applicable to the Company during the tenure of Directorship of Shri Binod Khaitan. Accordingly, the re-appointment of Shri Binod Khaitan, aged 80 years, is recommended at this AGM as Special Business by way of Special Resolution instead of Ordinary Business in compliance of Section 102 of the Act read with the amended SEBI (LODR) Regulations 2015. Shri Khaitan belongs to the Promoter Category. Under his guidance the Company has emerged as the leading fertiliser manufacturer in Eastern India. The Board has benefitted from his relevant specialization and expertise. The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 31st July 2023 has approved the re-appointment of Shri Binod Khaitan as a Director liable to retire by rotation and recommends the same for the approval by the Shareholders of the Company.

Except Shri Binod Khaitan, no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this Resolution. Disclosure under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions are set out in the annexure to the Explanatory Statement to the Notice dated 31st July 2023.

Item No.3 & 4

Shri Ajay Bangur (DIN:00041711) who was appointed as an Additional Director on the Board of Directors of the Company with effect from 31st July 2023, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of ensuing Annual General Meeting. The Nomination & Remuneration Committee has recommended the candidature of Shri Bangur as a Director of the Company. The Company has received from Shri Bangur (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of

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the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Act. In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member proposing the candidature of Shri Bangur for appointment.

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 31st July, 2023, approved the appointment of Shri Ajay Bangur (DIN:00041711) as Whole Time Director designated as Executive Director of the Company for a period of five years, with effect from 12th August 2023, subject to approval of shareholders at the forthcoming Annual General Meeting. Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the appointment of Shri Bangur, requires approval of the Members by way of Special Resolution. Accordingly, an agreement was entered into between the Company and Shri Bangur in respect of his appointment inter-alia containing the following terms and conditions.

a. Salary: Rs.3,00,000/- pm in the range of Rs.3,00,000/-pm to Rs.10,00,000/- pm.

The Board of Directors may review and determine from time to time necessary changes in salary during the tenure of appointment.

b. Commission:

Such commission on its net profits, as may be decided by the Board of Directors in its absolute discretion for each financial year or part thereof, subject however, that the total remuneration i.e. salary, perquisites and commission in any one financial year shall not exceed the limits prescribed or as may be prescribed from time to time, under applicable provisions of the Companies Act, 2013 read with schedule to the Act, as may for the time being in force.

c. Perquisites and Benefits:

- (i) Provident & Super Annuation Fund: Company's contribution towards Provident fund and Superannuation or Annuity Policy as per rules of the Company.
- (ii) Gratuity: As per rules of the Company.
- (iii) House Rent Allowance: As per rules of the Company.
- (iv) Medical Benefit: Reimbursement of medical expenses for self, spouse, dependent children / parents equivalent to one month's salary in a year.
- (v) Leave Travel Assistance: Reimbursement of actual traveling expenses for self, spouse, dependent children / parents' equivalent to one month's salary in a year.
- (vi) Car: Free use of Company's Car with Driver or reimbursement of expenses incurred thereto.
- (vii) Telephone: Free mobile and telephone facility at residence or reimbursement of expenses incurred thereto.
- (viii) Leave Encashment: As per rules of the Company.
- (ix) Club Fees: Payment of Club fee of two clubs.
- (x) Personal Accident Insurance: Payment of all accident premium for self, spouse and dependent children subject to a maximum of Rs.10,000 in a year.
- (xi) Reimbursement of expenses: Reimbursement of all entertainment, traveling, hotel and other expenses incurred during the course of and in connection with the business of the Company.
- (xii) Any other perquisites as may be allowed by the Board.

The provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to Shri Bangur.

In the event of absence or inadequacy of profits in any financial year during his tenure, Shri Bangur shall be entitled to receive remuneration including allowances, perquisites etc., as stated in this agreement excluding commission on net profits, as Minimum Remuneration, as approved by the Board of Directors including a Committee thereof subject to compliance with Schedule V of the Companies Act, 2013 as amended from time to time..

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The above may be treated as an abstract of the terms and conditions governing the appointment and remuneration of Shri Bangur as Whole-time Director, pursuant to Section 190 of the Companies Act, 2013.

The Directors accordingly recommend the ordinary resolution set out at item 3&4 of the notice for approval of the shareholders.

None of the Directors, except Shri Bangur, is in any way regarded as concerned or interested in the aforesaid resolution

Item no.5

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 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 2024 at a remuneration of Rs.17500/- plus taxes and out of pocket expenses.

The Directors accordingly recommend the ordinary resolution set out at item 5 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: 31st July, 2023

Shankar Banerjee
Dy. Secretary
ACS:45073