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78th

वार्षिक रिपोर्ट
ANNUAL REPORT
2021 - 2022

आज़ादी का अमृत महोत्सव



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प्रगति के पथप्रदर्शक

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दि फर्टिलाइज़र्स एण्ड केमिकल्स ट्रावनकोर लिमिटेड

(भारत सरकार का उद्यम)

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

(A Government of India Enterprise)

BOARD OF DIRECTORS



Shri Kishor Rungta
Chairman & Managing Director



Shri Anupam Misra
Director (Marketing)



Shri S Sakthimani
Director(Finance)



Shri AS Kesavan Nampoori
Director (Technical)



Ms Aparna S Sharma
Director



Ms Deepika Jain
Director



Shri Rabinarayan Patra
Director



Ms Anjula Murmu
Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Kishor Rungta
Chairman & Managing Director

Shri Anupam Misra
Director (Marketing)

Shri S Sakthimani
Director (Finance)

Shri A S Kesavan Nampoothiri
Director (Technical)

Aparna S Sharma
Govt. Nominee Director

Ms Deepika Jain
Govt. Nominee Director

Shri. Rabinarayan Patra
Independent Director

Ms Anjula Murmu
Independent Director

Ms Alka Tiwari
Govt. Nominee Director (Upto 29th September 2021)

CHIEF VIGILANCE OFFICER

Ms Aneeta C Meshram IAS

CHIEF GENERAL MANAGERS

Shri Manikkuttan R
Production Co-ordination

Dr. K Jayachandran
Corporate Planning

Shri K S Harikumar
Udyogamandal Complex

Shri A R Mohan Kumar
Human Resources & Administration

COMPANY SECRETARY

Ms Susan Abraham

AUDITORS

Statutory Auditors
M/s. K Venkatachalam Aiyer & Co
Chartered Accountants, Kochi

Secretarial Auditors
SVJS & Associates
Company Secretaries, Kochi

Cost Auditors
M/s Rajendran Mani & Varier
Cost Accountants, Kochi

Branch Auditors

M/s SUNDAR & RAM
Chartered Accountants, Chennai

M/s CKS Associates
Chartered Accountants, Hyderabad

Registrar & Share Transfer Agents
M/s BgSE Financials Ltd. (RTA)
Stock Exchange Towers
No. 51, 1st Cross Road
J.C. Road, Banglore - 560 027
Phone: 080 - 41329661
Email: vp-rta@bfsl.co.in/
cs_rta@bfsl.co.in

Registered Office
Eloor, Udogamandal - 683 501
Kochi, Kerala, India
PH: 0484 - 2546486
Fax: 0484 - 2546637
Website : www.fact.co.in
E-mail: investors@factltd.com

ISIN :
INE188A01015

CIN :
L24129KL1943GOI000371

Stock Exchange :
National Stock Exchange
of India Ltd.

BANKERS

State Bank of India | Bank of Baroda | Bank of India | Canara Bank

Chairman's Message



Dear shareholders,

It gives me immense pleasure to welcome you all to the 78th Annual General Meeting of FACT. The Director's Report and Financial statements for the year ended 31st March 2022 together with the report of statutory auditors and report and review of Comptroller & Auditor General of India are already with you and you might have gone through the same. With your permission I shall treat these documents as read.

The 78th Annual General Meeting of the Company is convened as a virtual meeting in compliance with the guidelines issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

I am happy to inform you that during the last three years, your Company has turned around from a loss making Company to a profit making net worth positive Company. This transformation was the result of the unstinted support and assistance of all the stakeholders of FACT.

The Company was able to restart its Caprolactum Operation during 2021-22, after a gap of 9 years. It would lead to import substitution of Caprolactum in India and is a step towards Atmanirbhar Bharath. I take this opportunity to congratulate one and all for the co-operation extended for this great achievement.

I firmly believe that FACT would achieve further growth in its financial and physical performance in the years to come.

Fertiliser Industry

Chemical fertilisers have played a significant role in increasing the production and productivity of agriculture.

At present India is the second largest consumer and third largest producer of fertilisers globally. Being a vital input that provides plant nutrients to ensure food security, fertiliser sector in India has been highly regulated by the Government.

The international fertiliser industry is highly market concentrated as a few countries control most of the production capacity for Nitrogeneous, Phosphatic and Potassic fertilisers. Any change in action by major players

in the international market will lead to high volatility in input prices and excess supply or demand for fertilisers.

The financial year 2021-22 was a challenging year for fertiliser industry. International prices of fertilisers were almost stable for the last decade upto 2021. Thereafter, guided by the influencing factors, the prices of fertilisers and fertiliser inputs started an upward trend. From February 2021 onwards, the prices of fertiliser inputs exhibited unusual rise and it become unaffordable to the industry. Government of India has therefore extended a helping hand to the industry and the farmers by increasing the fertiliser subsidy.

The global demand for fertiliser is showing an increasing trend. The recent global economic situation and hike in international prices of fertilisers and fertiliser inputs affected the supply chain. In order to meet the domestic demand, India tried to increase domestic production of fertilisers by hiking the targeted monthly production.

Fertiliser Industry is expected grow further. The growing population and changing food habits would contribute to the growth of fertiliser industry in the coming years. Increasing need for enhanced soil nutrients coupled with increased crop yield are expected to further increase the demand for fertilisers.

Growth in times of global uncertainty

The financial year 2021-22 has been a record breaking year for FACT's performance in terms of turnover and Operating Profit. Your Company has delivered exceptional financial performance backed by cost control and operational efficiencies. This record performance was delivered despite challenges like the ongoing pandemic, steep inflation in input cost and global supply chain disruptions due to the geopolitical situation.

Despite all the adversities, your Company has exceeded the highest ever Revenue and Operating Profit achieved in any of the previous financial years. The Company has achieved an all-time high Operating Profit of ₹ 353.28 Crore during 2021-22. The Company has also achieved an all time high revenue from operation of ₹ 4425 Crore as against ₹ 3259 Crore, in the previous year which shows an increase of 36%. Profit before exceptional items has also increased from ₹ 350 Crore in 2020-21 to ₹ 442 Crore during 2021-22 showing an increase of 26%.

The excellent financial results reflected in the rating assigned to the non-fund based facilities availed by the Company from Banks. CARE has upgraded the rating of the Company from 'BBB' to 'A'. FACT continues to be one among the top 500 listed Companies of National Stock Exchange of India Ltd in terms of Market Capitalisation.

Serving the Farming Community

Being an agrarian economy, Fertiliser is a vital catalyst to the growth of the country. Your Company has an important role to play in the supply of plant nutrients to ensure food security of the nation. FACT is committed to fulfil its responsibility to the nation and farming community.

Your Company achieved fertiliser sale in excess of One Million MT for the 2nd year in succession. In order to meet the fertiliser needs during the Kharif season, your Company has despatched one rake of Factamfos to Punjab for the first time in the history of FACT. The enhanced marketing operations were extended to PAN India.

Way Forward

FACT is taking concerted efforts for the sustainable profitable operations in the long run and to provide good returns to the shareholders. While the near term outlook is fluid with multiple challenges, we are taking proper steps to navigate through them. I am confident that FACT would emerge stronger in the long run. The Company is expected to sustain the momentum in Production and Marketing during the current financial year, 2022-23 also.

Your Company is committed to strengthen its core business and has been working tirelessly to increase production and productivity. With the restart of Caprolactum Plant, all plants of the Company have become operational.

I am happy to inform you that the performance of the Company for the 1st quarter of the financial year 2021-22 is encouraging. The Company has recorded an all-time high operating profit of ₹ 136.99 Crore during the quarter ended 30.06.2022. The revenue from operations has also increased considerably during the period. The raw material prices are firming up and availability is also expected to improve in the next quarter.

Various CAPEX projects worth ₹ 700 Crore including 1650 TPD NP Plant at FACT Cochin Division are at various stages of implementation.

In addition to setting up of one more stream for increasing production, these projects are expected to enhance the infrastructural facilities and improve the operational

efficiency of plants. Reconstruction of the South Coal Berth at Willington Island at Cochin Port under the Sagarmala scheme of the Government of India is nearing completion. The reconstructed Berth will become operational soon. Similarly, the construction of storage tanks for storing Phosphoric Acid, Sulphuric Acid and Ammonia are also progressing as per schedule.

On completion of the CAPEX, the Company would be able to increase the fertiliser production from 10 lakh MT to 14 lakh MT. The Company is also expecting a turnover of more than Rs.7000 Crore by the year 2024 - 25.

Technology for Business Resilience

FACT continues to give importance to new technologies and adopt to the changing technological landscape to render a more agile organisation that better responds to changes in market dynamics making its business more resilient. Due to adaptation and innovations, the old vintage plants of FACT could achieve 130 to 140 % of its capacity utilisation.

FACT is extending IT enabled services to its dealers and vendors. During 2021-22, FACT integrated its ERP system SAP with the Online portal of Banks for making payment to vendors and collection from dealers by using Virtual Account Number.

Challenges and Opportunities

Availability of fertiliser inputs at affordable prices is the biggest challenge being faced by the company. Since the Company has to depend on imports for most of the fertiliser inputs including RLNG, strategies and plans have been framed to ensure its continuous availability considering the geopolitical situation.

Your Company has taken steps to ensure availability of fertiliser inputs in the long run at affordable rates. FACT has entered into a long term agreement with Indian Oil Corporation Limited for supply of RLNG. The Company has also entered into an agreement with BPCL Kochi Refineries for long term supply of Sulphur. Arrangement with MRPL for supply of Benzene and Sulphur has also been made.

Corporate Governance

FACT is committed to protect the interest of all stakeholders, such as Investors, Employees, Customers, Suppliers, Bankers, the Central and State Governments and the community by ensuring transparency in all aspects of the Company. The governance system is intended to set high standards of ethical and responsible conduct of the company's business. Transparency, Integrity and accountability are three pillars on which the entire governance system is framed.

Your Company is committed to comply with all directives and guidelines of Government and statutory authorities relating to corporate governance. The philosophy of the Company in relation to Corporate Governance is to ensure transparency, disclosure and reporting that conforms to the provisions of Companies Act 2013, SEBI (LODR) Regulations 2015 and all other applicable laws and regulations. The Company is also complying with the guidelines issued by the Department of Public Enterprises.

Corporate Social Responsibility

Your Company is fully conscious of its role as a sensible corporate citizen to enhance the quality of life of the marginalised sections of the society through a well-structured Corporate Social Responsibility policy. Company is using its CSR funds mainly in Health, Education and Rural Development. With the continued focus on Covid-19 relief measures, FACT established medical oxygen plants in the states of Kerala and Uttar Pradesh. During 2021-22, FACT distributed tablet computers to students as part of CSR. The Company has also initiated its CSR activities by distributing insecticidal mosquito nets, ambulance etc.

Acknowledgement

Before I conclude, on behalf of the Board of Directors I wish to convey my sincere regards and deep gratitude to the valued stakeholders for their continued support and trust. You have always been the motivational force and has facilitated us to move ahead and achieve excellent results despite numerous challenges.

I hereby place on record my sincere thanks to my colleagues on the Board of Directors for their advice and support, the Officers' Forums, the Trade Unions and all employees of the Company for their dedicated efforts and unstinted support in overcoming various challenges faced by the Company and for their contribution towards the revival and sustainable growth of FACT. I also thank the various departments of Government of India, in particular the Department of Fertilisers and the Government of Kerala for their support and cooperation.

Udyogamandal
Date:19-08-2022

(Kishor Rungta)
Chairman & Managing Director



Shri Kishor Rungta, CMD receiving Shri Bhagwanth Khuba, Hon'ble Union Minister of State for Chemicals & Fertilizers and New & Renewable Energy, Govt. of India



Shri Kishor Rungta, CMD receiving Shri V Muraleedharan Hon'ble Union Minister of State for External Affairs & Parliamentary Affairs, Govt. of India



Shri Kishor Rungta, CMD meeting
Shri Pinarayi Vijayan, Hon'ble Chief Minister of Kerala at Thiruvananthapuram



Shri Kishor Rungta, CMD, welcomes
Shri R K Chaturvedi, IAS, Secretary (Fertilizers)

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CIN: **L24129KL1943GOI000371**
Ph. 0484-2546486
Website: www.fact.co.in E-mail Id: investors@factltd.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 78th Annual General Meeting of the members of The Fertilisers And Chemicals Travancore Ltd. will be held on Wednesday the 28th September, 2022, at 11.00 A.M., through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business

1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022, and Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the company for the Financial Year ended 31st March, 2022 and report of Auditors thereon and in this regard pass the following resolutions, as ordinary resolutions.

(a) RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the reports of the Board of Directors and Auditors thereon be and are hereby considered, approved and adopted.

(b) FURTHER RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the report of the Auditors thereon be and are hereby considered, approved and adopted.

2. To fix the remuneration of Statutory Auditors and Branch Auditors for the Financial Year 2022-23 and in this regard, pass the following resolution as an ordinary resolution.

RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to fix remuneration of the Statutory Auditors and Branch Auditors appointed by the Comptroller and Auditor General of India for the financial year 2022-23.

3. To appoint Ms. Aparna S Sharma, Director (DIN: 07798544) who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment and in this regard, pass the following resolution as an ordinary resolution.

RESOLVED THAT pursuant to the provisions of section 152 (6) (e) Ms. Aparna S Sharma, Director (DIN: 07798544), Joint Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilisers, New Delhi, be and is hereby reappointed as a Director of the Company.

Special Business

4. To appoint Ms. Deepika Jain (DIN: 09368418), as a Director on the Board of Directors of the Company.

The Company has received notice in terms of Section 160 (1) of the Companies Act, 2013 proposing to appoint Ms. Deepika Jain (DIN: 09368418) as a Director of the Company at this Annual General Meeting.

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

RESOLVED THAT pursuant to the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Articles of Association of the Company, Ms. Deepika Jain (DIN: 09368418), Chief Controller of Accounts, Department of Fertilizers, Ministry of Chemicals and Fertilisers, New Delhi, be and is hereby appointed as a Director of the Company.

5. Remuneration to Cost Auditors

To consider and if thought fit, pass with or without modification(s), the following resolution as an ordinary Resolution.

RESOLVED THAT in accordance with the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014, the Cost Auditors appointed by the Board of Directors of the Company to conduct the Audit of the cost records of the Company for the financial year 2022-23 be paid the remuneration of ₹85,000/- plus out of pocket expenses (subject to a maximum of ₹ 10,000/-).

By Order of the Board of Directors
Sd/-
Susan Abraham
Company Secretary

Place : Udyogamandal
Date : 02-09-2022

Notes:

1. In view of the continuing COVID-19 pandemic and social distancing norms and pursuant to various circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before the time scheduled for commencement of the meeting. Members can also join the meeting within 15 minutes of the commencement of the meeting. The facility of participation at the AGM through VC/OAVM will be made available to at least 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 AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020,the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice of this AGM has been uploaded on the website of the Company at www.fact.co.in . The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) at www.evotingindia.com .

7. The relative explanatory statement required under Section 102 of the Companies Act, 2013 is given separately

8. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Sundays and Public Holidays) during business hours upto the date of the Meeting.

9. Members, who have not registered their e-mail IDs so far, are requested to register their e-mail IDs for receiving all communications from the Company electronically

10. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to, cfccochin@gmail.com.

    As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's Registrars and Share Transfer Agents (RTA), BgSE Financials Ltd ("BgSE"),for assistance in this regard. Address of RTA is as follows

    BgSE Financials Ltd,
    Registrars and Share Transfer Agents,
    Stock Exchange Towers, No.51,
    1st Cross, J.C.Road,
    Bangalore – 560 027.
    Email: vp-rta@bfsl.co.in/cs_rta@bfsl.co.in

11. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.

12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

13. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA in case the shares are held in physical form.

14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

15. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 21st September, 2022 through email on investors@factltd.com. The same will be replied by the Company suitably.

17. In compliance with the MCA Circulars and SEBI Circulars dated May 12, 2020 and January 15, 2021 Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.fact.co.in, website of the National Stock Exchange of India Limited at www.nseindia.com, and on the website of CDSL https://www.evotingindia.com,

18. The voting period begins on 25th September 2022 at 09.00 AM and ends on 27th September 2022 at 05.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

19. The Board of Directors of the Company has appointed Shri M.C. Sajumon, Practising Company Secretary, 68/ 567-C, Kombara Marriott, St.Benedict Road (West End), Kombara, Ernakulam North P.O, Kochi-682018 as Scrutiniser to scrutinise the remote e-voting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

20. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(i) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode with CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin 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.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. 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. 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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 above-mentioned website.*

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

Login type	Helpdesk details
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
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 toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iii) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on “Shareholders” module.
3) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

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

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

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

(vi) Click on the EVSN for The Fertilisers and Chemicals Travancore Limited on which you choose to vote.

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

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

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

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

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

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

(xiii) There is also a provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xiv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz investors@factltd.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@factltd.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@factltd.com. These queries will be replied to by the company suitably by email.
8. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 investors@factltd.com or cs_rta@bfsl.co.in
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

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

Item No. 4

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order number FI No.95/1/ 2019-HR-PSU dated 29th September, 2021 notified the appointment of Ms. Deepika Jain (DIN: 09368418), Chief Controller of Accounts, Department of Fertilizers, Ministry of Chemicals and Fertilisers, New Delhi, as part-time (Official) Director on the Board of Directors of FACT. In order to comply with the provisions of Companies Act 2013, Ms. Deepika Jain was appointed as an additional Director on the Board of Directors of FACT till the conclusion of the next Annual General Meeting of the Company. To comply with the provisions of Companies Act, 2013, it is proposed that Ms. Deepika Jain may be appointed as a Director on the Board of Directors of the Company.

Notice has been received under section 160 of the Companies Act 2013, proposing the candidature of Ms. Deepika Jain as Non-Executive Director. She will be liable to retire by rotation. Ms. Deepika Jain is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act ,2013,and has given her consent to act as a Director.

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

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

The Board recommends the ordinary resolution set out as Item no 4 of the Notice for approval of shareholders.

Item 5

The Board has approved the appointment of M/s Rajendran, Mani &Varier, Cost Accountants, Cochin, as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year 2022-23 on a remuneration of ₹ 85,000/- (₹ 65000 for Cost Audit of Fertilisers and ₹ 20,000/- for Cost Audit of Caprolactam) plus out of pocket expenses (subject to a maximum of ₹ 10,000/-). As per Rule 14 of Companies (Audit and Auditors) Rules, 2014 read with Section 148(3) of the Companies Act 2013, the remuneration approved by the Board of Directors has to be ratified subsequently by the shareholders. Accordingly the consent of the members is sought through an ordinary resolution for ratification of remuneration payable to the Cost Auditors for the financial year 2022-23.

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

The Board recommends the ordinary resolution set out as Item 5 of the Notice for approval of shareholders.

Annexure to the Notice dated 02-09-2022

Details of Directors seeking appointment at the ensuing Annual General Meeting:

Name	Ms Aparna S Sharma	Ms Deepika Jain
Age	54	50
Qualifications	Central Secretariat Service (CSS), MA (English)	Indian Civil Accounts Service
Experience/ Brief Resume	See Website www.fact.co.in	See Website www.fact.co.in
Terms & Conditions of Appointment	As per GOI Order No.95/1/2019-HR-PSU dated 01-09-2020, Ms. Aparna S Sharma was appointed as a part time Government Nominee Director	As per GOI Order No.95/1/2019-HR-PSU dated 29-09-2021, Ms Deepika Jain was appointed as a part time Government Nominee Director
Remuneration	NIL	NIL
Date of First Appointment on the Board	30-09-2020	29-09-2021
Shareholding in the Company as on 31st March, 2022	NIL	NIL
Relationship / Other Directors/ Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel
No. of Meetings of the Board attended during the year	3	3
Directorship of other Boards as on 31st March, 2022	Rashtriya Chemicals and Fertilisers Ltd.Projects And Development India Limited	Nil
Membership/ Chairmanship of Committees of other Boards as on 31st March, 2022	Rashtriya Chemicals and Fertilisers Ltd. 1. Audit Committee, 2. Nomination and Remuneration Committee 3. Corporate Social Responsibility (CSR) Committee	Nil

DIRECTORS' REPORT

Dear members,

Your Directors are pleased to present the 78th Annual Report and the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 and Auditors Report thereon.

Your Directors are extremely happy to inform you that during the financial year 2021-22, the Company has achieved highest ever turnover and earned a profit of ₹ 353.28 Crore. The net worth of the Company has become positive after a gap of Nine years.

The financial year 2021-22 was a challenging year for the fertilizer industry in India. Sky rocketing prices of fertilizer inputs, non-availability of imported fertilizers, unprecedented increase in the price of Hydro Carbons etc. have affected the fertilizer industry in the last financial year. The spread of Covid-19 pandemic has also affected manufacturing operations. Your Directors are happy to inform you that, despite all these adversities FACT could continue its excellent production and marketing performance during the year 2021-22.

During the financial year 2021-22, the Company could market more than one million tons of fertilizers. Another land mark event during the financial year 2021-22 was restart of Caprolactam plant after a gap of Nine years.

Performance Highlights;

- Net Profit of ₹ 353.28 Cr
- All time high turnover of ₹ 4425 Cr
- Net worth of the Company has become positive
- Total fertilizer production of 9.63 Lakh MT
- Sales of 1million MT Fertilizers
- Restarted Caprolactam production
- All time high ammonia sales of 11,937 MT
- Order placed for major CAPEX schemes
- Considerable improvement in the sale of Industrial Chemicals
- Safety awards from Factories & Boilers, Govt. of Kerala and National Safety Council, Kerala Chapter

Performance 2021-22

1. Financial Performance (Standalone)

Financial Performance of the Company for the year ended March 31, 2022 is summarized below:

₹ in crores

Particulars	**2021-22**	**2020-21**
Net Sales	**4424.80**	3258.82
Other Income	**117.64**	67.59
Total Revenue	**4542.44**	3326.41
Total Expenses	**4100.10**	2975.95
Profit before Exceptional Items and Tax	**442.34**	350.47
Exceptional Items	**-89.06**	0
Earnings before interest, depreciation and Taxes (EBIDTA)	**624.82**	618.42
Interest	**244.40**	245.26
Depreciation	**27.14**	22.69
Profit for the year	**353.28**	350.47
Other comprehensive Income	**16.09**	-35.03
Total Comprehensive Income	**369.37**	315.44

Dividend

Due to accumulated loss, your directors have not recommended any dividend for the financial year 2021-22. The Company has not transferred any amount to Reserve during the financial year 2021-22.

2. Production

Production	2021-22 (in MT)	2020-21 (in MT)
Factamfos	826552	861455
Ammonium Sulphate	136665	245676
Caprolactam	20835	0

In Production front, Factamfos production for the fiscal 2021-22 was 8.27 lakh MT and Ammonium Sulphate 1.37 Lakh MT, as compared to 8.61 Lakh MT and 2.45 lakh MT respectively during the previous year. With the restart of Caprolactam operations, Ammonium Sulphate is generated as a co-product from Caprolactam operations. Stabilization of the Caprolactam plant and Ammonia shortage during the first half of the financial year 2021-22 on account of overhauling of critical equipment by the OEM in Ammonia Plant has affected the production of Ammonium Sulphate.

Company restarted the Caprolactam production during September, 2021 after a gap of Nine years. The restart of Caprolactam operation would result in reduction in import of Caprolactam and is a step towards 'Atmanirbhar Bharat Abhiyan' Policy of the Govt. of India.

3. Marketing

During the financial year 2021-22, Factamfos sale was 8.32 lakh MT and Ammonium Sulphate sale was 1.44 lakh MT as compared to 9.23 lakh MT and 2.51 lakh MT respectively during the financial year 2020-21.

Cumulative fertilizer sale for the year surpassed One Million MT.

The Company recaptured the markets in Andhra Pradesh, Telangana, Karnataka and steps have been taken to develop markets in Maharashtra, Gujarat, West Bengal, Odisha and Bihar during the financial year 2021-22.

During the financial year 2021-22, trading of industrial products like Caprolactam and Chemicals like Ammonia, Sulphuric Acid Gypsum and CO_2 have achieved a turnover of ₹ 516 Crore with a sales volume of 4.9 Lakh MT.

Material changes and commitment

There were no material changes and commitments affecting the financial position of the company between the end of financial year (31st March, 2022) and the date of the report. Similarly, there was no change in the nature of business of the company during the financial year 2021-22.

Power Purchase through Open Access

During the year 2020-21, the Company has started procurement of power from Indian Electricity Exchange (IEX) through competitive bidding on a day-ahead basis. This allows the Company to procure power from a number of generating companies linked to IEX on competitive rates, rather than buying from Kerala State Electricity Board Limited. During the year 2021-22, the Company purchased 14769.45 MW power from Indian Electricity Exchange. The saving from open access power is approximately ₹ 1.4 Crore.

Memorandum of Understanding with Government of India

Your Company has been entering into a Memorandum of Understanding (MoU) with the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India, setting the performance parameters and targets every year. Your Company has secured 'Very good' rating for the MoU for the year 2020-21.

The performance rating for 2021-22 MoU is yet to be finalised by the Govt. of India.

COVID-19

During financial year 2021-22, COVID-19 pandemic developed rapidly, resulting in formation of cluster and affected the movement of men and material. By making suitable adaptations in the operation schedule, raw material planning, logistics, product despatch and marketing arrangements, FACT could minimise the impact of COVID-19 during the financial year 2021-22.

Company took all possible steps to contain the outbreak of COVID -19 in all the divisions of the Company by providing thermal scanners at entry points, sanitizers, hand washes, adopting steps for social distancing, distribution of face masks, dissemination of information among employees for creating awareness, continuous sanitation of all areas, distribution of homoeo medicines for employees and their families, control of visitors, etc. Indigenous foot operated and electronic sanitizer dispensing machines were developed and installed at all entry levels.

The Company is maintaining its operations adhering to COVID-19 protocols and do not expect any major impact on COVID-19 in the day to day activities.

Management Discussion and Analysis Report

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

Corporate Governance

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

Business Responsibility Report

The Business Responsibility Report as stipulated under Regulation 34 (2) of SEBI (LODR) Regulations, 2015 is presented in a separate section and forms part of this Report.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, prepared in accordance with Section 129(3) of the Companies Act 2013 and relevant accounting standards form part of the Annual Report.

The Consolidated Financial Statements have been prepared under equity method along with Company's Standalone Financial Statements.

Associate Company

FACT-RCF Building Products Limited (FRBL) and Kerala Enviro Infrastructure Ltd. (KEIL) are the associate companies of FACT. During the financial year 2021-22, no Company has become/ceased to become subsidiaries/Joint Ventures/ Associate Company of FACT. In accordance with the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the associate companies and joint ventures in Form AOC-1 is provided as part of the Annual Report.

Report on financial position and Performance of Joint Venture

During the financial year 2021-22, the financial results of FRBL shows a net loss of ₹ 8.58 Crores. Due to the accumulated loss, the entire net worth of FRBL has been eroded. The Company has created provisions for the entire investment made in FRBL.

The financial results of Kerala Enviro Infrastructure Ltd. for the financial year 2021-22 shows a net loss of ₹ 5.79 Crore.

Sustainable Development

Your Company is giving priority on implementing several sustainable development activities. FACT Cochin Division is having 10 KW Solar unit and is planning for 6 MW solar energy project to increase sustainable energy input.

Roadmap for sustainability / Capital Projects

During the financial year 2019-20, Union Cabinet has accorded approval for CAPEX worth Rs. 608 crores for implementing essential capital jobs with a view to enhance the reliability of production plants and compliance with changing statutory requirements and setting up of additional raw material storage tanks and 1650 TPD Factamfos plant. Critical renovation and modernizing schemes for debottlenecking raw material and product handling facilities also form part of CAPEX.

Details of major projects, which have been completed during financial year 2021-22 and the projects which are in progress are summarized below;

- RLNG conversion of NP A stream.
- Construction and erection of evaporator cum economizer (W4) in Sulphuric Acid plant.
- Construction of new Ammonia Barge.
- Transfer and extension of Ammonia ship unloading facility at Willingdon Island to Q1 berth.
- Installation of Ammonia, Sulphur Dioxide and LPG leak detectors in various location in Cochin Division and Willingdon Island.
- 1650 MTPD NP plant.
- Construction of 10000 MT Ammonia storage tank at Cochin Division.
- Construction of two additional Sulphuric Acid storage tanks (5000 MT capacity) at Cochin Division
- Construction of two Phosphoric Acid storage tanks (5900 MT each) at Willingdon Island.
- Fabrication of new evaporator (W3) for replacement of existing old evaporator in Sulphuric Acid plant.
- Reconstruction of South Coal Berth (Ammonia Handling) at Willingdon Island under Sagarmala scheme.
- Installation of new pipe lines for unloading Sulphuric Acid and Phosphoric Acid from Q9 Berth of Cochin Port.

ISO Certification

All fertilizer plants in Udyogamandal Complex and Cochin Division are certified for ISO 14001:2015 and ISO 9001:2015. FACT Cochin Division is certified for ISO 45001:2018. FACT Udyogamandal Division is certified for ISO 50001:2018.

Pollution Control Activities

FACT gives top priority to ensure clean air and better living environment to the inhabitants in and around the factory.

The effluent treatment plant and emission control facilities are kept in operation along with the plant throughout the year. Treated effluents and gas emissions discharged from plants conform to the standards prescribed by the Kerala State Pollution Control Board.

The Company could maintain all effluent parameters within limits as specified by the statutory authorities. As per an agreement between FACT and Kerala Enviro Infrastructure Limited (KEIL), the accumulated stock of hazardous wastes viz., spent V2O5 catalysts, ETP sludge, Sulphur Muck and E-waste were sent to KEIL for final disposal.

Scheme for solid waste management is being implemented.

As per directions from Central Pollution Control Board (CPCB) & Kerala State Pollution Control Board (KSPCB) requirement, emission and effluent data in respect of the following are being uploaded to the website of KSPCB & CPCB.

- SO2 emission from Sulphuric Acid plant stack
- Ammonia, Fluoride and particulate matter emission from complex fertilizer plant stack
- Fluoride and particulate matter emission from Phosphoric Acid plant stack.
- pH, Fluoride, Ammoniacal Nitrogen and flow of effluent outlet.

Official Language

FACT is giving utmost priority for the implementation of the Official Language Act and Rules issued from time to time by the Ministry of Home Affairs, Government of India. Meetings of the Official Language Implementation Committee are held regularly under the chairmanship of Chairman & Managing Director of the Company. In order to create enthusiasm in the Official Language among the employees, Hindi Department regularly organize several programs for the employees and officers of the various divisions of the company. Hindi Fortnight is celebrated at corporate level with various competitions and prizes are given to the winners.

The Company is organizing Hindi Workshops and training programmes for employees on quarterly basis to give information about Official Language Rules. In order to do more official work in Hindi, the company gives cash incentives to the employees.

Awards and recognitions

During the financial year 2021-22 FACT was bestowed with various awards in recognition of the services rendered to the society. Some of the awards bestowed on FACT is mentioned below;

1. FACT secured first place for best implementation of Official Language Hindi.
2. FACT secured first prize for Official Language Magazine "Rashtravani"
3. FACT Udyogamandal Complex won the Safety award – 2021 in the category of Very large chemical factories constituted by Factories and Boilers department, Government of Kerala
4. FACT Udyogamandal Complex won the SURAKSHA PURASKAR for outstanding safety Performance in Very Large Chemical Factories constituted by National Safety Council Kerala Chapter (NSC KC).
5. FACT Cochin Division won the award for Best Safety Committee – 2021 from the Factories and Boilers department, Government of Kerala.
6. FACT – Udyogamandal Complex team won the first prize in table top mock drill constituted by National Safety Council Kerala Chapter (NSC KC).
7. FACT – Udyogamandal Complex team won the first prize in safety skit competition constituted by National Safety Council Kerala Chapter (NSC KC).

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

Company is giving priority to Micro and Small Enterprises for procurement as per directives issued by the Government of India from time to time.

During the financial year 2021-2022, the Company procured material worth ₹ 245.61 crore from MSEs. Most of the feed stocks and Fertiliser inputs procured by FACT are not available with the MSEs. FACT has paid all dues pertaining to MSEs and no dues are pending as on date.

FACT is registered with TReDs platform of Receivable Exchange of India Limited (RXIL) a joint venture by SIDBI and NSE for providing bill discounting facilities to MSMEs.

Directors and Key Managerial Personnel

Appointments

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No:95/1/2019-HR PSU dated 29-09-2021, notified the appointment of Ms. Deepika Jain as a Govt. of India Nominee Director on the Board of Directors of FACT.

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No FI No 78/2/2006-HR-PSU(pt) dated 28th March 2022 notified the appointment of Prof. Anjula Murmu as a Non-Official Part-time Director (Independent Director) on the Board of Directors of FACT.

Retirements and Resignations

Consequent to Govt. of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers Order No. 95/1/2019-HR PSU dated 29.09.2021, Ms. Alka Tiwari ceased to be the Government Nominee Director on the Board of the Company with effect from 29th September, 2021.

The Board places on record its appreciation for the valuable services rendered by Ms. Alka Tiwari, Director.

Reappointment of Independent Directors

During the financial year 2021-22, no Independent Director was reappointed on the Board of the Company as per section 149 (10) of the Companies Act 2013.

Disqualification of Directors

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

Annual Evaluation of Board.

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

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

Declaration of Independent Directors

The independent director made declaration of independence under sub-section (6) of Section 149 of Companies Act, 2013 during the financial year 2021-22.

Meetings of the Board

During the financial year 2021-22, five (5) meetings of the Board were convened and held. The details of the meetings of the Board of Directors are given in the report on Corporate Governance, which is part of this report. The intervening gap between the meetings was within the limit prescribed under the Companies Act 2013.

Secretarial Standards

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

AUDITORS

(1) Statutory Auditors and Statutory Auditor's Report

M/s. K Venkatachalam Aiyer & Co., Chartered Accountants, Kochi, was re-appointed as Statutory Auditors of the Company for the financial year 2021-22 by the Comptroller and Auditor General of India.

M/s Sundar & Ram, Chartered Accountants, Chennai, was appointed as Branch Auditors for the year 2021-22, for the Area / Regional Offices at Tamil Nadu and Kerala, by the Comptroller and Auditor General of India. M/s CKS Associates, Chartered Accountants, Hyderabad, was appointed as Branch Auditors for the year 2021-22 for the Area / Regional Offices at Andhra Pradesh, Telengana and Karnataka States by the Comptroller and Auditor General of India.

Report of the Statutory Auditors on the Financial Statements for the financial year 2021-22 is a qualified Report. Clarification of the management in respect of qualification in Auditor's Report is given below.

AUDITOR'S QUALIFICATION	MANAGEMENT REPLY
Regarding sale of land and conversion of leasehold to freehold land to the Company, even though the Government of Kerala (GoK) has accorded freehold right to the Company over 143.22 acres of land during the financial year 2019-20, the Company is yet to receive freehold title pending formalities. Accordingly, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16-Property Plant and Equipment and the consequent applicability of other Ind ASs on the standalone financial statements have not been recognized by the Company. During the year, the Company has obtained a registered valuer's report valuing the said property at ₹ 47,956 lakhs in 2019. In the event of adopting the aforesaid value as fair value in the financial statements, the impact thereof would be increase in Property, Plant and Equipment and Other Equity to the tune of ₹ 47,956 lakhs from the present values shown.	The procedure for conversion of leasehold land to freehold is not completed while finalizing the Financial Statements. The Cabinet decision of Govt. of Kerala on conversion of leasehold land to freehold was pending and the Company has not obtained title deed of the land. As per the revenue records, the land is in the name of Govt. of Kerala as 'Puramboke land' leased to FACT.In view of the above, even though the Company has ascertained fair value of the land the same has not been considered in the accounts.

(2) Cost Audit

As prescribed under section 148 of the Companies Act ,2013, read with the Companies (Cost Report and Audit) Rules 2014, cost accounting records are being maintained by the Company. M/s Rajendran, Mani & Varier, Cost Accountants, Kochi has been appointed as Cost Auditors of the Company for the year 2021-22. Cost Audit report for the financial year 2020-21 was filed with Ministry of Corporate Affairs on 08th November, 2021.

(3) Secretarial Audit

M/s SVJS & Associates, Company Secretaries, Kochi, has been appointed as Secretarial Auditors of the Company for the year 2021-22. The report of the Secretarial Auditor is annexed to this report as **Annexure-1**. The Secretarial Auditor has made the following observations in their Secretarial Audit Report.

'During the financial year 01.04.2021 to 31.03.2022, fifty per cent of the Board of directors of the Company does not comprise of Independent Directors and non-executive directors. The Nomination Remuneration Committee comprises of executive directors as well. The Audit Committee, Stakeholder Relationship Committee and Nomination Remuneration Committee comprises of only one Independent Director. Further, the Company has not appointed women Independent Director.'

Explanation on observations made by Secretarial Auditors in their report is given below;

Being a Central PSU, the members on the Board of FACT are nominated by the Department of Fertilizers, Ministry of Chemicals & Fertilizers, Govt. of India. The Company will comply the provisions of regulations 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, once the notification on appointment of Independent Directors is issued by the Government of India.

Audit Committee

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

Public Deposit

During the financial year 2021-22, the Company has not accepted any deposit from public.

Investor Education and Protection Fund (IEPF)

During the year 2021-22 no amount is required to be transferred to Investor Education and Protection Fund and therefore FACT has not transferred any amount to Investor Education and Protection Fund. No amount is pending for transfer to IEPF.

Market Capitalization - Top 500 Companies

Based on Market Capitalization as on March 31, 2022, your Company is one among the top 500 listed Companies.

Contract or arrangement with related parties

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

Corporate Social Responsibility

FACT continued to give priority on various Social Responsibility measures during the financial year 2021-22. The Company has constituted a Board level Committee as per the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014. Annual Report on CSR as per the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014 is annexed to this report as **Annexure-2A.**

Risk Management

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

Vigil Mechanism & Whistle Blower Policy

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

Code of Conduct

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

The code lays down the standard procedure of business conduct which is expected to be followed by the Directors and senior executives of the Company.

The Board members and Senior Executives of the Company have affirmed compliance of the code of Conduct for the financial year 2021-22.

Prevention of Insider Trading

No instances of insider trading have been reported on FACT shares till date. A Code of Conduct on Prohibition of Insider Trading is published in the website of the company, www.fact.co.in .

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

Particulars of Investment made by the Company, are provided in the financial statement for the year 2021-22.

During the financial year 2021-22, FACT has not provided any loan/guarantee or made any investment within the purview of Section 186 of the Companies Act 2013.

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

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

Following are the summary of sexual harassment complaints received and disposed of during the period under review:

Number of complaints at the beginning of the year: 0

Number of complaints received during the year: 2

Number of complaints disposed of during the year: 0

Number of complaints at the end of the year: 2

Particulars of Employees

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

Vigilance

Vigilance Department in FACT is an integral part of the Management function. This department functions with the concept of "Vigilance for Corporate Excellence" and works with a motto "committed to Institute and Internalize ethical practices in FACT." Adopting an approach of proactive and preventive Vigilance, this Department strives to improve the quality management systems within FACT by creating a corruption free environment for each individual to strive for high level performance towards achieving the Vision and Mission of FACT.

The work profile of Vigilance Department includes investigation of complaints received from various sources, surprise inspections, regular surveillance/intelligence gathering, scrutiny of procurement/contract files, scrutiny of property returns of employees, coordination with CVC and other Government Departments.

During the financial year 2021-2022, the Company has observed Vigilance Awareness Week from 26th October 2021 - 1st November, 2021, in line with the decision of Central Vigilance Commission and conducted several programs to create vigilance awareness.

Integrity Pact

An integrity Pact in line with Government of India guidelines in this regard has been finalised and implemented in the company.

The Right to Information Act 2005

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

Extract of Annual Return

The Extract of Annual Return of the Company as provided under Sub section (3) of Section 92 of Companies Act, 2013, is published on the website of the Company, www.fact.co.in

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

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

Dividend Distribution Policy

In terms of the Regulation 43A of SEBI (LODR) Regulations, 2015, the Board of Directors of your Company have adopted Dividend Distribution Policy. The Policy is available on the website of the Company, www.fact.co.in.

Director's Responsibility Statement

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

(a) in the preparation of annual accounts for the year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures.

(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of profit and loss statement for the year ended March 31, 2022.

(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) the directors have prepared the annual accounts on a going concern basis.

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

General

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

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

Acknowledgement

Your Directors gratefully acknowledge the valuable guidance and support extended by Hon'ble Minister of Chemicals and Fertilisers, Hon'ble Minister of State for Chemicals and Fertilisers, Hon'ble Chief Minister of Kerala, the Secretary, Ministry of Chemicals and Fertilisers and other officials of the Ministry of Chemicals and Fertilisers as well as other Ministries of the Government of India, Department of Public Enterprises and the State Governments of Kerala, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Bihar, Odisha, Maharashtra, West Bengal and Union Territory of Puducherry.

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

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

For and on behalf of the Board of Directors.

(Kishor Rungta)

Chairman and Managing Director

DIN-00231106

Place : Udyogamandal

Date : 17-08-2022

'Annexure to Directors' Report

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

A. Conservation of Energy.

Steps taken or impact on conservation of energy.

1. FACT Cochin Division has successfully converted NP- A&B streams dryer burner from furnace oil to greener fuel Natural Gas. As a result total energy saving of 9922 Kcal per MT of product could be achieved.
2. Replaced HSPV / HPMV / MH type street light / flood light fittings and fluorescent tubes with energy efficient LED luminaries.
3. Six numbers of induction motors with premium efficiency class (IE-3) were procured during the FY 2021-22 for replacing old and damaged motors in plant area. The capacity of procured motors ranges from 1.1 KW to 18.5 KW.
4. Renewal of LT Catalyst in Ammonia Plant during ATA 2021, overhauling of process air compressor, Refrigeration Compressor and revamp of cooling tower to improve energy efficiency of Ammonia production. Ammonia complex of FACT Udyogamandal Complex is certified for ISO 50001:2018.

B. Technology Absorption

i. Efforts made

FACT – Cochin Division successfully converted NP plant Drier Burners from Furnace Oil to cleaner RLNG during Annual Turn Around 2021.

In FACT – Udyogamandal, conversion of Fuel from Furnace oil to Regasified Liquefied Natural Gas (RLNG) in NP plants, is planned during ATA (May - June '22).

ii. Benefits derived

a) A total energy saving of 9922 K Cal/ MT of the product was achieved. Also minimized the emissions due to cleaner fuel

b) Being a green fuel, pollutant concentration in gaseous emission can be minimized at Udyogamandal,

iii. Imported technology

No technology has been imported during the Financial Year 2021-2022.

iv. The major activities of Research & Development (R&D)

a. Quality Control Cell: Research & Development Centre is monitoring the quality of finished chemical fertilizers both in manufacturing units and field godowns, distributors and dealers for evaluating the quality as per the direction of Ministry of Agriculture, Government of India.

b. Testing and Certification of Rock Phosphate (RP) and Single Super Phosphate (SSP) samples in connection with Technical audit of SSP Manufacturing Units: R&D is engaged in Testing and Certification of Rock Phosphate (RP) and Single Super Phosphate (SSP) samples collected by FEDO in connection with Technical audit of SSP Manufacturing Units in all southern states and Maharashtra. This project is entrusted to FEDO by Dept. of Fertilizers, GOI. R&D has issued certification for about 73 samples during the year 2021-22 on chargeable basis.

c. Formulation of Bio-enriched Organic manure as per FCO – Studies were conducted for preparation of Bio-enriched Organic manure from indigenously available organic substrate in combination with micro-organisms. Studies at bench scale are completed and the results are favourable for scaling up.

d. **Water soluble NPK fertilisers:** Lab scale and Bench scale studies on 100% water soluble NPK fertilizer (20:20:20) conforming to FCO norms were successfully done.

Details of expenditure on R&D are given below.

EXPENDITURE ON R&D				
				₹ in Lakh
Year	Capital	Revenue	Total	As % of total Turnover
2019-2020	0.00	91.73	91.73	0.030
2020-2021	0.00	59.26	59.26	0.018
2021-2022	0.00	75.97	75.97	0.017

C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo are given below.

Foreign Exchange Earnings and Outgo			
		Current Year	**Previous Year**
			₹ in Crore
1	Foreign Exchange Earned	0.00	0.00
2	Foreign Exchange Outgo		
	(i) CIF value of Imports		
	(a) Raw Materials	1700.93	883.93
	(b) Traded Products	0.00	269.21
	(c) Spares and Other materials	0.70	4.49
	(d) Capital Goods	0.00	1.29
		1701.64	1158.92
	(ii) Expenditure in Foreign Currency (Cash Basis)		
	(a) Consultancy Services	0.00	0.00
	(b) Others	0.56	0.57
		0.56	0.57
	Total (i + ii)	1702.20	1159.49

(Kishor Rungta)
Chairman & Managing Director
DIN-00231106

Place : Udyogamandal
Date : 17-08-2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

Fertilizer industry is one of the fastest growing basic industries in India. The success of agricultural sector in India is mainly dependent on the fertilizer industry.

Fertilizer Industry in India has played a key role in the success of India's Green Revolution and subsequent self-reliance in food grain production. The fertilizer consumption in the country is showing an increasing trend and is expected to grow further in the coming years. The demand for fertilizers has witnessed double digit growth over the past several years. However the average intensity of fertilizer use in India remains much lower than most of the developed and emerging countries around the world.

Decreasing fertility of the land and increasing demand for food grains have raised the importance of fertilizer industry in India.

India is still not self-reliant in fertilizer production. The requirement of Potash is met through import. For other fertilizer inputs and hydrocarbon the Country is depending on import.

This over dependence on import may lead to non-availability of fertilizer and fertilizer inputs at the right time and at the right price. The international prices of fertilizer inputs are highly volatile and the country do not have any control over the price and the availability of material. This pose a serious threat to fertilizer industry in India.

Fertilizers have been considered as an essential input to Indian agriculture to meet the food grain requirements of the Country's growing population. During the Covid-19 pandemic period, the industry faced challenges in terms of raw material and shortage of labour. Government of India has taken steps to ensure that fertilizers are available to the farmers even during the lockdown period.

Eventhough the COVID-19 pandemic has affected the economy very badly; the fertilizer companies have not suffered significant losses in their revenues. However, maintaining full load operation of plants, ensuring availability of fertilizer inputs etc. were a real challenge to the industry during the pandemic period. Prevailing Global economic situation is also influencing the operations of fertilizer industry in India.

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

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

Installed capacity of FACT plants are given below.

Product	Installed Capacity
a. Factamfos (NP 20:20)	633,500 MT per annum
b. Ammonium Sulphate	225,000 MT per annum
c. Caprolactam	50,000 MT per annum

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

FACT's objectives are:

a. To produce and market Fertilisers & Caprolactam and other products efficiently and economically, besides achieving a reasonable and consistent growth.

b. Turnaround of the CPSE by all efforts.

c. To effectively manage the assets and resources of the company to ensure a reasonable return on investment

d. To focus on cost reduction and technology upgradation in order to become competitive in its line of business.

e. To constantly innovate and develop new products and services to satisfy customer requirements.

f. To invest in new business lines, where profit can be made on a sustainable basis.

g. To provide services to the farming community by organizing technical training, soil testing and other productivity improvement services in agriculture.

Performance of Divisions 2021-22

a. Udyogamandal Complex:

Fertilizer Units**:** During the year 2021-22 Udyogamandal Complex produced 186192 MT of Factamfos, (NP 20:20:0:13), which is 125% of the installed capacity. Ammonium Sulphate production during the year 2021-22 was 136665 MT, which is 61% of the installed capacity. During the financial year 2020-21 production of Factamfos and Ammonium Sulphate were 215444.5 MT and 245676 MT respectively.

Nutrient wise production during 2021-22 was 65391 MT of Nutrient Nitrogen as against a target of 82290 MT and 37238 MT of P_2O_5 against a target of 38000 MT.

Petrochemical Unit: The Petrochemical Plants became productive on 15th September 2021 after the Phased Trial Run & Extensive repair and renovation works. During the financial year 2021-22, 20835 MT of Caprolactam was produced.

b. Cochin Division:

During the financial Year 2021-22, Cochin Division produced 128072 MT each of nutrient nitrogen and nutrient P2O5, which is 132.03% of the installed capacity and 100.06 % of the target. The production of Nutrient Nitrogen and P2O5 during the financial year 2020-21 was 129202 MT.

During the year 2021-22, the division produced 284495 MT of Sulphuric Acid and 57275 MT of Phosphoric Acid as compared to 298620 MT of Sulphuric Acid and 57005 MT of Phosphoric Acid in the year 2020-21.

c. Marketing Division:

During the financial year, 2021-22, the Company had achieved sale of 10.30 lakhs MT of fertilisers as compared to the previous year sale of 13.64 lakh MT.

During the financial year 2021-22, Company achieved remarkable sales of 1 Million tonnes of all fertilizers by the sale of 8.32 lakh MTs of Factamfos, 1.44 lakhs MTs of Ammonium sulphate, 29088 MTs of MOP, 9862 MTs of FACT Organic and 1990 MTs of Organic Plus. Total Sales Revenue generated from fertilizers during the year 2021-2022 was around ₹ 3971 Crore, which is an all-time record.

FACT had traded the products with other PSUs like National Fertilizers Ltd. (NFL), Hindustan Insecticides Ltd. (HIL) and Brahmaputra Valley Fertilizer Corporation Ltd. (BVFCL) during the year. During the year 2021-22, Company had expanded the fertiliser marketing areas to the states of Maharashtra, West Bengal, Odisha, Bihar and Punjab by appointing dealers and selling of 54650 MTs of fertilizers in these new Markets.

Company achieved ex-factory sales of bagged gypsum to the extent of 11632 MT. Sale of bulk Gypsum was 3.95 Lakh MT as against 2.89 Lakh MT during the previous year, which is about 37 % increase over the previous year. An increase in market share by over 2% also is attained, culminating in a total share of 10.7%, within the South Indian Market.

Another landmark achievement in marketing is the marketing of Caprolactam. The customers were brought into FACT Fold, with quality assurance of product and systems in focus. 20701 MTs were sold in the year to all the major customers in the industry, with minimum inventory at year end.

FACT has taken advantage of the escalating prices of imports and raw materials by selling 11937 MTs of Anhydrous Ammonia, which is all time highest quantity ever. During the financial year 2021-22, the Division also achieved all time high annual sale of 4060 MTs of Sulphuric Acid, after meeting indigenous requirements.

FACT Engineering and Design Organisation (FEDO): During the year 2021-22, FEDO focused on major jobs of external clientele and achieved substantial progress in completion of major jobs in the spectrum of design, engineering, procurement and inspection fronts as well as in the Projects & Constructions. Since the global business in the oil & gas sector at the middle east was at its lowest ebb due to the COVID-19 pandemic, FEDO could not participate in much export related jobs, nevertheless, FEDO actively participated in the e-tender/enquiries from several Indian clientele in Oil & Gas, Fertilizers, Chemicals, Minerals & Metals, Logistics sectors etc.

During the year 2021-22 FEDO received new external orders for a value of ₹ 26.15 crore as compared to ₹ 7.50 crore during the year 2020-21.

FACT Engineering Works (FEW): During the financial year 2021-22, FEW has bagged External orders worth ₹120.97 lakh compared to ₹ 22.17 lakh during the financial year 2020-21. The total value of orders for the year is ₹13.94 Crore. There is a steady demand from the process industry for pressure vessels and heat exchangers for replacement as well as for capacity expansion.

HUMAN RESOURCES DEVELOPMENT

1. Industrial Relations

During the financial year 2021-2022, cordial industrial relations was maintained across all Divisions of the Company. Meetings were regularly held between Management and the Trade Unions and Officer Associations, to discuss and deliberate on various issues. The year witnessed high levels of production and sales with high levels of employee commitment in all its plants including in the successful restart of the Caprolactam plants. There was no loss of production due to IR issues. Bilateral discussions with Trade Unions for the next Long Term Settlement progressed during the year.

2. Human Resources

The Company values Human Resources as an important asset and recognizes its contribution in achieving high levels of production and sales during the year including achievement of many records in these areas. 109 employees joined the permanent rolls of the Company during the year. There were 1656 employees on permanent rolls as on 31.3.2022. Based on Government of India instructions, an external agency was engaged for a study to assess the requirement of manpower in the Company and submitted its report.

Employees are imparted training through the FACT Training Centre. The new recruits were given induction training and on the job training in Divisions. Due to the COVID 19 pandemic situation, many trainings were conducted through webinars. The web based Learning Management System developed and implemented in house, whereby intranet users, while in office, can access learning modules on various subjects, is also in place.

The Company has a Grievance Management System for redressing employee grievances. The Committees constituted under the system consider the grievances based on the cadre the employee belongs to.

With special focus on employee safety, in its efforts to maintain operations, Company took all possible steps to contain the outbreak of Covid -19 in all the Divisions of the Company by adhering to Government instructions, dissemination of information among employees for creating awareness, encouraging vaccinations, practicing social distancing, wearing masks, practicing hand washing and use of sanitisers and thermal scanning at entry points, continuous sanitistation of all areas, distribution of homoeo medicine for improvement of immunity to employees and their families, control of visitors, special leave to affected employees etc.

3. Development of Scheduled Castes/ and Scheduled Tribes.

In service training to employees is arranged through the Training Department of the Company. Though maximum representation is ensured for SC/ST employees to attend in house training programme, only 9 SC and 1 ST employee had undergone training during the year 2021-2022 as the programmes conducted were limited during the pandemic.

For engagement of Apprentices under the Apprentices Act, representation as per rules is provided. The representation for SC/ST in Apprentices as on 31.3.2022 is as follows:

Total No. of Apprentices	SC	ST	OBC
80	9	1	36

1. Steps taken for the welfare of SC/ST employees

The directives of the Government in recruitment and promotion of reserved categories are followed by the Company. SC/ST Employees Associations are functioning in the Company. SC/ST officers are nominated on the selection committees and Management also ensures their representation in other associations. Due consideration is given for allotment of residential quarters and also for nomination of SC/ST employees for training courses. Welfare benefits are extended to employees and their dependents by way of medical facilities, housing, social security measures etc.

The representation of SC/ST in recruitments made during the year 2021-2022 is given below:

Recruitment 1.4.2021 - 31.3.2022	Nos. Recruited	SC	ST
Managerial cadre	47	6	3
Non managerial cadre	62	12	2
Grand Total	109	18	5

The employment of Reserved categories as on 31.3.2022 is given below:

No. of Employees	Total	SC	ST	OBC	PWBD
	1656	200	50	667	43
% of total employees		12.07	3.01	40.27	2.59

SC/ST Grievance Cell

An SC/ST Grievance Cell is functioning in the Company comprising the Chairman, (who is also Chief Liaison Officer for matters pertaining to reservation of SC/ST, and their grievances in the Company), liaison officers of various Divisions and representatives belonging to SC & ST. The grievances received are examined in detail by the Cell and appropriately redressed wherever possible.

Allotment of Residential Quarters

Due consideration is given for allotment of Residential Quarters to SC/ST employees. 26% of the quarters are presently occupied by SC/ST Employees. Details of the quarters allotted to SC/ST employees are furnished below:

Total number of quarters occupied by the employees in the Townships	SC Employees	ST employees
426	93	17

Reservation of Dealership

FACT is having 5863 dealers for distribution of fertilizers. FACT is encouraging SC/ST category dealers to apply for the dealership in accordance with policy of Department of Fertilisers, Government of India.

Total number of dealers and the representation of SC/ST in dealership as on 31.3.2021 is given below.

Sl.No	State	Total Dealers	SC	ST
1	Kerala	1773	32	9
2	Tamil Nadu	1149	72	0
3	Karnataka	1549	39	25
4	Telangana	585	3	6
5	Andhra Pradesh	752	5	1
6	Maharashtra	19	0	0

7	Gujarat	12	0	0
8	Odisha	19	0	0
9	West Bengal	2	0	0
10	Bihar	3	0	0
	TOTAL	5863	151	41

Opportunities & Threats

Opportunities

- Premium product in the complex fertilizer segment
  Factamfos NP 20:20:0:13 is the most preferred complex fertilizer in South Indian Market containing Sulphur.
- Extensive Marketing network in Southern India
  FACT is having extensive market network in South India. FACTs products are being marketed through dealer network of 5732 dealers.
- Substantial infrastructure facilities
  FACT is having infrastructure facilities like dedicated berth for importing of raw materials and facilities for movement of fertilizer input through water ways in barges.
- Operational efficiency and high capacity utilisation of plants.
  FACT plants are capable of achieving 120% - 130% of its installed capacity.
- Scope for expansion and diversification
  FACT is having scope for expansion of its activities to other States. Similarly, the Company can diversify to manufacture other grades of fertilizer. The Company can also enter into manufacturing and trading of various chemicals also.
- Availability of land resources for generating additional revenue
  The Company is having land resources for generating additional revenue.
- Availability of RLNG at Kochi
  Petronet LNG has set up a re-gasification / storage facility of Natural Gas at Kochi. FACT plants are connected with a pipeline of GAIL for transmission of re-gasified Natural Gas.

Threats

- Increasing trend in the price of Raw Materials
  The Company does not have any control over the price of raw materials. All the major fertiliser inputs are imported and prices are showing an increasing trend.
- High interest on Government of India Loan
  Government of India is charging 13.5% interest on the loan availed by the Company. The liability in this regard is ₹ 240 Crore approximately per annum. This will affect the profitability of the Company.
- Exchange rate variations
  The Company is depending upon import for fertilizer inputs. The adverse impact in exchanging rate variations is a serious threat to the profitability of the Company.
- Over dependence on import of raw materials and the logistics
  Any delay on receipt of import of raw materials will adversely affect the production of the Company.

Segment-wise or Product-wise Performance

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

Risk and Concern

The fertilizer business is exposed to various risks arising from fluctuations in international raw material prices, foreign exchange rate, geo-political uncertainties etc., which can have an adverse impact on the financial position and impact our margins. Cyber security issues like information breach, unauthorised access, loss of sensitive or confidential information also pose significant risks to the Company.

The other concerns are disruptions in product movement and lack of level playing field in the price of RLNG/LNG and lack of adequate infrastructure facilities. Most of the plants are very old and is a matter of concern.

Internal Financial Control

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

Key Financial Ratios

Key financial ratios of the Company for the financial year 2020-2021 and financial year 2021-2022 are given below

SL No	Particulars	2021-22	2020-21	Details of significant changes (i.e. change of 25% or more as compared tothe immediately previous financial year)
1	Debtors Turn Over Ratio	4.27	2.49	There is considerable reduction in the average subsidy receivable as at the year end.
2	Inventory Turn Over Ratio	7.50	6.03	Not Applicable
3	Interest Coverage Ratio	2.45	2.44	Not Applicable
4	Current Ratio	0.98	0.87	Not Applicable
5	Return on Capital employed	0.19	0.23	Not Applicable
6	Operating Profit Margin	0.16	0.19	Not Applicable
7	Net Profit Margin	0.08	0.11	Not Applicable
8	Debt Equity Ratio	21.5	Negative	Not Applicable

The improvement in key financial ratios is due to improved production and financial performance of the Company.

Outlook for the future

The Company expects to continue the excellent production and marketing performance during the year 2022-23. Tie up for supply of RLNG for the next five years has been made with Indian Oil Corporation Ltd.

The Company has submitted a financial restructuring package to Govt. of India seeking approval for conversion of a part of Government of India loan into equity and write off of interest on Govt. of India loan and restructuring of balance Govt. of India loan.

The Financial Restructuring proposal submitted by the Company is under the consideration of Department of Fertilisers. The Company expects an early implementation of the same.

The Capex projects for the Company is progressing as per the plan.

Setting up of 1650 TPD Factomfos plant and implementation of the CAPEX could result in increase in fertiliser production of the Company from 10 lakh MT to 14 lakh MT and the turnover will increase from ₹ 4424 crore to ₹ 7000 crore by the year 2024-25, with a continuous profit of ₹ 350 to ₹ 400 crore per annum.

Cautionary Statement

Statements in the Management Discussion and Analysis and in the Directors' Report, describing the Company's objectives, projections and estimates, contain words or phrases such as "will", "aim", "believe", "expect", "intend", "estimate", "plan", "objective", "contemplate", "project" and similar expressions or variations of such expressions, are "forward-looking" and progressive within the meaning of applicable laws and regulations. Actual results may vary materially from those expressed or implied by the forward-looking statements due to risks or uncertainties associated therewith depending upon economic conditions, government policies and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements.

(Kishor Rungta)
Chairman & Managing Director
DIN-00231106

Place: Udyogamandal
Date : 17-08-2022



Shri Bhagwanth Khuba, Hon'ble Union Minister of State for Chemicals & Fertilizers and New & Renewable Energy, Govt. of India rededicating the Caprolactam plant to the Nation



Sri Kishor Rungta, CMD addressing Combined Quarterly Review Meeting of CPSEs

REPORT ON CORPORATE GOVERNANCE

I Philosophy on Code of Governance

FACT consider Corporate Governance as a self - disciplinary code to achieve the highest standards to safe guard the interest of Shareholders and other stake-holders. It is a set of systems and practices being followed by the Company to ensure accountability, transparency and fairness in all activities. FACT has put in place a Corporate Governance structure with well-defined roles and responsibilities to promote and maintain integrity, transparency and accountability.

Board of Directors is responsible for the overall governance. All matters of policy are placed before the Board. The Board accords prime importance to transparency and the long-term interest of the Company

II Board of Directors

(a) Composition and Category

Sl.No	Name of Director	Period From	To	Nature of Directorship /Category	No. of Directorship in other Board
1	Shri Kishor Rungta	02.02.2019	Continuing	Chairman& Managing Director-Whole time Functional (Executive) Director	1
2	Shri Anupam Misra	14.07.2020	Continuing	Director (Marketing) Whole time Functional (Executive) Director	NIL
3	Shri S Sakthimani	08.03.2021	Continuing	Director (Finance) Whole time Functional (Executive) Director	NIL
4	Shri A S Kesavan Nampoori	22.03.2021	Continuing	Director (Technical) Whole time Functional (Executive) Director	NIL
5	Ms Aparna S Sharma	30.09.2020	Continuing	Part-time Official Director (Non-Executive Director)	2
6	Ms Deepika Jain	29.09.2021	Continuing	Part-time Official Director (Non-Executive Director)	NIL
7	Shri Rabinarayan Patra	07.05.2020	Continuing	Independent Director	NIL
8	Prof Anjula Murmu	18.04.2022	Continuing	Independent Director	NIL
9	Ms Alka Tiwari	21.04.2017	29.09.2021	Part-time Official Director (Non-Executive Director)	NIL

(b) Disclosure pertaining to Directors

Details of Directorship in other listed entities of the Directors are given below.

Sl No	Name of Director	Name of the listed entity
1	Ms Aparna S Sharma	Rashtriya Chemicals And Fertilizers Limited

None of the Directors of the Company has been debarred or disqualified by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any statutory authorities. A Certificate in this regard is annexed to this report.

(c) Details of Board Meetings & Attendance of Directors

Sl.No	Board Meeting Number	Date	Venue	Filled Strength	Directors Present
1	512	18.06.2021	Kochi	6	6
2	513	12.08.2021	Kochi	6	6
3	514	10.11.2021	Kochi	7	6
4	515	08.12.2021	Kochi	7	7
5	516	04.02.2021	Kochi	7	6

(d) Attendance in Board meetings

Sl.No	Name of Director	Period	No.of Meetings held	No.of Meetings Attended
1	Shri Kishor Rungta	01.04.2021 to 31.03.2022	5	5
2	Shri Anupam Misra	01.04.2021 to 31.03.2022	5	5
3	Shri S Sakthimani	01.04.2021 to 31.03.2022	5	5
4	Shri A S Kesavan Nampoori	01.04.2021 to 31.03.2022	5	5
5	Ms Aparna S Sharma	01.04.2021 to 31.03.2022	5	3
6	Ms Deepika Jain	29.09.2021 to 31.03.2022	3	3
7	Shri Rabinarayan Patra	01.04.2021 to 31.03.2022	5	5
8	Ms. Alka Tiwari	01.04.2020 to 29.09.2021	2	0

Shri Kishor Rungta, Chairman and Managing Director, Shri Anupsm Misra, Director (Marketing), Shri S Sakthimani, Director (Finance), Shri A S Kesavan Nampoori, Director (Technical), and Shri Rabinarayan Patra Independent Director attended the 77thAnnual General Meeting of the Company held on 22.09.2021.

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

Sl.No	Name of Director	Age	Date of Directorship	Remarks
1	Ms Aparna S Sharma	55	30.09.2020	Retiring by rotation and eligible for re-appointment
2	Ms Deepika Jain	50	29.09.2021	Appointed as additional Director

IV. Particulars of Directors under III above are as follows:

Ms Aparna S Sharma

Ms. Aparna S Sharma is appointed as Government Nominee Director on the Board of the Company w.e.f. September 1, 2020. She is presently Joint Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilizers, Govt. of India. She is a post graduate in English Literature from Delhi University and a 1990 batch CSS Officer. She has over 25 years of experience in various Ministries of Government of India including Department of Higher Education, Health and Family Welfare, Personnel and Training, Finance and Urban Development.

Ms. Aparna S Sharma is a member of Audit Committee of the Board.

Ms Deepika Jain

Ms. Deepika Jain is appointed as Government Nominee Director on the Board of the Company w.e.f. 29th September 2021. She is presently Chief Controller of Accounts in Ministry of Chemicals and Fertilizers & Ministry of Petroleum and Natural Gas. She belongs to the 1997 batch of the Indian Civil Accounts Service. She has held various positions in several Central Government Ministries and Departments such as Ministry of Agriculture, Commerce, Science and Technology, CBDT, CBIC and Controller General of Accounts etc.

V. Audit Committee

Sl.No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra - Chairman	Independent Director
2	Shri Anupam Misra	Director (Marketing)
3	Ms Aparna S Sharma	Government Nominee Director
Terms of reference of the Audit committee of the Board are as per the provisions of the Companies Act, 1956 / 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.		

Details of the meetings of Audit Committee.

Sl No	Audit Committee Meeting Number	Date	Number of Members	Number of Members Attended
1	79	08.06.2021	3	3
2	80	18.06.2021	3	3
3	81	12.08.2021	3	3
4	82	10.11.2021	3	2
5	83	04.02.2022	3	2

VI. Nomination and Remuneration Committee

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

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

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

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

Composition of the Nomination and Remuneration Committee is given below:

Sl. No	Name of Director	Nature of Directorship
1	Shri. Rabinarayan Patra – Chairman	Independent Director
2	Shri Kishor Rungta	Chairman and Managing Director
3	Shri Anupam Misra	Director (Marketing)

VII. Shareholders / Investors Grievance Committee / Stakeholders Relationship Committee

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

Sl.No	Name of Director	Nature of Directorship
1	Shri. Rabinarayan Patra – Chairman	Independent Director
2	Shri Anupam Misra	Director (Marketing)
3	Shri AS Kesavan Nampoori	Director (Technical)

The Complaints of Investors / shareholders are promptly attended to either by the Share Transfer Agent of the Company or by the Company directly and no genuine complaints of Shareholders remain un-attended as on 31.03.2022.

During the financial year 2021-22 FACT / share transfer agent has received only one complaint from a shareholder and the same was attended and settled.

VIII Risk Management Committee

FACT is one among the top 500 listed Companies based on Market Capitalization. FACT has constituted a Risk Management Committee in line with SEBI (LODR) Regulations, 2015.

Composition of the Risk Management Committee is given below:

Sl. No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra	Independent Director
2	Shri Anupam Misra	Director (Marketing)
3	Shri S Sakthimani	Director (Finance)
4	Shri AS Kesavan Nampoori	Director (Technical)

IX. Share Transfer Committee

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

The Committee meets regularly provided there are any Share Transmission requests to approve. As on 31.03.2022 there is no valid Share Transmission request pending for approval.

Ms Susan Abraham, Company Secretary is the Compliance Officer and the activities of the Share Transfer / Depository Agent are under the supervision of the Compliance Officer.

X. Committee on Corporate Social Responsibility

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

Sl. No.	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra	Independent Director
2	Shri Kishor Rungta	Chairman and Managing Director
3	Shri Anupam Misra	Director (Marketing)

XI Views and recommendations of Board Sub-Committees

All the recommendations made by the sub-committees of the Board have been accepted by the Board.

XII. General Meetings

Year	Date	Time	Venue	Details of Special Resolution
2018-2019	20.09.2019	03.00 PM	Udyogamandal	Resolution u/s 186(3) of the Companies Act 2013 - For investment in FACT-RCF Building Products Limited
2019-2020	23.09.2020	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	NIL
2020-2021	22.09.2021	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	NIL

On 13th June, 2022 Company has issued a notice of Postal Ballot along with explanatory statements for appointment of Prof. Anjula Murmu as an Independent Director on the Board of FACT.

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

XIII. Disclosure

During the year 2021-22, the Company has not entered into any transactions of material nature with Directors and / or relatives that may have a conflict with the interests of the Company at large.

The Company has complied with requirements of listing agreement and guidelines of the Stock Exchanges / SEBI / other Statutory Authorities.

During the year 2021-22, The National Stock Exchange of India Limited has imposed fines of, ₹ 29,15,780 for non-compliance of regulations 17(1), 18 (1),19(1) / (2) and 21 of SEBI (LODR) Regulations 2015 relating to composition of the Board and sub-committees of the Board. Since the Board of Directors are nominated by Government of India and Composition of the Board is beyond the control of the Company, a request has been submitted to the Stock exchange for waiver of fine.

Once the Govt. of India notifies the appointment of Independent Director, FACT shall comply the SEBI (LODR) Regulations 2015 relating to composition of the Board.

XIV. Means of Communications

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

The Company's website, www.fact.co.in provides separate section for Investors where relevant Shareholders information is available.

Un-audited financial results are sent to the Stock Exchange where the Company's shares are listed. The quarterly results are published in one English newspaper (Business Standard) and one Malayalam language newspaper.

XV. Risk Assessment and Minimization Procedure

FACT has framed a Risk Assessment and Minimization policy as required by SEBI (LODR) Regulations 2015.

XVI. Credit Rating

During the financial year 2021-2022 India Rating has given rating on the bank facilities of the Company as follows

Long term Rating - BBB +

Short term Rating- IND A2

XVII. General Shareholders Information

Information relating to the Annual General Meeting & Financial Calendar for 2021-2022 are given below:

78th Annual General Meeting	
Day	Wednesday
Date	28-09-2022
Time	11.00 a.m.
Venue	Udyogamandal

Financial Calendar 2022-2023	
Ist Quarter Financial Results	Published on 05-08-2022
IInd Quarter Financial Results	Will be published within 45 days from the end of the quarter.
IIIrd Quarter Financial Results	Will be published within 45 days from the end of the quarter
IVth Quarter Financial Results	Will be published within 60 days from the end of the Financial Year.

Dates of Book Closure	22-09-2022 to 28-09-2022 (both days inclusive)
Dividend Payment Date	No dividend is being declared

Listing	
The shares of the Company is listed in National Stock Exchange of India Ltd, Mumbai. Listing fee has been paid to the Stock Exchange up to the year 2021-2022	
Stock code	
Name of Stock Exchange	**Stock Code**
National Stock Exchange of India Ltd, Mumbai	FACT

XVIII Market Price

During the financial year 2021-22, the share price of the Company touched ₹ 160.00 per share. The share price of the Company opened at ₹ 109.75 on April 1st, 2021 and closed at ₹ 118.40 on March 31st, 2022 in the National Stock Exchange of India Limited.

During the financial year 2021-22, FACT shares were actively traded on National Stock Exchange. Based on Market Capitalization as on March 31st, 2022, FACT is one among the top 500 listed Companies.

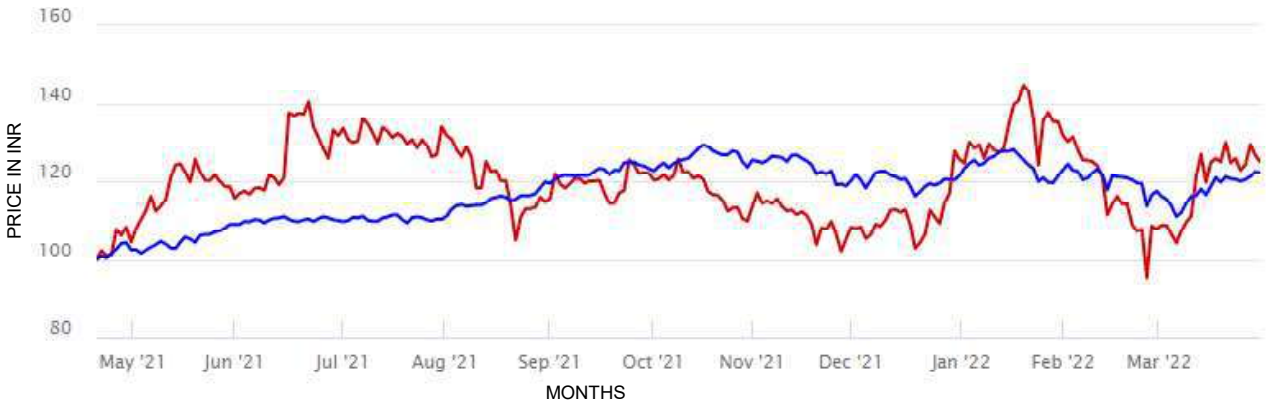
The high, low market price of Shares during each month in the financial year 2021-22 as available from the National Stock Exchange of India Limited are given below:-

Month	High (₹)	Low (₹)
April 2021	125.95	100.20
May 2021	139.00	107.50
June 2021	153.00	112.95
July 2021	146.70	130.25
August 2021	144.00	108.00
September 2021	138.70	117.30

October 2021	137.65	112.35
November 2021	127.00	104.25
December 2021	139.70	107.00
January 2022	160.00	123.55
February 2022	144.55	97.60
March 2022	140.70	106.80

Performance of the share price of the Company in comparison to the NSE-NIFTY

The relative performance of the monthly closing price of the Company's share vis-à-vis NSE-NIFTY during the year 2021-22 is give below



XIX Share Transfer / Depository Agent

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

XX Share Transfer System

The Shares of FACT are compulsorily traded in De-mat form. All request for transmission of shares received are processed by the Share Transfer Agent of the Company and approved by the Share Transfer Committee of the Board.

XXI Distribution of Shareholding as on 31.03.2022

Shareholding of Nominal Value of ₹ 10/-	Share holders		Amount (₹)
	Number	% to Total	
Up to 500	31106	93.38	28485450.00
501 - 1000	1314	3.94	10830430.00
1001 - 2000	522	1.57	8109160.00
2001 - 3000	144	0.43	3628050.00
3001 - 4000	75	0.23	2695290.00
4001 - 5000	56	0.17	2711040.00

5001 - 10000	60	0.18	4490200.00
10001 - 50000	26	0.08	4819450.00
50001 and above	7	0.02	6404950670.00
Total	33310	100.00	6470719740.00

XXII De-materialization of shares and liquidity

In accordance with the direction of SEBI, trading of FACT shares have been brought under compulsory De-mat segment for all categories of investors with effect from 26th June 2001. The Company has executed tripartite agreement with both the Depositories i.e. NSDL and CDSL and the Share Transfer Agents of the Company. As on 31.03.2022, 644086963 Equity shares have been dematerialized. The summarised position of shareholders in Physical and Demat segment as on 31.03.2022 is as under

Type of Shareholding	Shareholders (Folios)		Shareholding (%)	
	Number	%	Number	%
Holding in NSDL	10420	31.28	640968319	99.06
Holding in CDSL	17492	52.51	3118644	00.48
Holding in physical	5398	16.21	2985011	00.46
Total	33310	100.00	647071974	100.00

XXIII Audit and Audit Fees

Details of Statutory Audit fee and expenses, as per the Financial Statements for the year 2021-22 is given below. The Statutory Auditors of the Company has not rendered any services to the joint ventures/Associate Company of FACT.

Sl No	Particulars	Amount (₹ in Lakhs)
1	For Statutory Audit	11.60
2	For Other Services	11.01
3	For Expenses	01.91
	Total	24.52

XXIV List of Core Skills/ Experience/ Competencies Identified by the Board

FACT is a Government Company within the meaning of section 2(45) of the Companies Act, 2013. All members on the Board are nominated/appointed by the Government of India.

All members on the Board are possessing core skills/expertise and competencies required in the context of the business

The Company has identified the following Core Skills/ Practical Experience/ Special Knowledge/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively. The same are in line with the relevant provisions of the Companies Act, 2013

1. Expertise in administration and management
2. Expertise in Finance and Accounting;
3. Law, Agriculture and Rural Economy;
4. Marketing
5. Research and Development
6. Economics;
7. Public Sector Undertaking;

8. Business Management;
9. Risk Management;
10. Human Resources;
11. General Administration
12. Any other matter the special knowledge of, and practical experience in, which would, in the opinion of the Board, be useful to the Company

The Company has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of the Director	Expertise in specific functional area
Chairman and Managing Director	Expertise in efficient Administration and Management of a Schedule A PSE, Risk Management, Public Sector Undertaking, Costing, Research and Development & Business Management
Director (Technical)	Fertilizers and Chemicals, Research and Development, Human Resources & Agriculture and Rural Economy
Director (Finance)	Fertilizers and Chemicals, Finance, Public Sector Undertaking, Economics, Costing, Risk Management & General Administration
Director (Marketing)	International Trade, Marketing, Sales & Distribution, Logistics Management, Business Management & Strategy, Public Sector Undertaking, Contracting, Negotiations, Trade and financing
Govt. Nominee Directors	General Administration, Finance, Fertilizers and Chemicals, Economics, Agriculture and Rural Economy & Public Sector Undertaking
Independent Directors	Law/General Administration/ Human Resources/ Agriculture /Rural Economy /Research and Development/Fertilizers and Chemicals & Agriculture and Rural Economy/ Finance/Risk Management/Costing/ Business Management & Economics

The Board has identified the following Skills/ Experience/ Competencies in the following Directors

Sl. No.	Director	Skills/Competency/Experience
1	**Shri Kishor Rungta**	Expertise in Administration and Management of a Schedule A PSE, Risk Management, Public Sector Undertaking, Costing, Research and Development & Business Management
2	**Shri Anupam Misra**	International Trade, Marketing, Sales & Distribution, Logistics Management, Business Management & Strategy, Public Sector Undertaking, Contracting, Negotiations, Trade and financing
3	**Shri S Sakthimani**	Finance, Public Sector Undertaking, Economics, Costing and Risk management
4	**Shri AS Kesavan Nampoori**	Fertilizers and Chemicals, Research and Development, Human Resources & Agriculture and Rural Economy
5	**Ms Aparna S Sharma**	General Administration, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
6	**Ms Deepika Jain**	General Administration, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
7	**Shri Rabinarayan Patra**	General Administration/ Human Resources/ Research and Development/ Fertilizers and Chemicals & Agriculture and Rural Economy/ Finance/Risk Management/ Business Management & Economics
8	**Prof. Anjula Murmu**	Academic/ General Administration/ Human Resources

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

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

XXVI Plant Locations

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

XXVII Certificate From Company Secretary In Practice

Certificate from M/s SVJS & Associates, Company Secretaries, Kochi, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any other Statutory Authority, as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, is attached to this Report.

XXVIII Annual Secretarial Compliance Report

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained Annual Secretarial Compliance Report from M/s SVJS & Associates, Company Secretaries, Kochi, confirming compliance of SEBI Regulations / Circulars / Guidelines issued there under and applicable to the Company. In their report, they stated that the Company is not complying the provisions of regulation 17(1), 18 (1), 19(1) / (2) and 21 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

The Company will comply the provisions of regulations 17(1), 18 (1), 19(1) / (2) and 21 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, once the notification on appointment of Independent Director is issued by the Government of India.

XXIV Remuneration of Directors

Functional (Executive) Directors are appointed by Government of India and their remuneration and other terms and conditions are governed by the terms of appointment as decided by the Government. Remuneration paid to the Directors during the year 2021-2022 is as under:

Sl No	Name of the Director	Salary and Allowances (in ₹)	Other benefit and perquisites (in ₹)	Total Remuneration (in ₹)
1	Shri. Kishor Rungta Chairman& MD	36,05,525.00	12,90,659.00	48,96,184.00
2	Shri Anupam Misra Director (Marketing)	25,24,986.00	4,74,464.00	29,99,450.00
3	Shri S Sakthimani Director (Finance)	24,74,867.00	4,63,931.00	29,38,798.00
4	Shri A S Kesavan Nampoori Director (Technical)	25,93,857.00	2,99,583.00	28,93,440.00
	Total	1,11,99,235.00	25,28,637.00	1,37,27,872.00

Part Time Government Nominee Directors are neither paid any remuneration nor paid sitting fees for attending Board Meetings. None of the Govt. Nominee Directors had any pecuniary relationship or transactions with the Company during the year 2021-22.

The Independent Director has been paid sitting fees of ₹ 10,000/- per meeting for attending meetings of the Board and sub committees of the Board. The sitting fees paid during the financial year 2021-22 is as follows

Sl No	Name of the Director	Sitting Fees (in ₹)
1	Shri Rabinarayan Patra	1,60,000
	Total Sitting fees paid	**1,60,000**

XXX Address for correspondence by Shareholders:

The Company Secretary
The Fertilisers And Chemicals Travancore Limited,
Udyogamandal-683 501, Kerala;
e-mail – investors@factltd.com: Ph: 0484-2567620

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

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

CFO / CEO's CERTIFICATION

We Certify that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

i. Significant changes in internal control over financial reporting during the year;

ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.

(S Sakthimani)
Chief Financial Officer
DIN: 07482308

(Kishor Rungta)
Chairman & Managing Director
DIN 00231106

DECLARATION OF COMPLIANCE OF CODE OF BUSINESS CONDUCT AND ETHICS

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

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

Place: Udyogamandal
Date: 17-08-2022

(**Kishor Rungta)**
Chairman & Managing Director
DIN-00231106

Annexure - 1

SVJS & Associates
Company Secretaries

65/2364A, Ponoth Road, Kaloor, Ernakulam - 682 017

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To

The Members

The Fertilisers and Chemicals Travancore Limited

Eloor P. O., Udyogmandal

Alwaye, Ernakulam

Kerala - 683501

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(v) As informed to us, the following other laws are specifically applicable to the Company.

1. Fertiliser (Control) Order, 1985;
2. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
3. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
4. Batteries (Management and Handling) Rules, 2001;
5. The Industries (Development and Regulation) Act, 1951 and the Regulations and Bye-laws framed there under;
6. The Water (Prevention and Control of Pollution) Act 1974 and the Regulations and Bye-laws framed there under;
7. The Air (Prevention and Control of Pollution) Act, 1981 and the Regulations and Bye-laws framed there under;

8. The Environment (Protection) Act, 1986 and the Regulations and Bye-laws framed there under;
9. The Factories Act,1948 and the Regulations and Bye-laws framed there under;
10. The Boilers Act, 1923 and the Regulations and Bye-laws framed there under;
11. Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;

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

(i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited;

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

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

We report that

The Board of directors of the Company comprises of Executive and Non-Executive Directors. As per Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors. During the financial year 01.04.2021 to 31.03.2022, fifty per cent of the Board of directors of the Company does not comprise of Independent Directors and non-executive directors. The Nomination Remuneration Committee comprises of executive directors as well. The Audit Committee, Stakeholder Relationship Committee and Nomination Remuneration Committee comprises of only one Independent Director. Further, the Company has not appointed women Independent Director.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and in compliance with orders issued by the Central Government.

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

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

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

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

(i) Public / Right / Preferential issue of shares / debentures / sweat equity

(ii) Redemption / buy-back of securities

(iii) Merger / amalgamation / reconstruction, etc.

(iv) Foreign technical collaborations

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

For SVJS & Associates
Company Secretaries

Sd/-
Sreekumar P.S.
Partner
FCS. 8130
CP. No. 8067
Peer Review Certificate No.: 648/2019

Kochi
05.08.2022

UDIN: F008130D000750355

'Annexure A'

To

The Members

The Fertilisers and Chemicals Travancore Limited

Eloor P. O., Udyogmandal

Alwaye, Ernakulam

Kerala - 683501

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31st March 2022 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal / professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates

Company Secretaries

Sd/-

Sreekumar P.S.

Partner

FCS. 8130

CP. No. 8067

Peer Review Certificate No.: 648/2019

Kochi

05.08.2022

UDIN: F008130D000750355

SVJS & Associates
Company Secretaries

65/2364A, Ponoth Road, Kaloor, Ernakulam - 682 017

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
Eloor P. O., Udyogmandal
Alwaye, Ernakulam
Kerala - 683501

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** having CIN: L24129KL1943GOI000371 and having registered office at Eloor P. O., Udyogmandal, Alwaye, Ernakulam, Kerala – 683501 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Kishor Kumar Rungta	00231106	02/02/2019
2	Rabinarayan Patra	00917044	07/05/2020
3	Anupam Misra	07637439	14/07/2020
4	Aparna Sachin Sharma	07798544	30/09/2020
5	Sakthimani Seshamani	07482308	08/03/2021
6	Kesavan Nampoothiri	08708431	22/03/2021
7	Deepika Jain	09368418	29/09/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Sd/-
Sreekumar P.S.
Partner
FCS. 8130
CP. No. 8067
Peer Review Certificate No.: 648/2019

Kochi
05.08.2022

UDIN: F008130D000750311

Annexure – 2

FORM NO. AOC – 2

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

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

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

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

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

Sl.No.	**Particulars**	**Details**
a)	Name (s) of the related party	FACT RCF Building Products Limited
	Nature of relationship	Joint Venture
b)	Nature of contracts/ arrangements/ transaction	Supply of petrol/diesel and meals
c)	Duration of the contracts/ arrangements/ transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction	Transactions on Arm's length basis
e)	Date of approval by the board	03.08.2017 and 17.11.2017
f)	Amount paid as advances, if any	Nil
g)	Amount incurred during the year	₹ 2,74,044.00

(Kishor Rungta)
CHAIRMAN AND MANAGING DIRECTOR
DIN-**00231106**

Place: Udyogamandal
Date :

Annexure-2A

Annual Report on CSR Activities of FACT

[Pursuant to Rule 9 of Companies (Accounts) Rules 2014]

1. Brief outline on CSR Policy of the Company:

   FACT gives priority on various social responsibility measures for the benefit of weaker section of the Society and to improve the standard of living of the inhabitant near the factory area. FACT will lay its focus primarily on CSR activities on local communities in and around areas of Company's operations. FACT will implement CSR activities to empower weaker, less privileged and marginalized sections of the society to create social capital. The Company will give special attention for the development of SC/ST communities. FACT will have a Board sub-committee consisting of three or more Directors out of which at least one shall be an Independent Director.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri. Rabinarayan Patra	Independent Director	1	1
2	Shri Kishor Rungta	C& MD	1	1
3	Shri Anupam Misra	Director (Marketing)	1	1

3. The composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.fact.co.in

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

   NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

   NIL

6. Average net profit of the company as per section 135(5):

   ₹ 28.03 Crore

7. (a) Two percent of average net profit of the company as per section 135(5):

   ₹ 56.07 lakh

   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: NIL

   (c) Amount required to be set off for the financial year, if any: NIL

   (d) Total CSR obligation for the financial year: (7a+7b-7c): ₹56.07 lakh

8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)
₹106.28 lakhs	Amount	Date of transfer	NIL
	NIL	NA	

   (b) Details of CSR amount spent against ongoing projects for the financial year:

   NIL

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

NIL

Sl No	Name of the project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the project (₹in lakhs)	Direct Implementation
				State	District		
1	Medical Oxygen Plants	Promotion of Health Care	Yes	Kerala & Uttar Pradesh	Kannur, Ernakulam & Basti	85.34	Yes
2	Lenovo Tablets to Students	Promoting Education	Yes	Kerala	Ernakulam	9.31	Yes
3	Insecticidal Mosquito Nets	Rural Development Projects	Yes	Karnataka	Bellari, Hassan Mysuru & Belgaum	4.97	Yes
4	Ambulance	Promotion of Health Care	Yes	Kerala	Ernakulam	3.15	Yes
5	Expenditure incurred locally in connection with COVID, community kitchen etc.	Promotion of Health Care	Yes	Kerala	Ernakulam	3.51	Yes

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹106.28 lakhs

(g) Excess amount for set off, if any: ₹50.30 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s): NIL

10. In case of creation or acquisition of capital assets, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

    NIL

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):

    NA

(Kishor Rungta)
Chairman & Managing Director
DIN :- 00231106

Place: Udyogamandal
Date: 17-08-2022



Shri Kishor Rungta, CMD, handing over rain coats to Asst. Commissioner of Police, Thrikkakkara, as part of CSR initiative of FACT



Shri Kishor Rungta, CMD addressing the audience on the occasion of handing over of computer tabs to school children as part of CSR Initiative

K PADMADASAN
B Com, MBA, LLB, FCS
Practicing Company Secretary
Reg No.: 22625

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

[Pursuant to Regulation 34(3) and Schedule V (E) of

SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015]

Registration No. of the Company : L24129KL1943GOI000371

Nominal Capital : Rs 10,000,000,000/-

To

The Members of
The Fertilisers and Chemicals Travancore Limited
Eloor P.O, Udyogamandal

I have perused all relevant records of **The Fertilisers and Chemicals Travancore Limited** [Company No. L24129KL1943GOI000371] Registered Office: - Eloor P.O, Udyogamandal, Kerala - 683501 (the Company), for the purpose of certifying compliance of the conditions of Corporate Governance as specified in the relevant clauses of the Listing Agreement of the said Company with National Stock Exchange of India Limited for the financial year ended March 31, 2022. I have obtained all the information and inputs which to the best of my knowledge and belief were necessary for the purposes of certification.

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

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

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

Sd/-

KUNNATH PADMADASAN

Practicing Company Secretary

Membership No : FCS 5384 Registration No : 22625

UDIN NO : FOO5384D000242489

Ernakulam

29th April 2022

BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	**Corporate Identity Number (CIN) of the Company**	L24129KL1943GOI000371
2	**Name of the Company**	The Fertilisers and Chemicals Travancore Limited
3	**Registered address**	Eloor, Udyogamandal, Ernakulam District Kerala 683501
4	**Website**	http://www.fact.co.in/
5	**E-mail id**	susan@factltd.com
6	**Financial Year reported**	01-04-2021 to 31-03-2022
7	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	Complex Fertilisers – 31054000 Ammonium Sulphate – 31022100 Caprolactam - 29337100
8	**List three key products/services that the Company manufactures/provides (as in balance sheet)**	Factamfos/Ammonium Sulphate/Caprolactam
9	**Total number of locations where business activity is undertaken by the Company** **Number of International Locations (Provide details of major 5)** **Number of National Locations**	 NIL 2
10	**Markets served by the Company – Local/State/National/International**	Local, State and National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 647.07 CR
2	Total Turnover (INR)	₹ 4542.44 CR
3	Total profit after taxes (INR)	₹ 353.28 CR
4	Total Spending on Corporate Social Responsibility (CSR)	₹ 106.28 Lakhs
5	List of activities in which expenditure in 4 above has been incurred:-	1. Medical Oxygen Plants 2. Lenovo Tablets to students 3. Insecticidal Mosquito Nets 4. Ambulance 5. Expenditure in connection with mitigation of the impact of COVID19 pandemic, community kitchen etc.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	NA
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number - 08708431
2. Name - Shri AS Kesavan Nampoori
3. Designation - Director (Technical)

(b) Details of the BR head

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Shri Manikkuttan R
3	Designation	Chief General Manager (Production Co-ordination)
4	Telephone Number	0484-2546556
5	e-mail id	mkr@factltd.com

2. Principle-wise (as per NVGs) BR Policy/policies

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Details of compliance (Reply in Y/N)

No.	Questions 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P
1	Do you have a policy/ policies for....	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated inconsultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

3	Does the policy conform to any national / inter national standards? Ifyes, specify? (50 words)	Yes ISO 14001- For Environment Management System ISO 9001 – For Quality Management System								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/ CEO/ appropriate Board Director?	Yes								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes								
6	Indicate the link for the policy to beViewed online?	www.fact.co.in								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No								

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   No. The Policy relating to ethics, bribery and corruption extends to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs /Others

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	No of Complaints received	No of Complaints resolved	% Resolved
Dealer	1	0	0
Shareholders	1	1	100
Employees & Others	2	2	100\

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Three products of FACT are

   1. NP 20:20:0:13 (FACTAMFOS) - Finished Product: Fertiliser
   2. Ammonium Sulphate - Finished Product: Fertiliser
   3. FACT Caprolactam - Finished Product: Petrochemical

NP and Ammonium Sulphate listed above are Fertiliser end products and Caprolactam is a petrochemical. Company's production units are ISO certified for addressing the risks & environmental concerns. FACT's Udyogamandal fertilizer section is certified for quality (ISO 9000), environment (ISO 14000) and Energy Management (ISO 50000) and FACT Cochin Division plants are certified for quality (ISO 9000), environment (ISO 14000) and Energy Management (ISO 45000). Since the Petrochemical plants were restarted after a gap of 9 years, ISO recertification of petro plants is planned during the year 2022-23.

2. Does the company have procedures in place for sustainable sourcing (including transportation)?

   Yes

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Major portion of raw materials for phosphatic fertiliser production are imported from external sources. Company use many of the waste / by products from other industries as inputs considering sustainable sourcing.

Sulphur, a raw Material for Sulphuric Acid production, used in fertiliser production, sourced from refineries, is a by-product from crude processing. At present Company has a tie-up with BPCL-Kochi Refinery for sourcing about 60% of its annual requirement minimising import. During the financial year 2022-2023 company started procuring Sulphur from *Mangalore Refinery and Petrochemicals Limited* (MRPL) also, further reducing import dependents.

Company also import Sulphuric Acid to meet its requirement for fertiliser production, mainly from metallurgical industry, where it is a by-product during processing.

For fertiliser production, major energy input is in the form of electricity from Kerala State Electricity Board (KSEB), in which a major portion is hydel power. FACT is having a rooftop solar unit to support office and is planning for setting up of more solar energy projects. ISO 50001 certification by Udyogamandal Division is a step towards sustainable energy management.

On the transportation front, a major portion of the raw materials and intermediates are transported from Port to production Divisions through inland waterways using barges, minimising the impact to environment.

3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   Yes

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   FACT is procuring Goods and Services from MSMEs and local vendors to the extent possible. For MSMEs EMD is fully exempted and purchase preference is given as per Government rules. Majority of vendors for supply of services are local.

4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Yes. Off grade products generated during the production process are fully recycled to the production stream.

   Phospho gypsum, a waste product generated during the manufacture of Phosphoric Acid is being supplied to Cement industry as a process input and as a soil conditioner for Agricultural purposes.

   Effluent generated during the fertiliser production process is recycled to the maximum extent possible and this reduces the effluent discharge and raw water consumption to minimum.

Principle 3 : Businesses should promote the well-being of all employees

1. Total number of employees.– 1656
2. Total number of employees hired on temporary/contractual/casual basis – 694
3. The Number of permanent women employees.- 108
4. The Number of permanent employees with disabilities - 43
5. Do you have an employee association that is recognized by management?
   Yes
6. Indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year?
   Two

7. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Number of people who underwent Safety Training in 2021-22.

Sl. No.	Venue	Permanent Employees	Permanent Women Employees	CLR/Temp-orary/Contract Employees	Employees with Disabilities
1	FACT Training & Development Centre	104	1	0	0
2	Udyogamandal Complex	17	0	0	0
3	Cochin Division	14	0	0	0
4	Total employees who underwent safety training during 2021-2022	135	1	0	0
5	Manpower under each category as on 01.04.2022	1656	108	0	0
6	Percentage of employees who underwent safety training during 2021-2022	8.15%	0.93%	0	0

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders?
   Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?
   Yes. Stakeholders from Scheduled caste, Scheduled Tribes, Other Backward Classes & Person With Disabilities are identified
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.
   FACT is providing reservations and special facilities for the identified disadvantaged, vulnerable & marginalized stakeholders

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the group / Joint Ventures / Suppliers/ Contractors /NGOs / Others?
   The policy is applicable to the suppliers/contractors and others
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
   No human right complaints have been filed in the past financial years.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.
   Both the production Divisions of FACT are certified for Environment Management System- ISO 14000:2015 Policy related to Principle 6 covers the company extends to Suppliers, Contractors and other interested parties.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.
   Yes.
   Major initiatives taken by the company to address the environmental issues during past years include

- Change over from Liquid feedstock/ fuel (Naphtha/Furnace Oil) to cleaner RLNG in Ammonia Plant and Boilers.
- Introduction of clean fuel, RLNG, for drying the product in NP Plant at Cochin Division, replacing Furnace Oil. Planning for Udyogamandal Division NP plants during 2022 ATA.
- ISO 50001 (Energy Management) certification for FACT Udyogamandal Division
- Replacement of energy consuming motors with energy efficient motors.
- Stage wise conversion of existing lighting system to LED.
- FACT- Cochin Division has 10 KW solar unit and is planning for 6 MW solar energy project to increase sustainable energy input

3. Does the company identify and assess potential environmental risks?

   Potential Environmental risks are being periodically assessed and reviewed by the company. Both the production Divisions of FACT are certified for Environment Management System- ISO 14000:2015 and Quality Management System- ISO 9001:2015.

   Uploading of emission / effluent parameters to CPCB/KSPCB website is being done as per the stipulation.

   FACT Udyogamandal Division is certified for ISO 50001 (Energy Management System)

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   Yes,

   On energy efficiency front, FACT Udyogamandal Division is certified for ISO 50001 :2018 (Energy Management System)

   FACT's Ammonia complex is a designated consumer under the provisions of Energy Conservation Act 2001. Major actions implemented to improve the energy of Ammonia Plant include renewal of the LT catalyst during Annual Turn Around in 2021, overhauling the process air compressor and refrigeration compressors, revamp of cooling Tower etc.

   Regarding clean technology, Company has implemented change over from Liquid feedstock/ fuel (Naphtha/Furnace Oil) to cleaner RLNG in Ammonia Plant and Boilers. Recently company has changed over to RLNG, for drying the product in NP Plant and in Sulphuric Acid Plant at Cochin Division, replacing Furnace Oil.

   As part of Renewable energy production, 10 KW Solar power production unit is in line at FACT- Cochin Division, a 3KW system at corporate office. Another project of 6 MW capacity is planned to increase sustainable energy input.

   To improve energy efficiency, identified motors having high energy consumption and are replaced with energy efficient motors and existing conventional lighting system is being replaced with LED in stages.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes. Effluents and gaseous emissions from the company are within the permissible limits stipulated by both CPCB and KSPCB. Online analysers for continuous monitoring of parameters, are installed and data is uploaded online to CPCB and KSPCB servers. Monthly and yearly returns of these parameters are submitted.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year?

   NIL

Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
   (a) The Fertiliser Association of India
   (b) Standing Conference of Public Enterprises
   (c) All India Management Association
   (d) Kerala State Productivity Council
   (e) National Safety Council – Kerala chapter
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Yes, The Company is in association with National bodies and participating with various committees for Governance and Administration, Economic Reforms, Inclusive Development Policies, Industrial Safety, Energy security, Water, Food Security and Sustainable Business Principles

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?

   Yes
2. Are the programmes/projects undertaken through in-house team / own foundation/ external NGO / government structures/any other organization?

   All programmes are undertaken by the In-house team of the Company
3. Have you done any impact assessment of your initiative?

   No
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

   In view of the Covid pandemic situation, FACT has set up three skid mounted medical oxygen plants in hospitals during 2021-22.

Oxygen generation plant	Plant Capacity (NM3/ Hr)	Name of Supplier	Total Cost	City/ Name of Hospital where Plant installed
Plant commissioned at OPEC Kaili Hospital, Basti on 1st July. Inaugurated by Hon'ble MoS	30 NM3/hr Capacity	M/s Atmos Power Pvt Ltd, Ahmedabad, Gujarat	₹ 46 Lakh	OPEC Kaili Hospital, Basti, UP
Plant delivered at Community Health Centre, Karivellur	5 NM3/Hr capacity.	M/s Summits Hygronics Private Limited Tamil Nadu	₹ 19.70 Lakh	Community Health Centre, Karivellur, Kannur, Kerala
Plant delivered Community Health Centre, Ramamangalam	5 NM3/Hr capacity.	M/s Summits Hygronics Private Limited Tamil Nadu	₹ 19.64 Lakh	Community Health Centre, Ramamangalam, Ernakulam, Kerala

In another CSR initiative, Company has handed over 100 tablet PCs (worth Rs 9.31 lakh) to school students of Kalamassery constituency, Kerala, as a support in their studies.

Support to Community Kitchen during Covid times

FACT also donated an ambulance to Amruta Shakthi Seva Samiti, a local Girl Student Home and Orphanage.

The total CSR expenditure for the year 2021-22 is as follows:-

Sl. No:	Items	Expense (₹ Lakh)
1.	Medical Oxygen plants	85.34
2.	LENOVO M8 TABLETS distributed to students	9.31
3.	HILNET - Insecticidal Nets	4.97
4.	Ambulance	3.15
5.	Expenditure incurred locally in connection with Covid, community kitchen etc	3.51
	Grand Total	**106.28**

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Yes. Company has identified the community development initiatives based on genuine requirement from the concerned segments and are implemented successfully. In the case of Oxygen plants, requirement were fixed through District Administrtaion / State administration. Requirement of Tablet PCs were identified and distributed through the local MLA/ State Industries Minister. Support to Community Kitchen was through local self-Government.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

   NIL

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

   Yes, Company display Chemical/Technical Name, Brand name (in south Indian languages and in English and Hindi) Maximum Retail Price (MRP), Government Subsidy etc., on the bags

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes. The Company has conducted consumer survey/consumer satisfaction trends regarding quality and efficacy of City Compost in all southern states.



Shri Kishor Rungta, CMD, speaking at the prize distribution ceremony of painting competition conducted as part of 'Azadi Ka Amrit Mahotsav' celebrations



Shri Kishor Rungta, CMD, planting a sapling as part of 'Azadi Ka Amrit Mahotsav' celebrations



Shri Kishor Rungta, CMD, flagging of 10 km long mini marathon at Ambalamedu as part of 'Azadi Ka Amrit Mahotsav' celebrations



Shri Kishor Rungta, CMD, participating the 'Shoot the Goal' programme held at FACT Football ground, Udyogamandal

K. VENKATACHALAM AIYER & CO

CHARTERED ACCOUNTANTS

No. 30, "AADARSH", (First Floor), Next to CA. Institute, Indrani Nagar, Palakkad - 678 012
Off: 0491 - 2578063, 09349601128. E-Mail: chandrufca@gmail.com

INDEPENDENT AUDITORS' REPORT

To the Members of The Fertilisers and Chemicals Travancore Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of The **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31st, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified 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 31st, 2022, the profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion

As explained in Note #2.3 regarding conversion of leasehold to freehold land to the Company, though the Government of Kerala (GoK) has accorded freehold right to the Company over 143.22 acres of land during the financial year 2019-20, the Company is yet to receive freehold title pending registration formalities. Accordingly, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16 – Property, Plant and Equipment and the consequent applicability of other Ind ASs on the Standalone Ind AS Financial Statements have not been recognized by the Company. The Company has obtained a registered valuer's report valuing the said property at Rs. 47,956 lakhs during the year. In the event of adopting the aforesaid value as fair value in the financial statements, the impact thereof would be increase inboth Property, Plant and Equipment and Other Equity to the tune of Rs. 47,956 lakhs from the present values shown.

We have conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules there under, 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 qualified opinion on the Standalone Ind AS Financial Statements.

Going Concern

The Company has accumulated loss amounting to Rs. 55,246 lakhs (previous year Rs. 91,022 lakhs). The Company's current liabilities exceeded its current assets by Rs. 8,560 lakhs. Some of the key financial ratios of the Company are adverse. However, the Company has reported net profit including other comprehensive income of Rs. 36,938 lakhs during the year (previous year of Rs. 31,544 lakhs). The Company has a balance under current assets of Cash and Cash Equivalents and Other Bank balances of Rs. 1,87,647 lakhs (previous year Rs. 1,66,687 lakhs) as at year end. The company has submitted a proposal for restructuring of the loan received from Government of India amounting to Rs. 1,28,273 lakhs and interest due thereon. After considering these conditions, the standalone financial results of the Company have been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

1. We draw attention to Note #17.1 of the Standalone Ind AS Financial Statements regarding the confirmation of the loan and interest due thereon on the Government of India loan of Rs. 2,96,557 lakhs outstanding as on March 31st,2022 which has been received upto March 31st, 2020 only.
2. Note #7.5& #27.1 regarding estimated provision against irregularities in stock pending investigation in progress of Rs 218.50 lakhs.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters:

Sl No	Key Audit Matter	Auditors' Response
1	**Accounting of subsidy income from Government of India under DBT Scheme:** Under Direct Benefit Transfer (DBT) scheme of Government of India (GoI), the Company is entitled to receive subsidy only upon sale of fertilizer by the dealer to the ultimate beneficiary through Point of Sale (PoS) devices. However, the Company continues to account subsidy as income at the time of sale to dealers as in the earlier scheme, considering the reasonable certainty that the sale will take place and subsidy will be received based on the industry practice and past experience. Refer Note #28 to the Standalone Financial Statements	Our principal audit procedures included the following: • Analysed the scheme framed by the Department of Fertilizers (DoF) notified through Notification F. No. D(FA)/2016/DBT dated March 17th, 2017. • Reviewed the agreement with dealers. • Performed analytical review procedures on the subsidy claim lodged by the Company from the inception of the DBT scheme and subsidy accounted by the Company. • Analysed post Balance Sheet sales through PoS devices in Integrated Fertiliser Management System (iFMS) to assess the sales trend. • Considered the ageing of the stock with the dealers for which sales not reported in the iFMS and assessed the conservative approach adopted by the Company. • Compliance with Ind AS 20 on 'Accounting for Government Grants and Disclosure of Government Assistance' • Method consistently followed by the Company from year to year.
2	**Property, Plant & Equipment:**Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Standalone Ind AS Financial Statements.	• We examined whether the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and our observations are shown in clause (i)(a) to Annexure A to this report. • Reviewed the report of the committee that studied the Impairment of the assets. • Reviewed the capitalisation made during the year under review

Sl No	Key Audit Matter	Auditors' Response
		• Reviewed the valuation report of the assets held for sale. • Reviewed the report on the physical verification of Property, Plant and Equipment carried out by the Management and comments of the branch auditors in their report regarding physical verification conducted at depots/ zonal offices. The deficiencies in the physical verification process are reported in clause (i)(b) of Annexure A to this report. • The deficiencies in the reconciliation of land as per documents with the books of accounts and consequent effect on the verification of completeness and correctness of the land are reported inclause (i)(c)(iv)of Annexure A to this report

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Ind ASFinancial Statements and our Auditors' Report thereon.

Our opinion on the Standalone Ind ASFinancial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind ASFinancial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

The said other information is expected to be made available to us after the date of this audit report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shareholders.

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 Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

Auditors' Responsibilities for the Audit of the 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 Standalone 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 controls with reference to 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Ind AS Financial Statementsor, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditors' 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matters

1. We did not audit the financial statements of five states comprising marketing offices of the Company included in the Standalone Ind AS Financial Statements of the Company, whose financial statements reflect total revenue of Rs. 2,14,803 lakhs for the year ended on that date, as considered in the Standalone Ind AS Financial Statements and total assets not quantifiable in the absence of certified trial balance of the areas as at March 31st, 2022. The Company has submitted certain "financial schedules" only which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Standalone Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these states and our report, in so far as it relates to the aforesaid states, is based solely on the reports of other auditors.
2. Our opinion on the Standalone 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 Standalone Ind AS Financial Statements / Financial Information certified by the Management, except on the limitation of scope reported by other auditors due to non-provision of the trial balance of the states audited by them and their

inability to ensure the correctness of the financial schedules due to this.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable;
2. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in "**Annexure B**" a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.
3. 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 except the internal audit reports for the fourth quarter for the financial year 2021-22.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and returns generally adequate for the purpose of our audit have been received from the units/ marketing offices not audited by us.

c) The reports on the accounts of the five states of the Company audited under Section 143(8) of the Act by other auditors have been given to us and have been properly dealt with by us in preparing this report.

d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flows Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from five states not audited by us, subject to the limitation of scope by other auditors.

e) 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 Companies (Indian Accounting Standards) Rules, 2015 subject to the matter specified in paragraph 3 above.

f) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure C**".

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in the Standalone Ind AS Financial Statements. (Refer Note #48 of the Standalone Ind AS Financial Statements).

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, where applicable.

Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditor's Report is not applicable

For **K Venkatachalam Aiyer & Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN:22020504AIUYLA4535

Place: Kochi
Date: May 6th, 2022

Annexure A to the Independent Auditors' Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Standalone Ind AS Financial Statements for the year ended March 31st, 2022

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of The **Fertilisers and Chemicals Travancore Limited** ("the Company") on the Standalone Ind AS Financial Statements as of and for the year ended March 31st, 2022]:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that

i. In respect of the Company's Property, Plant & Equipment and Intangible Assets:

a) A] The Company has maintained proper records showing full particulars, including quantitative details except situation of Property, Plant & Equipment,and relevant details of right of use assets.

B] The Company has maintained proper records showing full particulars of intangible assets.

b) Major portion of the Property, Plant & Equipment have been stated to be physically verified by the Management during the year and are not observed by us. However, we report that the physical verification has to be done on a systematical order and the procedure needs to be strengthened. As explained to us, no material discrepancies were noticed on such physical verification.

c) i] In our opinion and according to information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/ registered sale deeds of immovable properties included in Property, Plant & Equipment, we report that, out of the 1498.97 acres of land held by the Company, we have been informed that the original title deeds of immovable properties of 768.34 acres of land are submitted to District Court, Ernakulam, pledging 80.50 acres of land as a security against claim of a contractor (Refer Note #2.2 and Note #50 to the Standalone Ind AS Financial Statements), title deeds of 374.65 acres of land submitted to a bank for pledging 36.08 acres as security against credit facilities sanctioned (confirmation received from bank for custody of title deeds for 361.66 acres only) (Refer Note #2.8 to the Standalone financial statements) and 143.22 acres of land is under lease pending for conversion in to freehold land (Refer Note #2.3 to the Standalone financial statements). We have verified the original title deeds of 41 parcels of freehold land having an aggregate area of 156.24 acres in the name of the Company.

ii] We have not verified the documents in respect of the remaining lands as the title deeds are not made available for our verification/ confirmations are not received.

iii] Further, based on the information provided to us, title deeds in respect of the following freehold and leasehold immovable properties are not held in the name of the Company.

Description of the property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Extend of land (in acres)	Reasons for not being held in the name of the Company
Freehold land	Not available	Unascertained	No	Not ascertainable	*42.26	Title deeds are yet to be registered/ received due to dispute in compensation.
Lease hold land (Right of use asset)	Not available	Cochin Port Trust	No	From 2014	**14.26	The lease agreement not yet executed.

*As provided by the management (Refer Note #2.4 to the Standalone Ind AS Financial Statements)

**The lease deed executed by the Company has expired and no fresh deed is executed till date,though the Company continues to occupy the land and pay lease rentals (Refer Note #2.2 and #2C to the StandaloneFinancial Statements)

iv] The Company has not reconciled the value of the land as per the financial statements with the cost of acquisition of the land as per the title deeds and the additional compensation paid for the acquisition of land. Hence, we could not verify the completeness and correctness of the amount disclosed in the financial statements with respect to these title deeds. However, the management confirms that the said non reconciliation will not affect the financial position and financial performance of the Company for the year ended March 31st, 2022.

d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use asset) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31st, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a] The inventories have been physically verified by the Management as at year-end. In our opinion, the coverage and procedure of such verification by the management though appropriate, frequency needs to be increased. Discrepancies noticed were less than 10% in aggregate for each class of inventory and these have been properly dealt with in the books of accounts.

b] The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on the basis of security of current assets in the form of bill discounting facility. The Company has confirmed that they are not required to submit any quarterly return/ statements with the bank in respect of this facility.Hence, we are unable to comment on its agreement with the books of accounts of the company.

iii. a] No. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/ unsecured, to companies, firms LLPs' or any other parties during the year. Hence reporting under clause 3(iii)(a)(A) & (B) of the Order is not applicable.

b] The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/ unsecured, to companies, firms LLPs' or any other parties during the year. Hence reporting under clause 3(iii)(b) of the Order is not applicable.

c] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(c) of the Order is not applicable.

d] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(d) of the Order is not applicable.

e] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(e)of the Order is not applicable.

f] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(f) of the Order is not applicable.

iv. The Company has not made any loans, investments, guarantees, and security during the year and hence reporting under clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable. However, we report that advance from customers includes an amount of Rs. 516 Lakhs outstanding for more than 365 days as on the balance sheet date. As per the information given by the Company, the goods/services are not made against these advances due to non-placement of orders, disputes and other reasons. Also, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal for any contravention thereof.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete

vii. In respect of statutory dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. As per the information and explanation given to us and based on our verification of documents produced before us, there were no undisputed

amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31st, 2022 for a period of more than six months from the date they became payable except the following:

Sl No	Name of the statute	Nature of dues	Amount (Rs in Lakhs)*	Period to which amount relates
1	Income Tax Act, 1961	Income Tax and interest due thereon	134.97	1995-96 to 1998-99
2	Income Tax Act, 1961	Income Tax and interest due thereon	13.26	1997-98
3	Income Tax Act, 1961	Income Tax and interest due thereon	79.03	1995-96

*These are the amounts outstanding in the books as per the information given to us by the Company.

b) The details of dues towards Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and goods and services tax which have not been deposited as at March 31st, 2022, on account of disputes are given below:

Name of the statute	Nature of dues	Demand– net of payment (Rs in lakhs)	Period to which dispute relates	Forum where dispute pending
Customs Act, 1962	Customs duty and interest due thereon	36.77	1990-92	Rectification application filed by the Department before CESTAT
Kerala Value Added Tax Act, 2003	Kerala Value Added Tax	83.40	2006-07	Special leave petition before Supreme Court by Commercial taxes Department, Govt. of Kerala
Central Excise Act, 1944	Excise duty, interest and penalty against utilization of CENVAT credit against duty payable.	10,615.10	2010-11 to 2013-14	Customs, Excise and Appellate Tribunal, Bengaluru
Central Excise Act, 1944	Excise duty, interest and penalty on shortage of raw material written off.	102.88	2003-04	High Court of Kerala (Stay order granted)
Finance Act, 1994	Service tax and interest thereon, upfront premium on shares	324.09	2003-04	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Finance Act, 1994	Service tax and interest thereon on training fee.	13.85	2012-13	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru

Madhya Pradesh Entry Tax	Entry Tax	3.67	1980-84	Board of Revenue (Commercial Tax Tribunal) Gwalior
Sales Tax Act, Punjab	Sales Tax	80.45	1999 -00 and 2000-01	Deputy Excise and Taxation Commissioner (Appeals) Patiala
Sales Tax Act, Orissa	Sales Tax	63.00	1985-1992	Sales Tax Tribunal, Orissa, Cuttack
Kerala Value Added Tax Act, 2003	Value Added Tax	15,314.75	2011-12	High Court of Kerala (Stay order granted)
Kerala Value Added Tax Act, 2003	Penalty u/s 47(6) of the Kerala Value Added Tax, Act, 2003	7.68	2011-12	Kerala Value added Tax Appellate Tribunal, Ernakulam
The Central Sales Tax Act,1956	Central Sales Tax and interest due thereon	27.12	2013-14	Deputy Commissioner (Appeals) Commercial Taxes Ernakulam
The Central Sales Tax Act,1956	Central Sales Tax and interest due thereon	19.47	2014-15	Deputy Commissioner (Appeals) Commercial Taxes Ernakulam
The Central Sales Tax Act,1956	Central Sales Tax and interest due thereon	5.47	2015-16	Deputy Commissioner (Appeals) Commercial Taxes Ernakulam
Income Tax Act, 1961	Tax demand due to disallowance	1.32	2005-06	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Interest on Income Tax	2.94	2001-02	Commissioner of Income Tax (Appeals), Kochi

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a] The Company has defaulted in repayment of loans or borrowings to Government of India.

Nature of borrowing, including debt	Name of the lender	Amount not paid on due date (in lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Loan	Government of India	Rs. 1,77,049	Principal	4	Refer Note No. 17 (1) to the Standalone Financial Statements
Loan	Government of India	Rs. 1,19,508	Interest	4	

*The Company has submitted a Financial Restructuring proposal for an amount of Rs.1,28,273 lakhs to Department of Fertilisers, Government of India

b] The Company has not been declared willful defaulter by any bank or financial situation or government or any government authority.

c] The Company has not obtained any term loan during the year. However, we are informed that the term loan taken on March 29th, 2016 from Government of India has been utilized for the purpose for which it was disbursed.

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] The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f] The company has not raisedany loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. a] The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b] During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. a] Deficiencies in stock have been noticed in Chickmagalur Depot amounting to Rs. 218.5 lakhs, and investigation ispending suspecting fraud.

b] A report under section 143(12) of the Act has been filed by us Auditors in Form ADT-4 though fraud was not detected by us during the course of audit.

c] The Company has confirmed that no whistle blower complaints have been received during the year.

xii. The Company is not a Nidhi Company and hence reporting under of clause 3(xii)(a),(b),(c) of the Order is not applicable to the Company and hence not commented upon.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties and the details of the related party transactions have been disclosed in the StandaloneFinancial Statements as required by the applicable accounting standards.

xiv. a] In our opinion, the Company needs further strengthening with respect to coverage and frequency in its internal audit system to commensurate with the size and the nature of its business.

b] We have considered, the internal audit reports till the third quarter for the year under audit, issued to the Company during the year and till date, in determining the nature, timing, and extent of our audit procedures. The internal audit reports for the fourth quarter have not been received and hence not considered.

xv. In our opinion, during the year Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a] In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

b] In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c] In our opinion, the Company is not a core investment company as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.

d] In our opinion, there is no core investment company within the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet date as and when they fall due within a period of one year from the balance sheet date except the Government of India loan including accrued interest of Rs. 2,96,557 lakhs which has fallen due as on March 31st, 2022 for which the Company has submitted a restructuring plan pending approval. 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 thefacts up to the date of the audit report and we neither give any guarantees nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. a] There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b] The Company has no ongoing projects and hence the provision of section 135(6) of the said Act is not applicable.

xxi. Yes. There have been adverse comments in the case of FACT-RCF Building Products Limited (Joint Venture) and these have been reported in paragraph numbers (ii)(a), (vii)(b), (ix)(a) & (b), (xiv), (xvii) & (xix) of the Companies (Auditor's Report) Order (CARO) reportof that company.

For **K Venkatachalam Aiyer & Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN: 22020504AIUYLA4535

Place: Kochi
Date: May 6th, 2022

Annexure B to the Independent Auditors' Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Standalone Ind AS Financial Statements for the year ended March 31st, 2022

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

SL No	C & AG Directions	Observations/findings
1	Whether the company has system in place to process all the accounting transactions through IT system on the integrity of the accounts along with the financial implications, if any may be stated	According to information and explanations given to us and based on the examination of records of the Company, all the accounting transactions of the Company are processed through IT system. As explained to us, there is no accounting transaction being processed outside the IT system except valuation of inventories. However, this has no financial implication on the accompanying financial statements.
2	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	According to information and explanations given to us, during the year, there was no restructuring of existing loans of the Company or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to Company's inability to repay the loan. However, we report that the company submitted a financial restructuring proposal to Department of Fertilizers, Government of India and no decision was taken by the Government on this proposal as on the balance sheet date.
3	Whether funds (grants/subsidy etc.) received /receivable for specific schemes from Central /State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	According to information and explanations given to us, during the year, the Company received freight subsidy against the freight expenses incurred for the transportation of the fertilizers from plant/ port to the depots and DBT subsidy against the ultimate sale of fertilizers to the beneficiaries. These funds are properly accounted as per Ind AS 20and utilized as per the terms and conditions of the scheme. The company has not received / has receivable from any other fund for specific schemes of central/ state gencies during the year.
Sl.No	**C&AG Sub directions**	**Observations /findings**
1	State the impact of revision of subsidies for fertilizers products viz. NPK,Ammonium Sulphate and imported MoP in valuation of its closing stock.	The closing stock of NPK, Ammonium Sulphate and Imported MoP as on 31stMarch 2022 has been valued at cost. There is no impact of revision of subsidy in valuation of closing stock.
2	Whether subsidy was recognized as per provisions of the Direct Benefit Transfer Scheme of GOI?	According to the information and explanations given to us and based on the examination of the records of the Company, the subsidy income is recognized at the time of sales to dealers as per Ind AS 20. However, the subsidy claim is made by the Company with GOI at the time of ultimate sales made to the beneficiary.

3	State the area of land under encroachment, if any, and briefly explain the steps taken by the company to remove the encroachments.	As per the information and representation given to us, no area of land of the Company is under encroachment. [refer Annexure A clause (i)(c)(iv)]
4	Whether subsidy received /recoverable from the GOI has been properly accounted for and reconciled as per claims admitted?	Based on the audit procedure performed by us and as per the information and explanation given to us, Price and Freight Subsidy is measured and raised based on policy issued by DoF/ principle/ notifications received from Fertiliser Industry Coordination Committee (FICC), and office of the GOI which regulates such subsidy. Escalation/ De-escalation in notified rates is considered for accounting the subsidy received/ recoverable from GOI. The claim made by the Company and the claim admitted by GOI is reconciled.

For **K Venkatachalam Aiyer & Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN: 22020504AIUYLA4535

Place: Kochi
Date: May 6th,2022

Annexure C to the Independent Auditors' Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Standalone Ind AS Financial Statements for the year ended March 31st, 2022

Independent Auditors' 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 FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** ('the Company') as of 31st March 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 auditors' judgment, including the assessment of the risks of material misstatement of the StandaloneFinancial 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting need to be strengthened as at March 31st, 2022, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the ICAI.

For **K Venkatachalam Aiyer & Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN: 22020504AIUYLA4535

Place: Kochi
Date: May 6th, 2022

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[*See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Standalone*)

I	Sl. No	Particulars	Audited Figures (In lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (In lakhs)(audited figures after adjusting for qualifications)
	1	Turnover / Total income	454245.02	454245.02
	2	Total Expenditure	418916.76	418916.76
	3	Net Profit/(Loss)(Including extraordinary item)	35328.26	35328.26
	4	Earnings Per Share	5.46	5.46
	5	Total Assets	426022.09	473978.09
	6	Total Liabilities	407084.74	407084.74
	7	Net Worth	18937.35	66893.35
	8	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL

II **Audit Qualification**

a. **Details of Audit Qualification**Regarding sale of land and conversion of leasehold to freehold land to the Company, even though the Government of Kerala (GoK) has accorded freehold right to the Company over 143.22 acres of land during the financial year 2019-20, the Company is yet to receive freehold title pending formalities. Accordingly, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16-Property Plant and Equipment and the consequent applicability of other Ind ASs on the standalone financial statements have not been recognized by the Company. During the year, the Company has obtained a registered valuer's report valuing the said property at Rs. 47,956 lakhs in 2019. In the event of adopting the aforesaid value as fair value in the financial statements, the impact thereof would be increase in Property, Plant and Equipment and Other Equity to the tune of Rs. 47,956 lakhs from the present values shown.

b. **Type of Audit Qualification**: Qualified Opinion

c. **Frequency of qualification**: Third time – However, the quantification of fair value of assets is first time.

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views**:Auditor has quantified the Impact of Audit Qualification for the first time. The procedure for completion of formalities for conversion of leasehold land is still under the consideration of the Govt. of Kerala. Considering this, even though the Company has ascertained the fair value of the land through a valuer, the same has not been considered in the accounts. The Company has not obtained the title deed of the land till date and the land, as per Revenue records, is in the name of Govt. of Kerala as 'Puramboke land' 'leased to FACT'.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**
   i. Management's estimation on the impact of audit qualification: Not applicable.
   ii. If management is unable to estimate the impact, reasons for the same Not applicable.
   iii. Auditors' Comments on (i) or (ii) above Not applicable.

Sd/-	Sd/-	Sd/-	Sd/-
Kishor Rungta Chairman & Managing Director	**S Sakthimani Director (Finance) / CFO**	**Rabinarayan Patra Audit Committee Chairman**	**Statutory Auditor**

Place: Udyogmandal
Date : 06.05.2022

Office of the Director General of Audit,
(Agriculture, Food & Water Resources), New Delhi

Confidential

Report/2-97/DGA/(AF&WR)/Accounts/FACT/2021-22/2191
Dtd. 21/07/2022

To
The Chairman & Managing Director
The Fertilizers and Chemicals Travancore Limited
Eloor, Udyogamandal, Kochi 683 501, (Kerala)

Sub: Comments of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act 2013 on the financial accounts of The Fertilizers and Chemicals Travancore Limited (Standalone) for the year ended 31 March 2022.

Sir,
The Comments on the financial accounts of The Fertilizers and Chemicals Travancore Limited (Standalone) for the year ended 31st March, 2022 under Section 143 (6) (b) of the Companies Act, 2013 is being sent herewith.
Kindly acknowledge receipt.

Yours faithfully,
(sd/-)
Keerti Tewari
Director General of Audit
(Agriculture, Food & Water Resources)

Encl: as above

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor/auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 06th May 2022.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comments on Financial Position

Equity and Liabilities

Liabilities

Current Liabilities

Provisions (Note – 27): ₹ 4,949.17 lakh

The above does not include an amount of ₹ 4,790 lakh on account of pay revision for company's employees in pursuance of Department of Public Enterprises (DPE) OM No.W-02/0028/2017-DPE-GL/XIII/17 dated 3 August 2017. Considering fulfillment of conditions laid down in the DPE OM. Board of Directors (BoD) of the Company in their meeting held on 12 August 2021 approved the proposal for pay revision with financial benefits w.e.f 1 April 2021 to the company's employees. The estimated financial implication was ₹ 4,790 lakh for the year 2021-22. The proposal for pay revision of company's employees was sent to the administrative Ministry on 25th August 2021 for approval. Considering BoD approval to the pay revision and in pursuance of Ind AS 37 (Para 10), company has a constructive obligation for the pay revision and thus should have made provision for the same in the financial statements in accordance with Para 14 of Ind AS 37.

Non provision by the company has resulted in understatement of provision for pay revision by ₹ 4,790 lakh and overstatement of profit for the year by the same amount.

For and on the behalf of the
Comptroller & Auditor General of India
(Sd/-)
Keerti Tewari
Director General of Audit
(Agriculture, Food & Water Resources)

Place: New Delhi
Date: 21.07.2022

REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2022

Comments of C & AG	Reply
A. Comments on Financial Position **Equity and Liabilities** **Liabilities Current Liabilities** **Provisions (Note – 27): ₹ 4,949.17 lakh** The above does not include an amount of ₹ 4,790 lakh on account of pay revision for company's employees in pursuance of Department of Public Enterprises (DPE) OM No.W-02/0028/2017-DPE-GL/XIII/17 dated 3 August 2017. Considering fulfillment of conditions laid down in the DPE OM. Board of Directors (BoD) of the Company in their meeting held on 12 August 2021 approved the proposal for pay revision with financial benefits w.e.f 1 April 2021 to the company's employees. The estimated financial implication was ₹ 4,790 lakh for the year 2021-22. The proposal for pay revision of company's employees was sent to the administrative Ministry on 25th August 2021 for approval. Considering BoD approval to the pay revision and in pursuance of Ind AS 37 (Para 10), company has a constructive obligation for the pay revision and thus should have made provision for the same in the financial statements in accordance with Para 14 of Ind AS 37. Non provision by the company has resulted in understatement of provision for pay revision by ₹ 4,790 lakh and overstatement of profit for the year by the same amount.	As per the DPE Office Memorandum No. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 03.08.2017 and W-02/0015/2016-DPE(WC)-GL-XXIV/17 dated 24.11.2017, the pay revision in Central Public Sector Enterprises, can be implemented only after approval of the concerned Administrative Ministry. The Board of Directors of FACT has granted approval for submission of the pay revision proposal to the Department of Fertilisers, for approval. Company has not yet received approval from the Department of Fertilisers, for implementation of the pay revision of the employees. In view of the stipulation of approval from the Administrative Ministry as per the DPE Office Memorandum, there is no obligation on the part of the Company for implementation of the pay revision, so as to create provision or liability in the books of accounts. The Company has made proper disclosure of the above facts in Note No.33 of the financial statements.

Balance Sheet as at 31st March 2022

₹ In Lakh

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021	As at the beginning of 01.04.2020
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	2	30,188.31	25,157.91	25,634.95
Capital Work in Progress	2A	4,402.16	5,498.34	3,895.71
Investment Property	2B	5.77	9.30	9.40
Right-of-use assets	2C	3,256.99	3,294.13	-
Other Intangible Assets	2D	76.47	112.32	109.21
Financial Assets				
Investments				
(i) Investments in Associates & Joint ventures	3A	407.99	534.20	514.52
(ii) Other Investments	3B	9,380.48	8,092.90	7,297.55
Loans	4	3.28	4.52	5.70
Other Financial Assets	5	928.65	3,279.51	4,003.54
Other Non Current Assets	6	-	4.89	136.10
		48,650.10	45,988.02	41,606.68
CURRENT ASSETS				
Inventories	7	66,179.69	51,563.96	56,326.57
Financial Assets				
Trade Receivables	8	17,522.98	10,438.13	39,016.24
Cash and Cash equivalents	9	18,206.25	17,878.46	4,871.75
Other Bank Balances	10	1,69,440.47	1,48,808.35	63,599.98
Other Financial Assets	11	55,456.57	19,993.52	19,251.22
Current Tax Assets	12	232.55	1,039.05	1,611.22
Other current Assets	13	46,268.46	36,669.03	30,626.52
		3,73,306.97	2,86,390.50	2,15,303.50
Non-current Assets held for Disposal	14	4,065.02	4,065.02	4,065.02
TOTAL ASSETS		**4,26,022.09**	**3,36,443.54**	**2,60,975.20**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	64,707.20	64,707.20	64,707.20
Other Equity	16	(45,769.85)	(82,706.43)	(1,14,249.14)
		18,937.35	(17,999.23)	(49,541.94)

Balance Sheet as at 31st March 2022

₹ In Lakh

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021	As at the beginning of 01.04.2020
LIABILITIES				
NON CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	17	1,020.00	1,530.00	90,564.38
Lease Liabilities	18	2,966.79	2,882.19	-
Other Financial Liabilities	19	2,523.48	17.92	38.14
Provisions	20	18,142.76	18,966.42	19,231.83
Other Non Current Liabilities	21	564.77	628.45	692.14
		25,217.80	24,024.98	1,10,526.49
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	22	1,79,502.33	1,77,558.75	91,504.33
Lease Liabilities	23	268.76	264.46	-
Trade Payables	24			
(i) Dues to Micro,Small and Medium Enterprises		103.38	99.70	117.92
(ii) Dues to Others		57,694.74	37,344.75	21,023.29
Other Financial Liabilities	25	1,34,334.21	1,04,669.72	82,334.98
Other Current Liabilities	26	5,014.35	4,812.48	2,840.24
Provisions	27	4,949.17	5,667.93	2,169.89
		3,81,866.94	3,30,417.79	1,99,990.65
TOTAL EQUITY AND LIABILITIES		**4,26,022.09**	**3,36,443.54**	**2,60,975.20**

Statement of Significant Accounting Policies 1
Explanatory Information on Financial Statements 38-62

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

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

₹ In Lakh

	Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
I	Revenue from Operations	28	4,42,480.27	3,25,883.22
II	Other Income	29	11,764.75	6,759.00
III	**Total Income (I+II)**		**4,54,245.02**	**3,32,642.22**
IV	Expenses			
	Cost of Materials Consumed	30	2,77,086.12	1,39,048.10
	Purchase of Stock in Trade	31	297.79	34,091.35
	Changes in Inventories of Finished Goods,			
	Stock-in-Trade and Work-in-Progress	32	655.94	9,672.26
	Employee Benefit Expenses	33	23,176.04	22,922.15
	Finance Cost	34	24,440.68	24,526.29
	Depreciation and Amortization Expenses / Impairment	2,2B,2C,2D	2,714.16	2,269.06
	Other Expenses	35	81,639.83	65,066.01
	Total Expenses (IV)		**4,10,010.56**	**2,97,595.22**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**44,234.46**	**35,047.00**
VI	Exceptional Items (Income /(Expenses))	36	(8,906.20)	0.00
VII	**Profit / (Loss) before Tax (V+VI)**		**35,328.26**	**35,047.00**
VIII	Tax Expenses		0.00	0.00
IX	**Profit / (Loss) for the Year (VII-VIII)**		**35,328.26**	**35,047.00**
X	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit or loss		1161.35	815.04
	(ii) Remeasurement of defined benefit plan	16	447.90	(4,317.63)
	(iii) Income Tax relating to items that will not be reclassified to Profit or Loss		0.00	0.00
	Other Comprehensive income for the year (X)		**1,609.25**	**(3,502.59)**
XI	**Total Comprehensive Income for the year (IX+X)**		**36,937.51**	**31,544.41**
XII	**Earnings per Equity Share**			
	Basic/Diluted per Equity Share (₹)	37	5.46	5.42
	Statement of Significant Accounting Policies	1		
	Explanatory Information on Financial Statements	38-62		

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

V.Ramachandran
Partner
Membership No.020504

S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308

Kishor Rungta
Chairman & Managing Director
DIN 00231106

Place: Kochi
Date: 06.05.2022

K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Cash flows statement for the year ended 31st March 2022

₹ In Lakh

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A **Cash flow From Operating Activities**		
Net Profit / (Loss) before Tax	35,328.26	35,047.00
Adjustments for:		
Depreciation / Impairment loss on Assets	2,714.16	2,269.06
Exceptional items	8,906.20	-
(Profit) / Loss on Sale of Asset	0.58	(2.12)
Interest Income	(8,991.95)	(5,843.05)
Dividend Income	(25.92)	(31.82)
Interest and Finance Charges	24,440.68	24,526.29
Provision for Bad / Doubtful Debts	144.91	349.13
Provision for Bad / Doubtful Advances	39.41	183.33
Provision for Obsolescence	193.22	68.63
Amount written off- Deferred Government Grants	(0.93)	(1.70)
Expenditure towards Corporate Social Responsibility	106.28	12.12
Change in Provision	(1,094.52)	(1,085.00)
Adjustment for Non cash items	(3.41)	(306.19)
Operating Profit before Working Capital Changes	**61,756.97**	**55,185.68**
Adjustment for :		
Inventories	(14,808.95)	4,693.98
Trade Receivables	(7,229.76)	28,228.98
Loans	1.24	1.18
Other Current Assets	(9,638.84)	(6,225.84)
Other Non Current Assets	4.89	131.21
Other Financial Assets	(35,408.38)	2,858.02
Trade Payables	20,353.67	16,303.24
Other liabilities	(486.02)	329.36
	(47,212.15)	**46,320.13**
Cash Generated from Operations	**14,544.82**	**1,01,505.81**
(Direct Tax Paid)/ Refund received	806.50	572.17
Paid for Corporate Social Responsibility	(106.28)	(12.12)
Net Cash from Operating Activities	**15,245.04**	**1,02,065.86**
B **Cash Flow from Investing Activities**		
Acquisition of Property, plant and equipment/CWIP	(6,445.30)	(3,198.84)
Proceeds from the sale of Property, plant and equipment	0.27	4.63
Acquisition of intangible assets	(3.11)	(42.65)
(Investment in)/Withdrawal of Bank deposits	(18,281.26)	(84,484.34)
Interest Received	8,937.28	2,242.73
Dividend Received	25.92	31.82
Net Cash from investing Activities	**(15,766.20)**	**(85,446.65)**

Cash flows statement for the year ended 31st March 2022

₹ In Lakh

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
C **Cash Flow from Financing Activities**		
Net Proceeds /(Repayment) of Working capitalfacilities		
and short term loans	1,433.58	(2,979.96)
Interest Paid	(584.63)	(632.54)
Net Cash from Financing Activities	**848.95**	**(3,612.50)**
Net increase in Cash and Cash Equivalent (A+B+C)	**327.79**	**13,006.71**
Cash and Cash Equivalent as at 1st April (Opening Balance)	**17,878.46**	**4,871.75**
Cash and Cash Equivalent as at 31st March (Closing Balance)	**18,206.25**	**17,878.46**
Closing Cash and Cash Equivalents		
Represented By :		
Cash on hand	2.66	4.87
Balances with banks	286.08	3,302.15
Deposit with Bank (less than 3 month maturity)	17,917.51	14,571.44
Total	**18,206.25**	**17,878.46**

In terms of our Report Attached
For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

Statement of changes in equity

A. Equity share capital

₹ In Lakh

(1) 2021-22

Particulars	Balance as at 01.04.2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2021	Changes in equity share capital during the year 2021-22	Balance as at 31.03.2022
Equity shares of ₹10 each	64,707.20	Nil	64,707.20	Nil	**64,707.20**

(2) 2020-21

Particulars	Balance as at 01.04.2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2020	Changes in equity share capital during the year 2020-21	Balance as at 31.03.2021
Equity shares of ₹10 each	64,707.20	Nil	64,707.20	Nil	**64,707.20**

STATEMENT OF CHANGES IN EQUITY

₹ In Lakh

B. Other Equity
(1) 2021-22

Particulars	Reserves and Surplus						Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against sharewarrants	Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings							
Balance as at 01.04.2021	-	-	2.64	-	52.65	(6,277.13)	(84,745.14)	-	8,260.55	-	-	-	-	(82,706.43)
Changes inaccounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at the beginning of the current reporting period	-	-	2.64	-	52.65	(6,277.13)	(84,745.14)	-	8,260.55	-	-	-	-	(82,706.43)
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.93)	447.90	35,328.26	1,161.35	-	-	-	-	-	36,936.58
Balance as at 31.03.2022	-	-	2.64	-	51.72	(5,829.23)	(49,416.88)	9,421.90	-	-	-	-	-	(45,769.85)

**Fund received towards Indo EEC Fertiliser Education Project

B. Other Equity
(1) 2020-21

Particulars	Reserves and Surplus						Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against sharewarrants	Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings							
Balance as at 01.04.2020	-	-	2.64	-	53.59	(1,959.50)	(1,19,442.35)	-	7,445.51	-	-	-	-	(1,13,900.11)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	(349.79)	-	-	-	-	-	-	(349.79)
Restated balance at the beginning of the current reporting period	-	-	2.64	-	53.59	(1,959.50)	(1,19,792.14)	-	7,445.51	-	-	-	-	(1,14,249.90)
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.94)	(4,317.63)	35,047.00	815.04	-	-	-	-	-	31,543.47
Balance as at 01.04.2021	-	-	2.64	-	52.65	(6,277.13)	(84,745.14)	8,260.55	-	-	-	-	-	(82,706.43)

**Fund received towards Indo EEC Fertiliser Education Project

In terms of our Report Attached
For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S
Sd/-
V.Ramachandran
Partner
Membership No.020504

Place: Kochi
Date: 06.05.2022

For and on behalf of the Board of Directors

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308
Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

NOTE 1

Statement of Significant Accounting Policies forming part of Financial Statements for the Year ended 31st March 2022

1. Corporate Information

The Company is a Public Limited company domiciled in India and is incorporated under provisions of the Companies Act applicable in India. The registered office of the Company is located at Eloor, Udyogamandal, Ernakulam 683501, Kerala. The shares of the company are listed in National Stock Exchange of India Limited.

The Company is engaged in the,

(i) Manufacturing and marketing of fertilizers and Petrochemicals,

(ii) Engineering Consultancy and Design and

(iii) Fabrication and Erection of Industrial Equipments.

2. Basis for preparation of financial statements

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

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

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

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

2.1 Use of Estimate

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and judgments affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving judgments have been disclosed in note (3). Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

2.2 Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;

ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

3. Significant Accounting Policies

i) Property Plant and Equipment

a) All Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

b) All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

c) Land purchased/acquired and under the possession of the company are treated as free hold land.

d) Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset

e) Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.

f) Spares costing (Unit value of '10 lakh and above), and other components which are required to be replaced at intervals, meeting the recognition criteria, have been classified as Plant and equipment and are depreciated separately based on their specific useful lives.

g) The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

h) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue.

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

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

Depreciation

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

Effective from 1st April, 2014, the Company has reassessed the useful life of its existing Property, plant and equipment (considering component approach wherever necessary) and has charged depreciation over the remaining useful lives, after retaining residual value, in accordance with the transitional provisions contained in the Schedule II of the Companies Act 2013.

Residual value of 5% has been retained for all the Property, plant and equipment, which is in line with the provisions of the Schedule II.

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

Impairment

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. When the recoverable amount of previously impaired assets exceeds its carrying amount, the value of asset is reinstated by reversing the

impairment loss considered in prior years limited to lower of its recoverable value or carrying amount at the depreciated historical cost.

Capital Stores

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

Exemption Availed Under Ind AS 101

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

ii) Capital Work In Progress

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

iii) Investment Property

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

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

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

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

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

iv) Intangible Assets

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

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

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

Exemption Availed Under Ind AS 101

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets existing as on 1st April 2016 measured as per the previous GAAP (Indian GAAP) and use that value as its deemed cost as of the transition date. The Company has no intangible assets with infinite useful lives.

v) Inventory Valuation

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

Materials in process are not valued.

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

Materials in transit / under inspection are valued at cost

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the lowest slab of the approved price for the next financial year reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. For assessing the closing stock of gypsum, the saleable quantity is assessed on the basis of technical study as on 30.09.2018 and the year end stock has been derived by considering production, consumption, despatch and sales, till the year end.

vi) Commitments

Capital

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

Other Commitments

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

vii) Borrowing Cost

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

viii) Investments

All equity investments in scope of Ind- AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value through Profit and Loss FVTPL. For all other equity instruments, the Company may decide to classify the same as at Fair Value through Other Comprehensive Income FVTOCI. The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable. Company is not holding any equity instrument for trading.

Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

ix) Revenue Recognition

The revenue is recognised as and when control of goods or services is transferred to the customer at the amount which the Company expects to be entitled to. The Company adopted the 'Input method' as per Ind AS 115 for recognition of revenue.

Subsidy is recognised on sale of fertilisers to dealers. Freight subsidy is recognised on receipt of fertilisers at respective districts. Recoveries made are withdrawn from the claim on the basis of settlement as per the policies in force. Any differential subsidy due to change in rate of subsidy shall be recognised considering its recoverability.

Other income is recognized on an accrual basis

Dividend income is recognized when right to receive dividend is established

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

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

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

Insurance and other miscellaneous claims are recognized on receipt/ acceptance of claim. Contractual pass through

incentives, benefits, etc. are recognized on receipt basis.

x) Leases

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

Company as a lessee

At the commencement date, Company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.

The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

Company as a lessor

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

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

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

xi) Foreign Currency Transactions:

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

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

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

xii) Employee Benefits

Short Term Employee Benefits

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

Post-Employment Benefits

Defined Contribution Benefits

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

Defined Benefit Plans

The company's contribution to the Provident Fund is remitted to separate trust established for this purposes based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the company and charged to Statement of Profit and Loss. As a matter of prudence Company provides for certain expenses of the fund such as audit fees & expenses, bank charges etc.

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

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

i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'.

xiii) Grants

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

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

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

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

xiv) Taxes

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

Deferred tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax assets is recognized for the carry forward of unused tax losses and unused tax credits to the extent it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized, subject to management judgement. The company reassess un-recognized deferred tax assets at the end of each reporting period.

xv) Goods and Services Tax

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

xvi) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating

Decision Maker (CODM) Ref Note No 44

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable corporate expenses.
Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

xvii) Contract Operations

In contract operations revenue is recognized on percentage of completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date. Foreseeable losses on contract activities are recognized fully irrespective of the progress of work. The amount of estimated liquidated damages is reduced from revenue.

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

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to a earlier periods, exceeding ₹ 5 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

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

xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

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

i) a provision is recognized in respect of present obligations where the outflow of resources is probable

ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements, however where the inflow of economic benefits are probable as at the end of the reporting period, a brief description of the nature of the contingent assets along with its estimated financial effect is disclosed in the financial statements.

xxi) Non-current assets held for sale

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

xxii) Financial Instruments

Financial Assets

Classification

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

cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

Initial recognition

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

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets:

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through Profit and Loss(FVTPL)

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

Investments in Joint Venture

Investment in Joint venture is recognised at fair value through FVOCI

Impairment of financial assets

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

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

Financial Liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial Assets and Financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to set off the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

Loans and borrowings including bank overdrafts

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

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

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

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

xxiii) Exemption as per Ind AS 101

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

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

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

xxiv) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period.

xxvi) Exceptional Items

Exceptional items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

Note 2- Non Current Assets - Property, Plant and Equipment (PPE):

₹ In Lakh

Particulars	DEEMED COST / COST							DEPRECIATION					IMPAIRMENT LOSS			NET BLOCK	
	As at 01.04.2021	Additions during the year	Disposal/Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to revaluation	As at 31.03.2022	Upto\ 01.04.2021	For the year	On Disposal/Deduction during the year	On Adjustment during the year	Upto 31.03.2022	Upto 01.04.2021	(Withdrawal)/Provision during the year	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Tangible assets																	
Land	1,595.53	-	-	0.73	-	-	**1,596.26**	-	-	-	-	-	-	-	-	**1,596.26**	1,595.53
Buildings	2,042.82	-	-	3.30	-	-	**2,046.12**	287.11	65.20	-	0.51	**352.82**	-	-	-	**1,693.29**	1,755.71
Plant and Equipment	29,599.57	7,280.69	(0.76)	-	-	-	**36,879.50**	9,022.34	2,238.24	-	-	**11,260.58**	-	-	-	**25,618.91**	20,577.22
Furniture and Fixtures	37.78	20.68	-	-	-	-	**58.46**	9.97	2.27	-	-	**12.24**	-	-	-	**46.22**	27.81
Vehicles	375.03	2.55	-	-	-	-	**377.58**	60.11	36.51	-	-	**96.62**	-	-	-	**280.96**	314.92
Office equipment	774.11	219.19	(0.09)	-	-	-	**993.21**	369.59	126.59	-	-	**496.18**	-	-	-	**497.02**	404.52
Others:-					-	-						-					
Roads & Culverts	338.17	-	-	-	-	-	**338.17**	89.77	10.30	-	-	**100.07**	-	-	-	**238.09**	248.40
Railway Sidings	15.62	-	-	-	-	-	**15.62**	-	-	-	-	-	-	-	-	**15.62**	15.62
Misc. Assets	232.00	3.81	-		-	-	**235.81**	110.38	20.05	-	-	**130.43**	-	-	-	**105.38**	121.62
Retired Asset	509.09	-	-	-	-	-	**509.09**	412.53	-	-	-	**412.53**	-	-	-	**96.56**	96.56
Minor Assets	19.48	14.56	-	-	-	-	**34.04**	19.47	14.56	-	-	**34.04**	-	-	-	-	-
Total	35,539.20	7,541.48	(0.85)	4.03	-	-	43,083.86	10,381.27	2,513.72	-	0.51	12,895.50	-	-	-	30,188.31	25,157.91
Previous year	33,945.92	1,596.21	(2.93)	-	-	-	35,539.20	8,279.25	2,102.45	(0.42)	(0.01)	10,381.27	31.75	(31.75)	-	25,157.91	25,637.74

2.1) Company has agreed to mortgage 408 acres of land held vide patta no.7030 in survey no.205 in Puthencruz village, Ernakulam District ,Kerala State to the Government of India against the plan loan sanctioned by the Government of India during the year 2015-16.

2.2) Out of 1498.97 acres (Previous year 1498.97 acres) of land held by the Company, 14.26 acres,for which right of use asset is recognised (Previous year 14.26 acres) are held under lease hold right from Cochin Port Trust, for which lease agreement is under finalization. 80.50 acres of land has been provided as security towards arbitration award in the dispute between the Company and M/s.ABC & Sons Ltd(Refer Note.50).

2.3) The land held by the company also include 143.22 acres (value ₹ Nil) (Previous year 143.22 acres, value ₹ Nil) under lease from Government of Kerala. Government of Kerala had accorded freehold right to the Company over 143.22 acres of land vide G.O. (Ms) No. 99/2019/1D dated 13/11/2019. Pending issue of the title deed and other formalities in connection with the conversion, Company continues the classification of said land as lease hold land.

2.4) Title deeds are yet to be registered/ received, in respect of 42.26 acres of Land. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the respective year.

2.5) Railway siding includes siding held jointly with M/s.Bharat Petroleum Corporation Limited (Kochi Refinery) with written down value ₹ 4.27 lakh (Previous year ₹ 4.27 lakh),

2.6) Company has given land ranging from 2.50 hectares to 4.1344 hectares to Kochi Metro Rail Limited on leave and license basis for the period from 22.10.2013 to 21.10.2022. However, the leave and license agreement is pending execution.

2.7) Plant and Equipment includes value of 6 numbers of Ammonia bullets fixed on the barges of contractor of the company for transportation of Ammonia, with net Written Down value of ₹ 2.66 lakh.

2.8) First charge has been created on 36.08 acres of land (Previous year- 36.08 acres of land), in the State of Kerala, as security for Fund/Non Fund Based working capital arrangement with State Bank of India.

2.9) The above includes assets procured with EEC grant amounting to ₹ 55.85 lakh (previous year ₹56.79 lakh,)

2.10) Company has re-commissioned its Caprolactam plant on 15.09.2021, which was not in operation since the year 2012. An amount of ₹ 5291.81 lakhs incurred towards rejuvenation and recommissioning expenses of the Caprolactum Plant, has been capitalised during the year

2.11) Depreciation is charged on Property, plant and equipment based on the useful life of assets prescribed under the Schedule II of the Companies Act 2013 except for the following assets, for which depreciation is charged based on the estimated useful life ascertained on evaluation by the concerned technical team of the Company.

i.) DCS for Fertiliser Plant	10 Years
ii.) Analysers	5 Years
iii.) Rejuvenation of caprolactum plant	15 years

Note No. 2A Non Current Assets- Capital Work in Progress ₹ In Lakh

	As at 31.03.2022	As at 31.03.2021
Capital Work in Progress	4,185.87	4,824.89
Goods in Transit / Goods pending inspection /Capital Stores	216.29	673.45
	4,402.16	**5,498.34**

Note No. 2B. Non Current assets - Investment Property

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance		
Land	6.50	6.50
Building	3.30	3.30
Total	**9.80**	**9.80**
Addition/ (Deletion)		
Land	(0.73)	0.00
Building	(3.30)	0.00
Total	(4.03)	0.00
Closing Balance		
Land	5.77	6.50
Building	-	3.30
Total	**5.77**	**9.80**
Depreciation		
Building		
Opening Balance	0.50	0.40
Adjustments	(0.50)	0.00
Current Year	-	0.10
Closing Balance	-	0.50
Net Block		
Land	5.77	6.50
Building	-	2.80
Total	**5.77**	**9.30**

During the year 2011-12 Company by way of leave and license basis, has made available to GAIL (India) Ltd, at Udyogamandal/ Cochin Division, 2.40 acres of land and right to use of 0.33 acres for laying pipelines for a period of 35 years for an upfront premium of ₹ 479 lakh and yearly license fee of ₹ 100. The Leave and license agreement is yet to be executed.

As per the Joint Venture agreement with Rashtriya Chemicals & Fertilisers Ltd (RCF), the Company during 2008-09, has made available , 11 acres of land at Cochin Division on lease basis to FACT-RCF Building Products Ltd, for a period of 20 years for an upfront premium of ₹ 1000 lakh and yearly rent of ₹ 10.

During the year 2021-22, company has entered into a Leave and License agreement with Kochi Salem Pipeline Private Limited (KSPPL) by allotting 30 cents of land to KSPPL at Udyogamandal for a period of 15 years with effect from 10-01-2022.

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Rental Income from investment property	77.23	75.50
Direct operating expenses to income generating property	0.00	0.00
Less: Reimbursement of expenses	0.00	0.00
Profit arising from Investment Property before depreciation	77.23	75.50
Depreciation	-	0.10
Profit arising from Investment Property	**77.23**	**75.40**

Reconciliation of fair value

Particulars	As at 31.03.2022	As at 31.03.2021
Fair Value of Investment property		
Opening Balance		
Freehold Land	2,723.78	1,490.58
Buildings	26.42	26.42
Total	**2,750.20**	**1,517.00**
Additions/(Deletions)		
Freehold Land	182.63	1,233.20
Buildings	(26.42)	0.00
Total	**156.21**	**1,233.20**
Closing Balance		
Freehold Land	2,906.41	2,723.78
Buildings	-	26.42
Total	**2,906.41**	**2,750.20**

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

Note 2C Right of use Assets

₹ In Lakh

	GROSS CARRYING AMOUNT					DEPRECIATION			NET CARRYING AMOUNT	
Particulars	**As at 01.04.2021**	**Additions during the year**	**Disposal/ Deduction during the year**	Adjustment during the year	**As st 31.03.2022**	**Upto 01.04.2021**	**For the year**	**Upto 31.03.2022**	**As at 31.03.2022**	**As at 31.03.2021**
Right of use Assets	3,452.84	0.00	0.00	124.34	**3,577.18**	158.71	161.48	**320.19**	3,256.99	3,294.13
Total	**3,452.84**	**0.00**	**0.00**	**124.34**	**3,577.18**	**158.71**	**161.48**	**320.19**	**3,256.99**	**3,294.13**

1. The above includes, leased land from Cochin Port Trust taken for the purpose of storage, handling of raw materials and for setting up a dock for barge operations. The lease agreement is pending execution. The recognition of Right of use Asset and lease liability has been made based on the draft agreement agreed upon based on the sanction from Ministry of Shipping, Government of India, dated 14.11.2014. (Refer Note-40)

Note No. 2D Non Current Assets- Other Intangible Assets

₹ In Lakh

	Deemed Cost							Amortization					Impairment Loss			Net Block	
Particulars	As at 01.04.2021	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to revaluation	As at 31.03.2022	Upto 01.04.2021	For the year	On Disposal/ Deduction during	On Adjustment during the year	Upto 31.03.2022	Upto 01.04.2021	Withdrawal) /Provision during the year	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer Software	197.73	3.11	0.00	0.00	0.00	0.00	**200.84**	85.41	38.96	0.00	0.00	**124.37**	0.00	0.00	0.00	76.47	112.32
Total	**197.73**	**3.11**	**0.00**	**0.00**	**0.00**	**0.00**	**200.84**	**85.41**	**38.96**	**0.00**	**0.00**	**124.37**	**0.00**	**0.00**	**0.00**	**76.47**	**112.32**
Previous year	155.08	42.65	0.00	0.00	0.00	0.00	197.73	45.87	39.54	0.00	0.00	85.41	0.00	0.00	0.00	112.32	109.21

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakh

Note No. 3A Non Current Asset - Financial Assets - Investments in Associates & Joint Ventures		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
In Joint Venture		
FACT-RCF Building Products Ltd		
3,28,70,000 (Previous year 3,28,70,000) Equity Shares of ₹ 10/- each	0.00	0.00
In Associate		
Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) equity shares of ₹10/- each fully paid-up	407.99	534.20
	407.99	**534.20**
Investment in Associates & Joint Venture	**407.99**	**534.20**
Reconciliation of fair value measurement of the investment in unquoted equity shares		
FACT-RCF Building Products Ltd		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Kerala Enviro Infrastructure Ltd		
Opening balance	534.20	514.52
Total gains and losses recognised in OCI	(126.21)	19.68
Closing Balance	407.99	534.20

Note No. 3B Non Current Asset - Financial Assets - Other Investments		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Travancore Cochin Chemicals Ltd.,		
6,81,820 (Previous year 6,81,820) Equity Shares of ₹10/- each including 3,40,910 Bonus shares.	160.16	148.70
Capexil Agencies Ltd.		
15 (Previous year 15) Equity Shares of ₹1000/- each fully paid up	0.00	0.00
Indian Potash Ltd.		
6,48,000 (Previous year 6,48,000) Equity Shares of ₹10/- each fully paid-up, including 459000 (previous year 459000) Bonus Shares	9,219.30	7,943.18
	9,379.46	**8,091.88**
Shares in Co-Operative Societies:		
FACT Co-operative Society Ltd		
10,001 (Previous year 10,001) shares of ₹10/- each fully paid-up	1.00	1.00
Meherabad Co-operative Housing Society Ltd		
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01
Good Earth Housing Society Ltd.		
10 (Previous year 10) shares of ₹50/- each fully paid-up ₹500 (Previous year ₹ 500)	0.01	0.01
	1.02	1.02
Other Investments	**9,380.48**	**8,092.90**

Aggregate amount of unquoted investments	9,788.47	8,627.10
Reconciliation of fair value measurement of the investment in unquoted Equity shares		
Travancore Cochin Chemicals Ltd		
Opening balance	148.70	200.93
Total gains and losses recognised in OCI	11.46	(52.23)
Closing Balance	160.16	148.70
Capexil Agencies Ltd.		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Indian Potash Ltd		
Opening balance	7,943.18	7,095.60
Total gains and losses recognised in OCI	1,276.12	847.58
Closing Balance	9,219.30	7,943.18

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

Note No. 4. Non current Assets - Financial assets-Loans

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Loan to Employees		
Unsecured Considered Good	3.28	4.52
	3.28	**4.52**

Note :Loans to employees ₹3.28 lakh (Previous year ₹ 4.52 lakh) towards festival advance paid during 1996-97, and being recovered at the time of separation from Company's service or release of 1997 arrears, whichever is earlier.

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

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Security deposit		
Unsecured Considered Good	716.72	667.92
Term Deposit with Banks *	0.00	2,404.09
Amount pledged for Letter of Credit, Bank Guarantee and		
Fund based arrangements *	200.00	195.37
Other Deposits	11.93	12.13
Advances to Related Parties		
Considered doubtful	3,617.52	3,614.78
Less : Provision for Doubtful Advances	(3,617.52)	(3,614.78)
	0.00	0.00
Advance against Equity Pending allotment	235.70	235.70
Less : Provision for Doubtful Advances	(235.70)	(235.70)
	0.00	0.00

Advance to Others		
Unsecured Considered Doubtful	25,758.30	21,264.59
Less : Provision for Doubtful Advances	(25,758.30)	(21,264.59)
	0.00	0.00
	928.65	**3,279.51**

*with more than 12 months maturity from the reporting date

Movement in Provisions

Provision for bad & doubtful loans and advances

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Provision at the beginning of the year	25,115.07	21,198.59
Provision released during the year	26.00	0.00
Provisions made during the year	4,522.45	3,916.48
Provision at the end of the year	**29,611.52**	**25,115.07**

1. Provision for doubtful loans and advances include ₹25450.98 lakh (Previous year ₹20967.09 lakh) towards interest accrued on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable (Refer note 13.2 & 50)

Note No. 6. Non current Assets - Other Non Current Assets

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Capital Advances (Unsecured Considered Good)	-	4.89
	-	**4.89**

Deferred tax assets (net)

The Company has a deferred tax asset of ₹ 52782 lakh (Previous year ₹ 63190 lakh) as on 31.03.2022 on account of unabsorbed depreciation and accumulated loss. The deferred tax liability as on 31.03.2022 is ₹ 4274 lakh (Previous year ₹ 4209 lakh). Even though there is net deferred tax asset of ₹ 48508 lakh as on 31.03.2022 (Previous year ₹ 58981 lakh), the same is not considered in the Books of Accounts, as a matter of prudence.

Note No. 7. Current Assets - Inventories

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Raw Materials	26,995.06	8,701.79
Raw materials-in -transit	3,729.73	7,195.31
	30,724.79	15,897.10
Work-in-progress	4,193.33	3,349.12
Finished Goods	20,846.25	17,294.21
Stock-in-trade (in respect of goods acquired for trading)	-	5,052.19
Stores and Spares		
Machinery Spares	10,070.62	9,922.97
General Stores	3,325.12	2,476.99
Stores & Spares-in -transit	167.38	525.96
	13,563.12	12,925.92
Retired Spares	453.50	453.50
Total Inventories	**69,780.99**	**54,972.04**
Less: Provision towards obsolescence and storage losses	3,601.30	3,408.08
	66,179.69	**51,563.96**

Notes

1. Current Assets include inventories and trade receivables pledged as Primary Security for Fund/ Non Fund based Working Capital arrangement with Banks amounting to ₹ 45000.00 Lakh. The utilisation of this arrangement as on reporting date is ₹ 1943.58 Lakh.
2. Inventory of finished goods, raw material, stores and spares and work in progress are valued as per the Accounting Policy of the Company
3. Finished Goods includes 22.00 lakh MT of saleable gypsum (Previous Year 22.51 lakh MT) amounting to ₹10161.25 lakh (Previous year ₹ 9269.97 lakh)
4. Stores & Spares in transit includes Stores & Spares at site pending inspection ₹ 116.13 lakh (Previous year ₹ 295.41 lakh)
5. During the year, company has detected irregularities in the physical stock to the tune of 543.60 MT of Factamfos and 60.50 MT in Ammonium Sulphate at Chikmagalur Depot valued at ₹ 218.50 lakhs. Company has provided for the entire amount of ₹ 218.50 lakhs. The Company has since realised an aggregate amount of ₹ 58.30 lakhs being the sale value of 234.95 MT of Factamfos from various dealers during the year in connection with the above. However, the company has maintained the provision of ₹ 218.50 lakhs pending completion of investigation. Company has taken steps for recovery from transporters, dealers and warehouse (Refer Note. 13.3, 24.1, 25.2, 27.1 & 35.5)

Movement in Provisions

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

Particulars	As at 31.03.2022	As at 31.03.2021
Provision at the beginning of the year	3,408.08	3,339.45
Provisions made during the year	193.22	68.63
Released during the year	0.00	0.00
Provision at the end of the year	**3,601.30**	**3,408.08**

Note No. 8. Current Assets - Financial assets-Trade Receivables

Particulars	As at 31.03.2022	As at 31.03.2021
From related party		
Unsecured		
Considered doubtful	297.72	297.72
Less: Provision for Doubtful Debts	(297.72)	(297.72)
	0.00	**0.00**
Others		
Unsecured		
Considered doubtful	1,656.26	1,531.50
Less: Provision for Doubtful Debts	(1,656.26)	(1,531.50)
	0.00	0.00
Sundry Debtors		
Secured, considered good	425.82	413.13
Unsecured, considered good	4,085.74	578.51
	4,511.56	991.64
Subsidy Receivable		
Unsecured		
Considered doubtful	411.33	411.33
Unsecured Considered good	13,011.42	9,446.49
Less: Provision for Doubtful subsidy	(411.33)	(411.33)
	13,011.42	9,446.49
	17,522.98	**10,438.13**

Movement in Provisions

Provision for doubtful Trade receivables

Particulars	As at 31.03.2022	As at 31.03.2021
Provision at the beginning of the year	2,240.55	1,924.88
Provisions released during the year	20.02	(7.38)
Provisions made during the year	144.80	323.05
Provision at the end of the year	**2,365.32**	**2,240.55**

Trade Receivables Ageing Schedule

₹ in lakh

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment					As at 31.03.2022
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	9430.53	7,903.97	90.72	54.69	41.95	0.05	17,521.91
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	2.90	53.08	52.63	29.33	1,562.02	1,699.96	
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	1.07	1.07
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	665.35	665.35
TOTAL		**7,906.87**	**143.80**	**107.32**	**71.28**	**2,228.49**	**19,888.29**

Note No. 9. Current Assets - Financial assets-Cash and Cash Equivalents

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with Banks	286.08	3,302.15
Cash on hand	2.66	4.87
Short Term Deposit with Banks*	17,917.51	14,571.44
	18,206.25	**17,878.46**

*Original maturity of three months or less

Cash and Cash Equivalents include ₹ 0.13 lakh (Previous Year ₹ 0.14 lakh) being the balance of amount received from clients for execution of jobs on Total Responsibility basis and ₹ 500.07 lakh (Previous year - ₹516.67 lakh) towards work on Deposit basis, lying in a specified account to meet the corresponding liabilities under Current Liabilities.

Note No. 10 Current Assets - Financial assets-Other Bank Balances

Particulars	As at 31.03.2022	As at 31.03.2021
Short Term Deposit with Banks *	7,503.48	28,428.88
Amount pledged for Letter of Credit, Bank Guarantee and		
Fund based arrangements *	96,328.62	52,055.69
Deposit earmarked for capex projects *	65,608.37	68,323.78
	1,69,440.47	**1,48,808.35**

* Maturing within 12 months from the reporting date

Note No. 11. Current Assets - Financial Assets-Other Financial Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposits:		
Unsecured , considered good	60.01	88.17
Amount receivable against Service Orders	638.70	748.01
Other Accrued Income	54,175.10	18,776.28
Amount receivable from LIC under group Gratuity scheme	290.52	181.08
Township Dues	289.80	199.98
Others	2.44	0.00
	55,456.57	**19,993.52**

1. Other Accrued income includes ₹ 49337.93 lakh (Previous Year ₹ 13987.77 lakhs) towards unclaimed DBT subsidy, at revised rates as per the notification No.23011/22/2021-P&K, dated 27.04.2022, on recoverability basis. (Refer Note No.28)

Note No. 12. Current Assets - Current Tax Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Income Tax (Net of provision)	**232.55**	**1,039.05**
	232.55	**1,039.05**

Note No. 13. Current Assets -Other Current assets		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Dues from:		
Statutory Authorities	41,280.14	32,299.07
Contractors	4,130.46	3,558.62
Employees	268.01	207.33
Pre Paid Expenses	562.34	543.89
Others	27.51	60.12
	46,268.46	**36,669.03**

1. Dues from statutory authorities include (i) ₹ 18301.45 lakh (Previous year 13458.13 lakh) towards Kerala Value Added Tax paid on procurement of Regasified Liquified Natural Gas, (ii) ₹ 1411.12 lakhs (Previous year ₹ 1411.12 lakhs) (net of provision) being KVAT refund receivable, under dispute and (iii) ₹ 72.97 lakh (Previous Year ₹ 72.97 lakh) towards the amount paid against disputed demands pending appeal.
2. Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹1.32 lakh (Previous year ₹ 2.71 lakh) and an amount of ₹1353.19 lakh (Previous year ₹1353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14, as per which the company is entitled to adjust an amount of ₹ 798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon' District Court, Ernakulam which has since stayed the award. The case is transferred to Commercial Court. Accordingly the Company demanded the banks to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon. High court of Mumbai for realization of amount, which are pending. However an amount of ₹1353.19 lakh only has been retained pending disposal of the case.
3. Other Current Assets, dues from contractors include ₹ 476.89 lakhs charged to transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations. (Refer Note- 7.5, 24.1 & 25.2)

Note No. 14. Current Assets -Non-current Assets held for Disposal

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Retired plant held for disposal	4,065.02	4,065.02
	4,065.02	**4,065.02**

During the year 2009-10, Company decided to scrap Ammonia and Urea Plant at Cochin Division. These retired assets are retained in books at the written down value of ₹ 4065.02 lakhs, which is lower than the estimated Net realisable value. The Company could not complete the disposal process since the matter is pending before the Court.

Note No. 15. Equity- Equity Share Capital		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Authorised:		
100,00,00,000 (Previous year 100,00,00,000)		
Equity Shares of ₹10/-each	1,00,000.00	1,00,000.00
Issued, Subscribed and fully Paid up:		
64,70,71,974 (Previous year 64,70,71,974)		
Equity Shares of ₹10/- each fully paid up	**64,707.20**	**64,707.20**

Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Number of shares at the beginning of the year	64,70,71,974	64,70,71,974
Number of shares issued during the year	Nil	Nil
Number of shares at the end of the year	64,70,71,974	64,70,71,974

Notes

1. Rights, Preference and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital. - **Nil / Not Applicable**
2. Shares held by shareholders holding more than 5% of shares:

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
The Government of India		
Number of shares	58,23,64,776	58,23,64,776
Percentage of Total Shares	90.00%	90.00%
Special National Investment Fund constituted by the Government of India		
Number of shares	5,54,00,424	5,54,00,424
Percentage of Total Shares	8.56%	8.56%

3. The Government of India had transferred 55400424 equity shares of '10 each to Special National Investment Fund on 6th August 2013.
4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

I. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
II. Aggregate number and class of shares allotted as fully paid up by way of Bonus shares	Nil	Nil
III. Aggregate number and class of shares bought back	Nil	Nil

5.Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL

6. Shares held by promoters at the end of the year

Promoter name	No. of Shares (Equity shares)	% of total shares	% Change during the year
Government of India	582364776	90.00%	NIL
Total	582364776	90.00%	NIL

Note No. 16. Equity - Other Equity

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Capital Reserves:		
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64
	2.64	**2.64**
Other Reserves:		
Deferred Government Grant :		
Indo EEC Fertiliser Education Project		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening balance	52.65	53.59
Less: Amount transferred to Statement of Profit & Loss	0.93	0.94
Closing balance	51.72	52.65
Bio-Fertiliser Project		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening balance	0.00	0.76
Less: Amount transferred to Statement of Profit & Loss	0.00	0.76
Closing balance	0.00	0.00
Equity Instruments through other Comprehensive Income		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening Balance	8,260.55	7,445.51
Additions/(Deletions) during the Year	1,161.35	815.04
Closing Balance	**9,421.90**	**8,260.55**
Retained Earnings:		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening balance	(91,022.27)	(1,21,401.85)
Add Changes in Accounting Policy / Prior Period items as per Ind AS	0.00	(349.79)
Add :Profit/ (Loss) during the year	35,328.26	35,047.00
Add: Remeasurement of defined benefit plan	447.90	(4,317.63)
Closing balance	**(55,246.11)**	**(91,022.27)**
Other equity	**(45,769.85)**	**(82,706.43)**

Note No. 17 Non Current Liabilities - Financial Liabilities - Borrowings

Particulars	As at 31.03.2022	As at 31.03.2021
Term loans		
Secured		
From the Government of India (Refer Note 1 below)	0.00	0.00
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 2 below)	1,020.00	1,530.00
	1,020.00	**1,530.00**

1. A plan loan of ₹100000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, ₹100000.00 lakh along with the earlier loan and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the letter dated 12.01.2016, of the Ministry of Finance, GOI, sanctioning the loan, the total outstanding liability of the Company is ₹183672.00 lakh. The Company entered into an agreement with the Department of Fertilizers(DOF), GOI, agreeing to mortgage 408 acres of Company's land to secure repayment of the entire loan together with interest at the rate of 13.50% per annum on the amount outstanding as on 31.03.2017. The loan amount was reconciled and loan outstanding has been arrived at ₹177048.75 lakh as on 31.03.2017. The loan along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022. As per the terms of the sanction of the loan the entire repayment can be made during the years 2020-21 and/or 2021-22 in three or more equated installments. Accordingly, the entire principal amount , being ₹ 177048.75 lakhs (previous year- ₹177048.75 lakhs) has been classified under Current Liabilities-Current maturities of Long term Debt. The outstanding principal and interest as on 31.03.2020, has been confirmed with th e balance of Government of India.

   Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹ 28273.00 lakhs into equity and conversion of loan amounting to ₹ 100000.00 lakhs as interest free loan, repayable in 10 yearly installments commencing from the financial year 2022-23. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016

2. The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF has settled the entire liability to the bankers, to the extent of ₹ 5100 lakh including 50% share of the Company ₹ 2550 lakh on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan with a repayment period of five years, starting from the year 2020-21. The Company has paid two instalments due as per the agreement. The principal amount payable ₹ 510 lakhs (Previous year ₹ 510 lakhs) during the year 2022-23 has been classified under Current Liabilities - Financial Liabilities - Other Financial Liabilities . The remaining amount has been classified under Non Current Liabilities - Financial Liabilities - Borrowings. Interest rate applicable on the loan for the year 2021-22 is 6.50% p.a (Previous year- 6.50% p.a)

Note No. 18. Non Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Liabilities (Refer Note-40)	2,966.79	2,882.19
	2,966.79	**2,882.19**

Note No. 19. Non Current Liabilities - Other Financial Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Dues to employees	2,491.45	0.00
Others	32.03	17.92
	2,523.48	**17.92**

1. As per the decision of Government of India, during the year 2021-22 Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹2491.45 lakhs (previous year-Nil) towards 1997 arrears payable after one year (refer Note- 25.1 & 36.1)

Note No. 20 Non Current Liabilities - Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits		
(i) Provision for gratuity	10,556.85	11,401.60
(ii) Provision for leave encashment	7,328.39	7,326.38
Decommissioning of Assets in Leased Properties	257.52	238.44
	18,142.76	**18,966.42**

Note No. 21 Non Current Liabilities - Other Non current Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Rent Received	564.77	628.45
	564.77	**628.45**
As at the beginning of the year	786.99	755.83
Advance received	38.91	94.84
Released to Statement of Profit and Loss	(158.54)	(63.68)
As at the end of the year	667.36	786.99
Current	102.59	158.54
Non Current	564.77	628.45
	667.36	786.99

Note No. 22 Current Liabilities - Financial Liabilities -Borrowings

Particulars	As at 31.03.2022	As at 31.03.2021
Secured :		
Bills discounted	1,943.58	0.00
Current maturities of Long-term debt :		
From the Government of India (Refer Note 17.1)	1,77,048.75	177048.75
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 17.2)	510.00	510.00
	1,79,502.33	**1,77,558.75**

Note No. 23 Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Liabilities (Refer Note-40)	268.76	264.46
	268.76	**264.46**

Note No. 24. Current Liabilities - Financial Liabilities - Trade Payables

Particulars	As at 31.03.2022	As at 31.03.2021
Trade payables		
(i) Dues to Micro, Small and Medium Enterprises (Refer Note: 38)	103.38	99.70
(ii) Others	57,694.74	37,344.75
	57,798.12	**37,444.45**

1. Trade payables, others include ₹ 290.02 Lakhs withheld from transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and ₹ 65.24 lakhs withheld from warehouse.(Also Refer Note 7.5, 13.3, 25.2)

Note No. 25 Current Liabilities - Financial Liabilities -Other Financial Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Interest accrued on borrowings (Refer Note 17.1 & 17.2)		
Term Loan from Government of India	1,19,507.90	95,606.32
Inter-corporate Loan	44.44	89.97
Dues to employees	5,101.56	270.61
Trade Deposit from customers	4,116.39	3,395.20
Other liabilities	5,563.92	5,307.62
	1,34,334.21	**1,04,669.72**

1. As per the decision of Government of India, during the year 2021-22, Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹4738.64 lakhs (previous year-Nil) towards 1997 arrears, payable with in one year (refer Note- 19.1 & 36.1)
2. Other liabilities include amount charged from transport contractors as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and amount withheld from warehouse.(Also Refer Note 7.5, 13.3 & 24.1)

Note No. 26 Current Liabilities - Other Current Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Statutory dues	975.41	836.76
Advance from Customers	3,936.35	3,817.18
Advance Rent Received	102.59	158.54
	5,014.35	**4,812.48**

Note No. 27 Current Liabilities - Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits		
(i) Provision for gratuity	2,331.83	2,876.14
(ii) Provision for leave encashment	2,098.79	2,455.04
Provision towards other Contractual Obligations	239.60	239.60
Other provisions	278.95	97.15
	4,949.17	**5,667.93**

1. Other provisions include ₹211.62 lakhs (aggregate provision ₹218.50 lakhs, net of GST ₹6.88 lakhs) provided towards shortage of finished goods noticed in certain warehouses in Karnataka State (Refer Note 7.5 & 35.5)

₹In Lakh

Note No. 28 Revenue from operations

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Sale of products		
Own Products	2,65,984.22	1,97,920.67
Traded Products	5,212.45	25,788.61
	2,71,196.67	2,23,709.28
Subsidy/Concession on Fertilisers	1,70,578.53	1,01,647.87
	1,70,578.53	1,01,647.87
Sale of Services		
Gross income from contracts and other services	705.07	526.07
Total Revenue from operations	**4,42,480.27**	**3,25,883.22**
Sale of own products comprises of:		
Factamfos 20-20-0-13	1,97,219.67	1,64,501.10
Ammonium Sulphate	24,137.05	30,117.71
Caprolactum	33,366.86	0.00
Gypsum	2,275.53	1,578.54
Others	8,985.11	1,723.32
Total	**2,65,984.22**	**1,97,920.67**
Sale of traded products:		
Muriate of Potash	4,745.26	20,060.92
Imported Complex Fertiliser (16:16:16)	0.00	5,201.26
Urea	0.00	0.00
Organic Manures	467.19	526.43
Total	**5,212.45**	**25,788.61**
Subsidy/Concession on Fertilisers		
Factamfos 20-20-0-13	1,57,027.53	75,098.66
Ammonium Sulphate	11,420.95	14,244.42
Muriate of Potash	1,942.11	9,805.73
Imported Complex Fertilisers	80.28	2,300.49
City Compost	107.66	198.57
Total	**1,70,578.53**	**1,01,647.87**

Consequent to the implementation of Direct Benefit Transfer (DBT) subsidy scheme, subsidy income on fertilisers is recognised at the time of sale to dealers. However, the subsidy claim is generated at the rate applicable on the date of sale of fertilisers to ultimate beneficiary. The subsidy portion of the stock with dealers, pending sale to ultimate beneficiary as on 31.03.2022 is ₹ 49337.93 lakh (Previous Year ₹ 13987.77 lakh) (refer Note 11.1)

Note No. 29 Other income

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Interest income:		
On deposits with banks	8,854.58	5,767.26
On loans, advances, claims, overdues (Refer Note 1 below)	137.37	75.79
Dividend income		
Other than joint venture	25.92	31.82
Other non-operating income		
Excess provisions written back	228.76	14.76
Transfer from deferred Government grants:		
(i) On EEC project	0.93	0.94
(ii) On Bio-Fertiliser project	0.00	0.76
Rent & Compensation towards Right of use	1,157.28	484.73
Profit on sale of fixed Assets	0.18	3.04
Miscellaneous income	1,359.73	379.90
	11,764.75	**6,759.00**

1. Interest of ₹4483.89 lakh (Previous year ₹3733.15 lakh) for the year 2021-22 receivable from the contractor on the interest bearing mobilisation advance still retained by the party, has been considered in the accounts. However a corresponding provision for doubtful interest has been made during the current year and only the net interest is shown under 'Interest income- On loans , advances , claims , overdues'
2. Rent & Compensation towards Right of use, includes ₹ 652.80 lakh received from Kochi Salem Pipeline Private Limited (KSPPL) towards compensation for Right of Use of land at Cochin Division for laying pipeline.

Note No. 30.Cost of materials consumed

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Raw Material	2,72,805.17	1,35,261.54
Packing Material	4,280.95	3,786.56
	2,77,086.12	**1,39,048.10**

Note : The physical verification of raw materials has been carried out on or around 31st March 2022. The differences over book figures in the case of raw material has been adjusted in consumption (Excess(-) / Shortage). Current year ₹(-) 247.44 lakh (Previous year ₹ (-) 479.79 lakh).

Note No. 31 Purchases of Stock-in-trade

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Complex Fertilisers/ Organic Manures	297.79	34,091.35
	297.79	**34,091.35**

Note No. 32 .Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening stock		
Finished Goods	17,294.21	32,292.49
Stock-in-trade	5,052.19	167.13

Work-in progress	3,349.12	2,908.16
	25,695.52	35,367.78
Closing stock		
Finished Goods	20,846.25	17,294.21
Stock-in-trade	0.00	5,052.19
Work-in- progress	4,193.33	3,349.12
	25,039.58	25,695.52
Changes in inventories: (Increase)/ Decrease	**655.94**	**9,672.26**

Note No. 33 Employee benefits expense

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Salaries and Wages	15,758.53	15,896.59
Contribution to Provident Fund	1,705.21	1,697.75
Leave encashment (Net of Provision)	2,404.72	2,268.60
Gratuity	1,395.66	1,240.83
Staff welfare expenses	1,911.92	1,818.38
	23,176.04	**22,922.15**

Since review / decision on implementation of 2017 pay revision for the Board level and below Board level executives of the Company is yet to be taken by the Department of Fertilisers, Government of India, the amount of liability, if any, cannot be ascertained and provided.

Note : Remuneration to Directors, including retirement benefits paid during the year

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Shri Kishor Rungta, Chairman and Managing Director (From 02.02.2019)	48.96	39.54
Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	29.99	19.85
Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	29.39	1.69
Shri.A.Ganesan, Director(Finance) & Chief Financial Officer (From 28.08.2019 up to 31.07.2020)	0.00	21.31
Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021)	28.93	0.70
	137.27	**83.09**

Note No. 34 Finance costs

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Interest		
Interest on loans from the Government of India (Refer Note 17.1)	23901.58	23901.58
Interest -others	291.20	379.56
Other Finance costs	0.31	0.00
Finance Cost on lease liability	247.59	245.15
	24,440.68	**24,526.29**

Note No. 35 Other expenses

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Consumption of stores and spare parts	4,100.19	3,616.68
Power and Fuel	42,787.50	21,315.47
Rent	436.27	638.00
Repairs and maintenance to buildings	178.18	129.45
Repairs and maintenance to machinery	4,573.50	3,867.28
Insurance	260.11	285.06
Rates and Taxes	110.04	270.86
(Gain)/Loss on exchange rate variation (net)	192.94	(1,184.96)
Material and other direct charges on contracts	316.45	170.80
Auditors' Fees and Expenses (Refer note 1 below)	24.52	24.34
Freight , Handling and other charges	21,286.04	29,196.04
Bad debts written off	18.88	0.00
Provision for doubtful receivables & advances	184.32	532.46
Damages/Shortages/(Excess) of Stores, Spares & Products (Net)	24.84	(7.33)
Provision for obsolescence of stores (Net)	193.22	68.63
Research and Development Expenditure (Refer note 2 below)	75.97	59.26
CISF Expenses (including salaries)	2,843.37	2,851.54
Directors' Sitting Fees	1.60	1.30
Loss on Fixed assets sold/written off	0.76	0.92
Expenses towards Corporate Social Responsibility (Refer note 6 below)	106.28	12.12
Miscellaneous Expenses (Refer note 3 & 5 below)	4,877.46	4,049.80
	82,592.44	65,897.72
Less :Allocated Expenses [net of income from inter-divisional jobs of ₹1494.71 lakh] (Previous year ₹1428.84 lakh)	(952.61)	(831.71)
	81,639.83	**65,066.01**

Notes:

1. Payments to the auditor as

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
a) Auditor	11.60	10.60
(b) for taxation matters	0.00	0.00
(c) for company law matters	0.00	0.00
(d) for management services	0.00	0.00
(e) for other services	11.01	10.54
(f) for reimbursement of expenses	1.91	3.20
Total	**24.52**	**24.34**

2. Research and Development Expenditure includes expenditure towards salary ₹75.21 lakh (Previous year ₹59.17 lakh), chemicals & stores ₹0.67 lakh (Previous year Nil) and depreciation ₹0.09 lakh (Previous year ₹0.09 lakh).
3. Miscellaneous Expenses includes Directors travel amounting to ₹3.79 lakh (Previous year ₹ 8.47 lakh) and ₹ Nil (previous year ₹(-)4.51 lakh) towards the cost of PoS machine distributed by the Company under Direct benefit Transfer Scheme.
4. Differences noticed (Excess(-)/Shortage) on perpetual verification of stores and spares compared to book records have been adjusted in the books of accounts, which for Current year is ₹6.09 lakh (Previous year ₹(-)8.24 lakh)
5. During the year, company has noticed 543.60 MT of shortages in physical stock of Factamfos and 60.50 MT in Ammonium Sulphate in certain warehouses of Karnataka state. The value of the shortage ₹218.50 lakhs has been provided during the year. (Refer Note 7.5 & 27.1)

6. Expenses towards Corporate Social Responsibility

The Company is liable to spend ₹56.07 lakhs on Corporate social responsibility, being the average net profit for the immediately preceding three financial years as per section 198 of the Companies Act 2013. The Company has spent an amount of ₹106.28 lakh towards Corporate Social Responsibility, during the financial year.

(i) amount required to be spent by the company during the year,	₹ 56.07 lakh
(ii) amount of expenditure incurred,	₹106.28 lakh
(iii) shortfall at the end of the year	NIL
(iv) total of previous years shortfall,	NIL
(v) reason for shortfall,	NA
(vi) nature of CSR activities	Health & Education support activities
(vii) details of related party transactions	NIL
(viii) provision is made with respect to a liability incurred by entering into a contractual obligation	NIL

Note No. 36. Exceptional Items

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Provision for 1997 pay revision arrears	(8,906.20)	0.00
	(8,906.20)	**0.00**

1. As per the decision of Government of India, during the year 2021-22, Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Accordingly, the Company has made provision for the entire liability of ₹ 8906.20 Lakhs in the financial year 2021-22.(refer Note 19.1 & 25.1)

Note No. 37. Earning per Share

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit / (Loss) after Tax	35,328.26	35,047.00
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted earnings per Share (₹)	**5.46**	**5.42**

38. Disclosure required for Micro Small and Medium Enterprises

₹ In Lakh

Sl No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Principal amount remaining unpaid **	0.00	0.00
2	Interest due thereon	0.00	0
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	0.00	0.00
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.00	-
5	Interest accrued and remaining unpaid	0.00	0.00
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00

**** Amount due and unpaid as at the year end**

39. Trade Payables Ageing schedule

₹ in lakh

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment				As at 31.03.2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	103.38	0.00	0.00	0.00	0.00	103.38
(ii) Others	56387.39	0.00	0.00	0.00	0.00	56387.39
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv)Disputed dues -Others	0.00	470.64	68.37	657.91	110.43	1307.35
Total	**56490.77**	**470.64**	**68.37**	**657.91**	**110.43**	**57798.12**

40. Fair Value Hierarchy

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

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

Investment in Unquoted Equity Shares

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

Derivatives not designated as hedges

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

Investment Properties

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

₹ In Lakh

Particulars	31.03.2022 Significant observable inputs		31.03.2021 Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3
Financial Assets				
Investment in Unquoted Equity Shares of:				
Indian Potash Limited		9,219.30		7,943.18
Travancore Cochin Chemicals Ltd		160.16		148.70
Capexil Agencies Ltd.		0.00		0.00
Kerala Enviro Infrastructure Limited		407.99		534.20
Foreign Currency Receivable under Forward exchange contracts	0.00		-	
Financial Liabilities				
Amount Payable under forward exchange contracts	0.00		-	
Assets for which Fair valuesare disclosed				
Investment Properties	2,906.41		2,750.20	

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

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

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

Operating Leases

A. Leases as lessor

The Company leases out its investment property on operating lease basis

i) Future minimum lease receivable

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

(₹ In Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Within one year	124.69	63.69
Between one and five years	498.96	254.76
More than five years	907.04	373.71

ii) Amounts recognized in profit and loss (₹ In Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Rent	77.23	75.50
	77.23	**75.50**

B. Leases as lessee

The Lease Liability is measured at the present value of remaining lease payments at the date of initial application and Right-of-use asset has been recognized at an amount equal to Lease Liability adjusted by an amount of any prepaid expenses. . Under Ind AS 116 "Leases", at commencement of lease, the Company recognizes Right-of-use asset and corresponding Lease Liability. Right-of-use asset is depreciated over lease term on systematic basis and Interest on Lease Liability is charged to Statement of Profit and Loss as Finance cost.

Recognition of right of use Asset and corresponding lease liability, as per IndAS 116, has been made in respect of the property taken for lease (Operating lease) for the purpose of storage and handling of Raw Materials, at Willington Island and for Guest House facility at New Delhi

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) disclosed in Note No. 2C

₹ in Lakh

Particulars	Gross Block				Depreciation				Net Carrying amount
	As at 01-04-2021	Additions/ Adjustments	Reclassifi cations/ Deductions on Account of Conclusion	As at 31-3-2022	As at 01-04-2021	For the year	Reclassifi cations/ Deductions on	Up to 31-3-2022	As at 31-3-2022
Land	3,411.25	124.34	0.00	3,535.59	142.14	144.90	0.00	287.04	3,248.55
Building	41.59	0.00	0.00	41.59	16.57	16.58	0.00	33.15	8.44

b) The following expenses have been charged to Statement of Profit and Loss during FY 2021-22

Particulars	₹ in Lakh
Interest on Lease Liabilities	247.59
Expenses relating to short term leases	108.99
Expenses relating to leases of low value items	10.83
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	316.45

c) Total Cash outflow for leases during FY 2021-22 is ₹ 283.04 Lakhs

d) Income from Sub leasing of Right-of-use assets recognized in Statement of Profit and Loss during FY 2021-22 is Nil

e) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

Particulars	**Contractual cash flows in ₹ Lakh**				
	Up to 1 year	1-3 years	3-5 Years	More than 5 years	Total
Cash outflows	282.97	560.27	576.50	5,656.68	7076.42

41 . Financial Instrument Classification

(₹ In Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Financial Assets		
Financial Assets at Amortised Cost		
Trade Receivables	17,522.98	10,438.13
Cash and Cash equivalents	18,206.25	17,878.46
Other Bank Balances	1,69,440.47	1,48,808.35
Loans	3.28	4.52
Other Financial Assets	56,385.22	23,273.03
	2,61,558.20	**2,00,402.49**
Financial Assets at Fair Value through Other Comprehensive Income:		
Equity Investments	9,788.47	8,627.10
Financial Assets at Fair Value through Profit and Loss Statement:		
Foreign Currency Receivable on Forward exchange contract	0.00	0.00
	9,788.47	**8,627.10**
Financial Liabilities		
Financial Liability at Amortised Cost		
Borrowings	1,80,522.33	1,79,088.75
Trade Payables	57,798.12	37,444.45
Other Financial Liabilities	1,36,857.69	1,04,687.64
	3,75,178.14	**3,21,220.84**
Financial Liabilities at Fair Value through Profit and Loss Statement:		
Liability on Forward Exchange contract	0.00	0.00
	0.00	**0.00**

42. Financial Risk Management

The company's activities are exposed to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements

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

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 17522.98 lakh (Previous year ₹ 10438.13 lakh) of which ₹ 13011.42 lakh (previous year ₹ 9446.49 lakh) due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and from services rendered.

Expected credit loss assessment for Trade and other receivables

The Company has been consistently following a policy of creating 100% provision for the unsecured portion of the trade receivables that are more than three years old, except subsidy receivables from Government of India, wherein allowance for loss is made after analysis of possibility of realisation.

The following table provides information about the exposure to credit risk and the provisions made

₹ In lakh

As at 31/03/2022	Total receivables	Provision for doubtful receivables
Trade Receivables	6,465.54	(1,953.98)
Subsidy Receivable	13,422.75	(411.33)
Total	**19,888.29**	**(2,365.31)**

₹ In lakh

As at 31/03/2021	Total receivables	Provision for doubtful receivables
Trade Receivables	2,820.86	(1,829.22)
Subsidy Receivable	9,857.82	(411.33)
Total	**12,678.68**	**(2,240.55)**

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Provision at the beginning of the year	2,240.55	1,924.88
Provisions released during the year	(20.02)	(7.38)
Provisions made during the year	144.80	323.05
Provision at the end of the year	**2,365.32**	**2,240.55**

(ii) Cash and Cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of ₹ 187646.72 lakhs at 31st March 2022 (31st March 2021: ₹ 166686.81 lakhs). The Cash equivalents are held with banks with good credit ratings and financial position. Also, the Company invests its short term surplus funds in bank fixed deposits, which carry no / low market risks for short duration and therefore does not expose the Company to credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The following are the remaining contractual maturities of significant financial liabilities at the reporting date.

Maturity Analysis of Significant Financial Liabilities

As on 31/03/2022

	Contractual Cash Flows (₹ In Lakh)		
	Total	**Up to 1 year**	**1-5 years**
Government of India Loan (Refer note 1 below)	3,20,458.23	3,20,458.23	0.00
Intercorporate Loan	1,821.75	713.39	1,746.75

As on 31/03/2021

	Contractual Cash Flows (₹ In Lakh)		
	Total	**Up to 1 year**	**1-5 years**
Government of India Loan (Refer note 1 below)	2,96,556.65	2,96,556.65	0.00
Intercorporate Loan	2,417.27	595.52	1,821.75

1. The loan from Government of India along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022.Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹ 28273.00 lakhs into equity and conversion of loan amounting to ₹ 100000.00 lakhs as interest free loan, repayable in 10 yearly installments commencing from the financial year 2022-23. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016 . The management expects restructuring of the loan, whereby the Government shall grant sufficient time for the repayment of the loan and interest due thereon. Accordingly, the Company can manage the immediate liquidity requirement.

Financing arrangements (₹ In Lakh)

The Company has sufficient funds for its business/operational activities. The following is the undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	**31st March, 2022**	**31st March, 2021**
Expiring within one year (Bank Overdraft/ CC Limit)	8,411.40	0.00
LC Bill discounting limit	23,056.42	0.00

The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. These credit facilities have an average maturity of one year. Besides, the above, Company has Non Fund Based Working Capital Arrangement with various Banks, with a lien on Term Deposits of the Company.

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other prices, such as equity price risk and commodity risk.

(i) Currency Risk

The Company's activities are exposed primarily to the financial risk of changes in foreign currency rates. To mitigate the foreign currency risk, the company is closely monitoring the market trend to take appropriate action

Exposure to currency risk:

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

Particulars	Figures as at 31.03.2022		Figures as at 31.03.2021	
	Foreign Currency	Indian Rupee	Foreign Currency	Indian Rupee
	(In lakh)	(In lakh)	(In lakh)	(In lakh)
Trade Payable	USD 564.55	43093.96	USD 390.20	28897.99
			JPY 175.03	117.79
			EUR 0.11	9.45

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, JPY or EUR against INR at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ In Lakh

	Effect in INR (before tax)	
	Strengthening	Weakening
For the year ended 31st March, 2022		
3% movement in,		
USD	(1292.82)	1292.82
JPY	0.00	0.00
EUR	0.00	0.00
For the year ended 31st March, 2021		
3% movement in,		
USD	(866.94)	866.94
JPY	(3.53)	3.53
EUR	(0.28)	0.28

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates

Exposure to interest rate risk:

The Company's investments are in Bank fixed deposits wherein the interest rates are fixed, as on the reporting date.

The Company do not have any borrowing with banks, other than discounting of bills, as on the reporting date. The interest rate on the Company's borrowings from Government of India is not fluctuating. The rate of interest on Intercorporate loan from Rashtriya Chemicals and Fertilisers Ltd is subject to change, based on the lowest cost of their working capital finance. The Intercorporate loan outstanding as on 31.03.2022 is ₹ 1530 lakh and the applicable interest as on the reporting date is 6.50%.

(iii) Commodity rate risk

The Company's profitability gets affected by the price differential (also known as Margin) between prices of products (output) and the price of the raw materials used in production (input).

Company has entered in to agreement with suppliers of one of the major raw materials, Regassified Liquified Natural Gas, to mitigate the fluctuation in market price.

(iv) Price Risk

The Company's exposure to equity investments price risk arises from investments held by the Company and classified in the financial statements at fair value through OCI. The Company intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ In Lakh

	Effect on OCI			
	31.03.2022		31.03.2021	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
Investment in Kerala Enviro Infrastructure Ltd	4.08	(4.08)	5.34	(5.34)
Investment in Travancore Cochin Chemicals Ltd	1.60	(1.60)	1.49	(1.49)
Investment in Indian Potash Ltd	92.19	(92.19)	79.43	(79.43)

CAPITAL MANAGEMENT

The Company's objective is to maximize the shareholders' value.

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

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

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

(₹ In Lakh)

Name of Entity	Nature of Transaction	2021-22	2020-21
GAIL (India) Ltd	Procurement of Gas / TransmissionCharges	39,229.78	19,267.93
Bharat Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products/Sulphur	62,567.13	26,852.48
Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	34,204.61	14,939.10
Hindustan Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products	158.73	141.70

Steel Authority of India Ltd	Procurement of Steel Structural	179.33	252.93
National Fertilisers Ltd	Purchase of Fertilisers	0.00	0.80
National Fertilisers Ltd	Sale of Fertilisers	6,180.88	0.00
Brahamputra Valley Fertilizers Corporation Ltd (BVFCL)	Sale of Fertilisers	199.47	0.00
Rashtriya Chemicals and Fertilisers Ltd	Sale of Fertilisers	0.00	0.00
Hindusthan Insecticides Ltd	Sale of Fertilisers	5,490.06	2,457.94
Rashtriya Chemicals and Fertilisers Ltd	Principal repayment of Intercorporate Loan	510.00	510.00
Rashtriya Chemicals and Fertilisers Ltd	Interest on Intercorporate Loan	50.22	205.94
Bharat Petroleum Corporation Limited	Compensation for recreation club	0.00	88.88
Bharat Petroleum Corporation Limited	Services Provided	21.41	199.95
Hindustan Petroleum Corporation Ltd	Services Provided	67.70	92.30
Indian Oil Corporation Ltd	Services Provided	107.53	86.27
Rashtriya Chemicals and Fertilisers Ltd	Services Provided	7.70	6.50
Bharat Heavy Electricals Ltd	Procurement of Assets/Spare parts	236.05	40.22
Bharat Earth Movers Ltd	Procurement of Assets/Spare parts	21.34	23.52
Kochi Metro Rail Ltd	Lease of property	298.94	277.50
Kochi Salem Pipeline Pvt Ltd.	Lease of property	665.89	0.00
Central Institute of Plastic Engineering & Technology	Lease of property	0.00	18.10
GAIL (India) Ltd	Lease of property	13.69	13.69

The above referred transactions have been carried out on arm's length basis with the said entities.
The other disclosures with related parties are as under:

1) Associates & Joint Ventures

Relationship

Sl No	Name of Entity	Percentage of ownership interest as at	
		31.03.2022	31.03.2021
1	FACT-RCF Building Products Ltd(FRBL)	50.00%	50.00%
2	Kerala Enviro Infrastructure Ltd. (KEIL)	21.75%	21.75%

Transactions during the year with the above referred related parties: (₹ In Lakh)

Sl No	Particulars	2021-22	2020-21
i)	Contribution towards sharecapital	0.00	0.00
ii)	Dividend received	0.00	15.62
iii)	Sales of Products	0.00	0.00
iv)	Others	2.74	9.75

The provision towards the amount given as material, Services and advances made in the earlier financial years continues. A provision amounting to ₹ 2.74 Lakh (Previous year ₹ 9.75 lakh) has been made for the current year also.

Balance Outstanding: (₹ In Lakh)

Sr.No	Particulars	As at 31.03.2022	As at 31.03.2021
	Receivable from FACT-RCF building products Ltd :		
	Towards sale of gypsum	297.72	297.72
	Salary of deputationists and other expenses	827.92	825.18
	Under Corporate Guarantee and other Contractual obligations	2,789.60	2,789.60
	Advance against Equity Pending allotment	235.70	235.70
	Provision for bad & doubtful debts/advances	4,150.94	4,148.20
	Provision towards other Contractual Obligation	239.60	239.60
	Provision for diminution in the value of investments	3,287.00	3,287.00

The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF had settled the entire liability to the bankers, to the extent of ₹ 5100 lakhs including 50% share of the Company ₹ 2550 lakhs on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan. Accordingly, the amount of ₹ 2550 lakhs has been classified as Intercorporate loan. The principal amount outstanding as on 31.03.2022 is ₹ 1530 lakh (Previous year ₹ 2040 lakh). Interest rate applicable on the loan for the year 2021-22 is 6.50% p.a. (Previous year- 6.50% p.a).

Department of Fertilisers, Govt of India, had accorded the approval (16 November 2018) to The Fertilisers and Chemicals Travancore Limited (FACT) for additional investment of ₹ 2925 lakh to the equity share capital of FACT-RCF-Building Products Limited (FRBL).FRBL is a joint venture between FACT and Rashtriya Chemicals & Fertilisers Limited (RCF). FACT in its 75th Annual General Meeting approved the additional investment in FRBL. Against approval received for ' 2925 lakh, FRBL had issued equity shares amounting to ₹ 1518 lakh towards gypsum supplied and other services provided by FACT during the period from 2010-2013. Equity Shares amounting to ₹ 1168 lakh against which gypsum and other services provided by the FACT during 2014-2017, are pending for allotment by FRBL. The same has been disclosed under advance against Equity Pending allotment and advances to related parties. Further, supply of gypsum from FACT amounting to ₹239 lakh is still pending as on 31 March 2022 to complete the above additional investment. FRBL, in its 68th Board meeting held on 04/05/2022, has decided to allot shares to FACT, for the share application money amounting to ₹235.70 lakhs.

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

2) Key Management Personnel

1 Shri Kishor Rungta, Chairman and Managing Director
2 Shri.A.Ganesan, Director(Finance) & Chief Financial Officer (From 28.08.2019 up to 31.07.2020)
3 Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)
4 Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021)
5 Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)
6 Shri K V Balakrishnan Nair, Company Secretary & Executive Director (Finance)

Transactions with related parties:

Remuneration to key management personnel : (₹ In Lakh)

Sl No	Particulars	Short Term Employee Benefits		Termination benefits**		Other long-term benefits/ Share-based payments/ Post-term employee benefits	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Sri Kishor Rungta, Chairman and Managing Director	48.96	39.54	0.00	0.00	0.00	0.00
2	Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	29.99	19.85	0.00	0.00	0.00	0.00
3	Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	29.39	1.69	0.00	0.00	0.00	0.00
4	Shri.Kesavan Nampoori A.S Director (Technical) (From 22.03.2021)	28.93	0.70	0.00	0.00	0.00	0.00
5	Shri.A.Ganesan, Director (Finance) & Chief Financial Officer (From 28.08.2019 up to 31.07.2020)	0.00	16.96	0.00	4.35	0.00	0.00
6	Shri K V Balakrishnan Nair Company Secretary & Executive Director (Finance)	28.20	27.10	0.00	0.00	0.00	0.00
		165.47	**105.84**	**0.00**	**4.35**	**0.00**	**0.00**

** On payment basis

The whole time Directors have been allowed the use of company car and for private journey upto a ceiling of 9000 kms. per year, on payment as prescribed by the Government.
Gratuity and leave encashment benefit accrued to the Directors have not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.

3) Other related parties

Party	Nature of Relationship
i. FACT Cochin Division Employees Provident Fund Trust	To manage the provident fund contribution in respect of the employees of the Company
ii. The FACT Employees Provident Fund	To manage the provident fund contribution in respect of the employees of the Company
iii. FACT Employees Group Gratuity Fund Trust	To manage fund earmarked for gratuity under group gratuity accumulation scheme and provide gratuity benefits including insurance towards future service gratuity benefit
iv. FACT Employees Superannuation Benefit Fund Trust	To provide superannuation benefits to members of the Trust

Transactions with related parties:

Party	Company Contribution made during the year	
	2021-22	2020-21
i. The FACT Employees Provident Fund	1628.84	1611.21
ii. FACT Cochin Division Employees Provident Fund Trust	76.37	86.54
iii. FACT Employees Group Gratuity Fund Trust	2792.44	2107.56

Dues outstanding in respect of the above related parties:

Party	As on	
	31.03.2022	31.03.2021
i. Amount payable to The FACT Employees Provident Fund	289.51	278.94
ii. Amount payable to FACT Cochin Division Employees Provident Fund Trust	24.71	28.20
iii. Amount receivable from FACT Employees Group Gratuity Fund Trust	290.52	181.08

44. Financial Reporting of interest in Joint Ventures

JOINT CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Percentage of ownership interest	
		31.03.2022	31.03.2021
FACT RCF Building Products Ltd.	India	50.00%	50.00%
Kerala Enviro Infrastructure Limited	India	21.75%	21.75%

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

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

(₹ In Lakh)

Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
Non-Current Assets	284.20	351.40
Cash and Cash Equivalent	28.53	31.88
Current Assets other than Cash and Cash Equivalents	1,025.16	1,321.77
Non-Current Liabilities	6,266.59	5,665.79
Current Liabilities	9,313.25	9,423.13
Equity	(14,241.95)	(13,383.87)
Proportion of the company's ownership	50.00%	50.00%
Carrying amount of the investment*	0.00	0.00

(₹ In Lakh)

Particulars	2021-22 (Audited)	2020-21 (Audited)
Income	349.73	1,648.22
Cost of materials consumed	0.00	0.00
Changes in inventories	123.41	2.74
Depreciation and amortization expense	0.00	0.00
Finance costs	600.80	538.59
Employee benefits expenses	87.84	79.43
Other Expenses	395.74	1,632.24
Exceptional items	0.00	0.00
Loss for the year	(858.08)	(604.78)
Total comprehensive income for the year	(858.08)	(604.78)
Company's Share of profit / loss for the year	(429.04)	(302.39)

* Owing to the company's share of losses exceeding its interest in the joint venture recognising the share of loss stands discontinued. Accordingly company has not recognized share of loss of ₹429.04 lakh for the year (Previous Year ₹302.39 lakh) and ₹ 10407.97 lakh cumulatively upto the year ended 31.03.2022 (₹9978.93 lakh cumulatively upto the year ended 31.03.2021).

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

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

(₹ In Lakh)

Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
Non-Current Assets	2,997.82	3,619.20
Cash and Cash Equivalent	246.29	311.45
Current Assets other than Cash and Cash Equivalents	2,020.55	1,351.23
Non-Current Liabilities	2,419.67	2,130.61
Current Liabilities	968.84	695.57
Equity	1,876.15	2,455.70
Proportion of the company's ownership	21.75%	21.75%
Carrying amount of the investment	407.99	534.20

(₹ In Lakh)

Particulars	2021-22 (Audited)	2020-21 (Audited)
Income	1,871.46	1,265.38
Cost of materials consumed	223.17	22.62
Depreciation and amortization expense	264.52	103.70
Finance costs	47.27	3.64
Employee benefits expenses	394.50	236.16
Other Expenses	1,522.74	759.18
Profit before Tax	(580.74)	140.08
Tax	(1.91)	24.18
Profit after Tax	(578.83)	115.90
Other Comprehensive Income	(0.72)	(0.01)
Total comprehensive income for the year	(579.55)	115.89
Company's Share of profit / loss for the year	(126.21)	25.21

45. SEGMENTAL REPORTING

Segment Information for the year ended 31st March 2022

Information about Primary Business Segments

	₹ in Lakh. Fertiliser	₹ in Lakh. Petrochemical	₹ in Lakh. Others (Unallocated)	₹ in Lakh. Total
REVENUE				
External Revenue	**402695.47**	**40930.54**	**1627.05**	**445253.06**
	(325954.54)	(9.37)	(835.26)	(326799.17)
TOTAL REVENUE	**402695.47**	**40930.54**	**1627.05**	**445253.06**
	(325954.53)	(9.37)	(835.26)	(326799.16)
SEGMENT RESULTS				
Profit before Interest and Taxation	**86844.42**	**-14612.56**	**-13501.28**	**58730.58**
	(61552.99)	(-2032.19)	(-6622.27)	(52898.53)
Unallocated Corporate Expense			**-952.61**	**-952.61**
			(-831.72)	(-831.72)
Operating Profit	**86844.42**	**-14612.56**	**-12548.67**	**59683.19**
	(61552.97)	(-2032.19)	(-5790.56)	(53730.23)
Interest Expense	**0.00**	**0.00**	**24440.68**	**24440.68**
	-	-	(24526.29)	(24526.29)
Interest Income	-	-	**8991.95**	**8991.95**
	(0.00)	(0.00)	(5843.05)	(5843.05)
Profit before Exceptional items and Tax	**86844.42**	**-14612.56**	**-27997.40**	**44234.46**
	(61552.97)	(-2032.19)	(-24473.79)	(35047.00)
Exceptional Income/(Expenses)	-	-	**-8906.20**	**-8906.20**
	(0.00)	(0.00)	(0.00)	**0.00**
Income Tax	-	-	-	-
Profit after Interest and Taxation	**86844.42**	**-14612.56**	**-36903.60**	**35328.26**
	(61552.97)	(-2032.19)	(-24473.79)	(35047.00)
OTHER INFORMATION				
Segment Assets	**368720.08**	**27748.58**	**29553.42**	**426022.09**
	(295278.83)	(12705.16)	(28459.58)	(336443.57)
Segment Liabilities	**137771.18**	**12516.32**	**275734.59**	**426022.09**
	(322534.11)	(2355.10)	(11554.36)	(336443.57)
Depreciation	**2148.64**	**384.13**	**181.39**	**2714.16**
	(1954.31)	(174.89)	(139.86)	(2269.06)
Capital Expenditure	**1708.80**	**5737.08**	**98.71**	**7544.59**
	(1467.41)	(73.17)	(98.28)	(1638.86)

The business segments are:-

Segment	**Products**
Fertiliser	Ammonium Phosphate, Ammonium Sulphate, Mixtures, MOP
Petrochemical	Caprolactam

Segments have been identified taking into account the organisation structure.

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

Segment reporting is prepared based on the methods consistantly followed by the company

Figures given in brackets pertains to previous year.

RECONCILIATION OF REVENUE	2021-22	2020-21
Segment Revenue as above	445253.07	326799.17
Add Interest Income	8991.95	5843.05
Revenue as per Profit and Loss Statement	**454245.02**	**332642.22**

46. EMPLOYEE BENEFITS

General Description of Defined Contribution Plan

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

General Description of Defined Benefit Plan

A Leave Encashment and Gratuity

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

B Provident Fund

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

During the year an amount of ₹ 1705.21 lakh (Previous Year ₹ 1697.75 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19 issued by the Institute of Chartered Accountants of India, the Provident Fund Trust set up by the company is treated as Defined Benefit Plan since the company has to meet the shortfall in the fund assets , if any.

A Movement in net defined benefit (asset)/ liability in respect of Leave Encashment and Gratuity

	₹ in Lakh		₹ in Lakh		₹ in Lakh	
a. Changes in the present value of obligations	**Leave encashment (Unfunded)**		**Gratuity (Funded)**		**CLR Gratuity (Unfunded)**	
	31.03.2022	**31.03.2021**	**31.03.2022**	**31.03.2021**	**31.03.2022**	**31.03.2021**
Present value of obligations at the beginning of the year	9781.42	9100.33	14711.97	13011.10	768.03	596.57
Interest cost	616.51	527.29	958.10	796.24	53.74	39.62
Past service cost	0.00	0.00	0.00	0.00		
Current service cost	1788.21	1823.09	527.11	545.83	45.87	45.66
Benefits paid	(2366.08)	(2737.53)	(2698.66)	(2671.98)	(36.86)	(31.19)
Actuarial loss/(gain) on obligation	(392.86)	1068.24	(238.17)	3030.78	93.56	117.37
Present value of obligations at the end of the year	**9427.20**	**9781.42**	**13260.35**	**14711.97**	**924.34**	**768.03**
b. Changes in the fair value of plan assets						
Fair value of plan assets at the beginning of the year	0.00	0.00	1202.25	1766.67	0.00	0.00
Expected return on investment	0.00	0.00	89.56	101.24	0.00	0.00
Employer's contribution	0.00	0.00	2792.44	2107.56	0.00	0.00

Benefits paid	0.00	0.00	(2698.66)	(2671.98)	0.00	0.00
Actual return on Plan Asset over Expected Interest	0.00	0.00	(89.56)	(101.24)	0.00	0.00
Fair value of plan assets at the end of the year	**0.00**	**0.00**	**1296.03**	**1202.25**	**0.00**	**0.00**
Actual return on investment**	0.00	0.00	89.56	101.24	0.00	0.00
c. Amount recognised in Balance sheet						
Present value of obligations at the end of the year	9427.20	9781.42	13260.35	14711.97	924.34	768.03
Fair value of plan assets at the end of the year	0.00	0.00	1296.03	1202.25	0.00	0.00
Unfunded net liability recognised in Balance sheet	**9427.20**	**9781.42**	**11964.32**	**13509.72**	**924.34**	**768.03**
d. Expenses recognised in the Statement of Profit and Loss during the year						
Current service cost	1788.21	1823.09	527.11	545.83	45.87	45.66
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00
Net Interest on Obligation / Asset	616.51	527.29	868.55	695.00	53.74	39.62
Total Expenses recognised in the Statement of Profit and Loss during the year	**2404.72**	**2350.38**	**1395.66**	**1240.83**	**99.61**	**85.28**
Amount Disclosed under Other Comprehensive Income:						
Opening balance	(4303.21)	(5371.45)	4129.62	997.60	641.63	524.26
Actuarial Gain or Loss on Obligation side during the year	(392.86)	1068.24	(148.60)	3132.02	93.56	117.37
Closing Amount Disclosed under OCI	**(4696.07)**	**(4303.21)**	**3981.02**	**4129.62**	**735.19**	**641.63**
Investment details	% invested as at 31st March		% invested as at 31st March		% invested as at 31st March	
LIC Group Gratuity (Cash Accumulation) policy	-	-	9.77	8.17	-	-
Actuarial assumptions						
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate					
e. Discount rate	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%
Salary escalation rate	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
f. Expected rate of return on plan assets	NA	NA	6.82%	6.82%	NA	NA

** The Actual return on plan assets for the year 2021-22 is yet to be declared by the Fund Manager

GRATUITY - OTHER DISCLOSURE REQUIREMENTS

(i) Description of plan Characteristics and associated risks:

The Gratuity scheme is a final salary defined benefit plan that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years. The design entiles the following risks that affect the liabilities and cash flows

Interest rates risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times the fall can be permanent due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Salary inflation risk:

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER) which is applied to find the salary of plan participants in future at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

Retirement age:

It should be noted that in case of employees above retirement age for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Demographic risks:

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase discount rate and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

Asset Liability Mismatch:

This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date

Investment Risk

For funded plans that rely on insurers for managing the assets the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of ill iquid assets not being sold in time..

Employees with high salaries and long durations of service or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk/Regulatory risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) Sensitivity Analysis

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates salary growth Attrition & Mortality is shown below

GRATUITY-EMPLOYEES :

₹ In Lakh

				31-03-2022
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-2.75%	12895.82	(364.53)
2	DISCOUNT RATE -100 basis points	2.99%	13656.54	396.18
3	SALARY GROWTH +100 basis points	1.71%	13486.83	226.47
4	SALARY GROWTH -100 basis points	-1.78%	13024.12	(236.24)
5	ATTRITION RATE +100 basis points	-0.60%	13252.17	(8.18)
6	ATTRITION RATE-100 basis points	0.60%	13267.84	7.47
7	MORTALITY RATE 10% UP	-0.10%	13259.47	0.90
8	EFFECT OF NO CEILING	12.88%	14968.63	1707.95

GRATUITY-CASUAL LABOUR (CLR)

₹ in lakh

				31-03-2022
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-4.81%	879.93	-44.42
2	DISCOUNT RATE -100 basis points	5.36%	973.92	49.56
3	SALARY GROWTH +100 basis points	5.22%	972.60	48.24
4	SALARY GROWTH -100 basis points	-4.78%	880.16	-44.18
5	ATTRITION RATE +100 basis points	-0.36%	921.03	-3.31
6	ATTRITION RATE-100 basis points	0.40%	928.02	3.67
7	MORTALITY RATE 10% UP	-0.02%	924.17	0.18
8	EFFECT OF NO CEILING	0.00%	924.35	0

P.U.C method has been used. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed]

(iii) Asset Liability Matching Strategies

GRATUITY-EMPLOYEES :

Insurer Administered Fund

The company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the Insurance company and the Asset Values as informed by the Insurance Company has been taken for the valuation purpose. The policy thus mitigates the liquidity risk. However being a cash accumulation plan the duration of assets is shorter compared to the duration of liabilities. Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset). .

Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset).

GRATUITY-CASUAL LABOUR (CLR)

Pay As You Go Method

The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero; there is liquidity risk in that they may run out of cash.

(iv) Other disclosures

GRATUITY-EMPLOYEES :

The company has started funding the liability through the medium of an insurance company and regularassessment is made by the Company of the increase in liability and contributions are being made to maintain the fund and is subject to the credit risk of the insurance company and asset liability mismatch risk of the investments.

Expected Contributions to the plan for the next annual reporting period. ₹2193.26 lakhs

	31-03-2022	31-03-2021
Weighted average duration of the D B O	**10.16**	**10.43**
		₹ in lakh
Information on the maturity profile of the liabilities	**31-Mar-22**	**31-Mar-21**
Projected Benefit Obligation	13260.36	14711.97
Accumulated Benefits Obligation	11508.01	14055.06

₹ in lakh

	FIVE YEAR PAYOUTS	31-03-2022 Discounted values / Present value	31-03-2022 Undiscounted values / Actual value
1	Year (I)	3390.26	3465.62
2	Year (II)	2669.47	2898.89
3	Year (III)	2140.12	2475.89
4	Year (IV)	1661.32	2042.67
5	Year (V)	1044.11	1381.37
6	Next 5 year pay-outs (6-10 years)	1722.45	2697.47
7	Pay-outs Above Ten Years	632.6	2352.28
8	Vested benefit Obligation as on Para 137 (b) 31-03-2021		**13077.94**

GRATUITY-CASUAL LABOUR (CLR) :

The company has not started funding the gratuity liability & has been following pay as you go method for settlement of the liability

Expected Contributions to the plan for the next annual reporting period. **\NA**

	31-03-2022	31-03-2021
Weighted average duration of the D B O	7.44	10.43
		₹ in lakh
Information on the maturity profile of the liabilities given below	31-03-2021	31-03-2021
Projected Benefit Obligation	924.35	768.03
Accumulated Benefits Obligation	667.03	624.86

	FIVE YEAR PAYOUTS	31-03-2022 Discounted values / Present value	31-03-2022 Undiscounted values / Actual value
1	Year (I)	138.56	141.55
2	Year (II)	130.36	142.35
3	Year (III)	103.53	120.97
4	Year (IV)	82.09	102.51
5	Year (V)	93.75	125.49
6	Next 5 year pay-outs (6-10 years)	224.84	366.65
7	Pay-outs Above Ten Years	**151.22**	**467.72**
8	Vested benefit Obligation as on Para 137 (b) 31-03-2021		**921.92**

LEAVE ENCASHMENT - OTHER DISCLOSURE REQUIREMENTS

(i) **Description of plan Characteristics and associated risks:**

The leave scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of seperation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the leave count at the time of seperation and paid as lumpsum.

The design entiles the following risks that affect the liabilities and cash flows,

Interest rates risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risks:

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compared to long service employees.

(ii) **SENSITIVITY ANALYSIS**

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates,salary growth, Attrition & Mortality is shown below

PRIVILEGE LEAVE

₹ In Lakh

Net Asset/(Liability) Recognised in Balance sheet			31-03-2022
	% increase in DBO	LIABILITY	INCREASE IN DB
1 DISCOUNT RATE +100 basis points	-4.98%	7337.39	(384.40)
2 DISCOUNT RATE -100 basis points	5.56%	8150.75	428.95
3 SALARY GROWTH +100 basis points	5.19%	8122.75	400.96
4 SALARY GROWTH -100 basis points	-4.74%	7355.60	(366.19)
5 ATTRITION RATE +100 basis points	-0.33%	7696.66	(25.13)
6 ATTRITION RATE-100 basis points	0.36%	7749.64	27.85
7 MORTALITY RATE 10% UP	-0.01%	7721.26	0.50

SICK LEAVE

₹ In Lakh

Net Asset/(Liability)Recognised in Balance sheet			31-03-2021
	% increase in DBO	LIABILITY	INCREASE IN DB
1 DISCOUNT RATE +100 basis points	-4.53%	1628.17	(77.21)
2 DISCOUNT RATE -100 basis points	4.98%	1790.30	84.90
3 SALARY GROWTH +100 basis points	4.65%	1784.72	79.33
4 SALARY GROWTH -100 basis points	-4.31%	1631.87	(73.52)
5 ATTRITION RATE +100 basis points	-0.30%	1700.35	(5.04)
6 ATTRITION RATE-100 basis points	0.32%	1710.89	5.49
7 MORTALITY RATE 10% UP	-0.01%	1705.28	0.10

P.U.C method has been used for sensitivity analysis.If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed

(iii) Acturial measurements as on March 31,2022

The company has not started funding the Leave liability & has been following pay as you go method for settlement of the liability

(iv) Maturity profile of the liabilities

PRIVILEGE LEAVE

₹ In Lakh

Weighted average duration of the D B O			**10.16**
Information on the maturity profile of the liabilities given below		**31-03-2022**	**31-03-2021**
Projected Benefit Obligation		7721.79	8084.81
		31-03-2022	
FIVE YEAR PAYOUTS		**Discounted values / Present value**	**Undiscounted values / Actual value**
1	Year (I)	1682.9	1944.69
2	Year (II)	1244.35	1539.72
3	Year (III)	1021.52	1351
4	Year (IV)	867.02	1229.91
5	Year (V)	613.68	928.93
6	Next 5 year pay-outs (6-10 years)	1073.47	1922.6
7	Pay-outs Above Ten Years	**1218.82**	**3753.88**

SICK LEAVE

₹ In Lakh

Weighted average duration of the D B O			**10.16**
Information on the maturity profile of the liabilities		**31-03-2022**	**31-03-2021**
Projected Benefit Obligation		1705.39	1696.61
		31-03-2022	
FIVE YEAR PAYOUTS		**Discounted values / Present value**	**Undiscounted values / Actual value**
1	Year (I)	419.95	485.34
2	Year (II)	282.47	349.58
3	Year (III)	238.80	317.04
4	Year (IV)	192.40	273.31
5	Year (V)	130.81	197.92
6	Next 5 year pay-outs (6-10 years)	239.14	426.37
7	Pay-outs Above Ten Years	**201.81**	**589.07**

B Movement in net defined benefit (asset)/ liability in respect of Provident Fund

		₹ in Lakh		₹ in Lakh	
		Trust managed Provident Fund-Udyogamandal		Trust managed Provident Fund-Cochin Division	
a.	**Changes in the present value of obligations**	**31-03-2022**	**31-03-2021**	**31-03-2022**	**31-03-2021**
	Present value of obligations at the beginning of the year	24591.64	23886.51	2351.74	2130.65
	Interest cost	1527.18	1438.55	144.31	129.39
	Past service cost	-	-	-	-
	Current service cost	923.22	770.87	76.37	86.54
	Plan participants contribution	2893.90	2142.58	249.72	297.58
	Benefits paid	(6583.93)	(5586.92)	(678.09)	(466.99)
	Acturial loss/(gain) on obligation	1126.92	1940.04	9.47	174.57
	Present value of obligations at the end of the year	**24478.93**	**24591.64**	**2153.52**	**2351.74**
b.	**Changes in the fair value of plan assets**				
	Fair value of plan assets at the beginning of the year	24591.64	24307.51	2354.68	2146.34
	Expected return on investment	1560.28	1493.55	147.26	133.41
	Employer's & Plan participants contribution	3817.11	2913.45	326.09	384.12
	Benefits paid	(6583.93)	(5586.92)	(678.09)	(466.99)
	Acturial (loss)/gain on plan assets	1092.92	1464.04	(10.56)	157.80
	Fair value of plan assets at the end of the year	**24478.02**	**24591.64**	**2139.38**	**2354.68**
	Actual return on investment	2653.20	2957.59	136.69	291.21
c.	**Amount recognised in Balance sheet of the Trust**				
	Present value of obligations at the end of the year	24478.93	24591.64	2153.52	2351.74
	Fair value of plan assets at the end of the year	24478.02	24591.64	2139.38	2354.68
	Unfunded net liability	**0.91**	**0.00**	**14.14**	**(2.94)**
d.	**Expenses recognised in the Statement of Profit and Loss of the Trust during the year**				
	Current service cost	923.22	770.87	76.37	86.54
	Past service cost				
	Interest cost	1527.18	1438.55	144.31	129.39
	Expected return on investment	(1560.28)	(1493.55)	(147.26)	(133.41)
	Net acturial (gain) / loss recognised during the year	34.00	476.00	20.03	16.77
	Total Expenses	**924.12**	**1191.87**	**93.45**	**99.29**

47. Additional Regulatory Information

(i) Fair value of investment property

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

(ii) Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule

Rs. in lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
Projects in progress	3197.29	980.95	223.92	0	**4402.16**
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	**3197.29**	**980.95**	**223.92**	**0**	**4402.16**

(iii) Ratios

RATIO	NUMERATOR	DINOMINATOR	RATIO		% Variance	Reason for variation more than 25%
			2021-22	2020-21		
(a) Current Ratio,	Current Assets	Current Liabilities	0.98	0.87	13.00%	NA
(b) Debt-Equity Ratio	Total liabilities/debt	Shareholder's Equity	21.50	Negative	NA	NA
(c) Debt Service Coverage Ratio,	Net profit after tax plus Finance cost and Non cash operating expenses	Finance cost, Current maturities of debt and accrued interest	0.21	0.33	-37.28%	The entire Government of India loan along with outstanding interest has been considered as payable during the year 2021-22, in line with the loan agreement.
(d) Return on Equity Ratio	Profit after Tax	Shareholder's Equity	1.87	negative	NA	NA
(e) Inventory turnover ratio,	Turnover	Average inventory	7.50	6.03	24.42%	NA
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average Accounts Receivable	4.27	2.49	71.49%	There is considerable reduction in the average subsidy receivable as at the year end
(g) Trade payables turnover ratio,	Net credit Purchases	Average Accounts Payable	6.65	6.52	1.99%	NA
(h) Net capital turnover ratio,	Net sales	Working capital	negative	negative	NA	Working capital is negative as the current liabilities exceeds current assets on account of the Government of India loan and interest payable
(i) Net profit ratio	Net profit after tax	Turnover	0.08	0.11	-25.76%	Net profit ratio has decreased due to increase in the raw material prices and expenses of exceptional nature
(j) Return on Capital employed	Earnings before interest and taxes	Capital employed (Net Worth + Total Debt)	0.19	0.23	-18.27%	NA
(k) Return on investment	Increase in the net assets value of investment in shares plus dividend received	Original value of investment	0.32	0.23	40.20%	Increase in the profit of the investee companies

48. Contingent Liabilities and Commitments (to the extent not povided for):

Contingent Liabilities

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Claims against the company not acknowledged as debts in respect of:		
Central Excise Act, 1944	12948.25	12583.50
Service Tax (Finance Act, 1994)	347.93	334.52
Sales Tax / Value Added Tax/ Entry tax	16953.64	16113.47
Income Tax Act, 1961	4.26	4.26
ESI Act	127.83	127.83
Suppliers and contractors	26045.60	25167.15
Payment of Bonus Act,1965	33.59	33.59
Others	1138.23	1206.26

49.Sales Tax/ Value Added Tax / Entry Tax includes ₹ 16614.87 lakh (including interest up to 31.03.2022) (previous year ₹ 15779.52 lakh) towards differential tax demand in respect of the year 2011-12 on the disputed turnover. Against this order, Company obtained stay from Hon' High Court of Kerala.

50. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹ 178489.75 lakh including interest till 31.03.2013 before the arbitrator .The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17308.04 lakh including interest as on 31.12.2013 .As per the award, the mobilisation advance paid by the Company to the contractor along with interest of ₹2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court , Ernakulam which has since stayed the award. During the year 2019-20, as per the directive of Hon' District Court,Ernakulam the Company has provided 80.50 acres of land as security for the award. Accordingly, the award amount along with interest up to 31.03.2022, amounting to ₹ 25699.33 lakh without considering the adjustment of mobilsation advance and interest allowed under the arbitral award is not considered as a liability and included under Contingent Liability. The case is transferred to Commercial Court.

51. Contingent Assets

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Amounts estimated to be receivable in respect of:		
Suppliers and Contractors	120.81	120.81
Delares and customers	15.05	4.75
	135.86	**125.56**

₹ In Lakh

	As at 31.03.2022	As at 31.03.2021
52. Estimated amount of contracts remaining to be executed on capital account and not provided for.	56,417.27	4,635.80

53. Construction Contracts

Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹736 lakh (Previous year ₹921.18 lakh), and capital expenditure ₹ 758.71 lakh (Previous year ₹507.66 lakh).

In the case of work being carried out by FACT Engineering and Design Organisation (FEDO), for National Institute of Technology (NIT), Nagaland, as an executing agency, on a cost plus basis, as a deposit work , FEDO is eligible for certain percentage of fees of total project cost . As per technical evaluation ,52.46 %(previous year 52.46%) of work related to consultancy services by FEDO to NIT, has been completed as on 31.3.2022 and pro-rata credit of ' 862.73 lakh (previous year ₹917.44 lakh) has been taken, after considering ₹264.27 lakh towards work in progress (previous year ₹319.52 lakh). The value of construction work billed and certified during the year 2021-22 is taken as ₹234.35 lakh, (previous year ₹ 57.57 lakh) and equivalent amount has been considered for direct charges on contract.

₹ in lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Contract revenue recognised in the period.	705.07	526.07
Advance received against contract in progress.	500.07	516.67
Retention by customers against contract in progress.	89.96	94.31
Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date.	2,543.00	2,605.95
Gross amount due from customers for contract work as an asset.	143.28	214.01
Gross amount due to customers for contract work as a liability.	101.14	154.30

54. Disclosure in respect of changes in accounting policies, Changes in Accounting Estimates and Errors.

During the year certain errors or omission were identified. Accordingly, previous year financial statements were restated, as per the provisions of IndAS 8. The impact of the above in the previous financial statements and at the beginning of the earliest prior period is given below:

₹ In Lakh

SL No	Particulars	Increase in expenses /decrease in income / increase in assets /decrease in liabilities for the F Y 2020-21	Increase in income /decrease in expenses /increase in liabilities / decrease in assets for the F Y 2020-21	Correction at the beginning of the earliest prior period (April 1,2020)	
				Increase in assets/ decrease in liability	Increase in liability/ decrease in Assets
1	Other Financial Liabilities		144.93		67.83
2	Other Financial Assets	1.02	7.16		43.63
3	Other Current assets				238.33
4	Other equity			349.79	
5	Property, plant and equipment				
6	Revenue from operations		1.02		
7	Other income				
8	Employee Benefit expenses	7.16			
9	Other expenses	144.93			
10	Capital work-in progress				
11	Trade payable				
12	Other Financial liabilities				
	Total	**153.11**	**153.11**	**349.79**	**349.79**

55.INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 (viii) OF GENERAL INSTRUCTIONS FOR STATEMENT OF PROFIT AND LOSS OF SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31.03.2022

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

₹ In Lakh

	Current year	**Percentage**	Previous year	Percentage
Spare Parts , Components & Chemicals				
Imported	334.84	8.17%	245.07	6.78%
Indigenous	3765.35	91.83%	3371.61	93.22%
	4100.19		3616.68	

			₹ In Lakh
2	CIF Value of Imports	Current year	Previous year
	(i) Raw Materials	170093.53	88392.65
	(ii) Traded Products	0.00	26920.68
	(iii) Spares and other materials	70.20	449.10
	(iv) Capital Goods	0.00	128.59
		170163.73	115891.02
3	Expenditure in foreign currency		
	(Cash Basis)		₹ In Lakh
	(i) Consultancy service	0.00	0.00
	(ii) Others	56.61	57.37
		56.61	57.37

56. COST OF MATERIALS CONSUMED

₹ in lakh

		2021-22				2020-21			
Sl No.	**Particulars**	**Opening Stock**	**Purchases**	**Closing Stock**	**Consumption**	Opening Stock	Purchases	Closing Stock	Consumption
1	Regassified Liquid natural Gas	1.99	68776.92	2.56	68776.34	-	34308.90	1.99	34306.91
2	Sulphur - Imported #	801.37	16698.27	3488.15	14011.49	1044.39	6805.40	801.37	7048.42
3	Sulphur	1,333.36	19208.84	3205.32	17336.88	453.09	5876.76	1,333.36	4996.49
4	Rock Phosphate-Imported	344.97	34770.61	9070.42	26045.16	1504.56	12804.73	344.97	13964.32
5	Phosphoric Acid-Imported	4,025.76	107169.96	7992.76	103202.96	4087.19	61815.96	4025.76	61877.39
6	Ammonia - Imported	1,933.37	11310.57	206.29	13037.65	1928.66	9392.45	1933.37	9387.74
7	Benzene -Imported	10.24	0.00	0.09	10.15	10.24	0.00	10.24	0.00
8	Benzene	123.89	18132.70	1651.80	16604.79	125.07	0.00	123.89	1.18
9	Caustic Soda * #	7.86	641.02	55.71	593.17	20.45	-	7.86	-
12	Rock Phosphate-18% for mixing	27.35	1.02	13.28	15.09	27.35	0.00	27.35	0.00
13	Sulphuric Acid**	88.41	4881.01	1271.85	3697.57	8.79	919.51	88.41	832.71
14	Sulphuric Acid-Imported	3.22	9507.52	36.83	9473.92	270.41	2,579.20	3.22	2846.39
	TOTAL	**8701.79**	**291098.44**	**26995.06**	**272805.17**	**9480.20**	**134502.91**	**8701.79**	**135261.54**
	Cost of Materials Consumed				**272805.17**				

Net of amount consumed during trial run of petrochemical plants

* Caustic soda consumption of ₹ Nil (previous year ₹-12.59) is treated as chemical consumption

** Closing stock after adjustments for sale ₹ Nil (Previous Year ₹ 7.18 lakhs)

57. The Company has a system of obtaining confirmation of balances from Vendors and Customers. Some of the parties confirmed the balances.

58. The Company has earned profit continuously from the financial year 2018-19 and consequently the networth of the Company has improved considerably.The networth of the company is positive as on 31.03.2022 The Company has achieved excellent production, marketing and financial performance during the last three years and the same trend is expected in the financial year 2022-23 also. Financial restructuring packages submitted by the company requesting approval for waiver of Govt of India interest and restructuring Govt of India loan is under the consideration of the Govt of India and the Company expects a favourable decision on the proposal. . Accordingly the accounts of the company are prepared on going concern basis

59. Spread of COVID 19 has affected the economic activity across the Globe, including India. However, the Government classified the Fertilizers business of the company as an “Essential Commodity” and granted certain relaxations and guidelines so that production and distribution of the same will not be affected. The Company operated its plants during the year following the covid protocol and guidelines issued by the Government. Thus, the impact of Covid-19 on the Company for the year is minimal. The Company has considered the possible effects that may result from the pandemic on the carrying amounts of receivables, inventories and other financial assets, considering the available internal and external information up to the date of approval of these financial statements. Based on the nature of these assets, the company expects to recover the carrying amount of these assets as on March 31, 2022.

60. The standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 06.05.2022

61. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by the Shareholders.

62. The figures of the previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year.

In terms of our Report Attached
For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) & Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

DETAILS OF CAPITAL EXPENDITURE INCURRED ON TOWNSHIP AND OTHER SOCIAL OVERHEADS AS REQUIRED BY O.M. No. BPE - 1 (17) ADV (F) / 69 DATED 5-3-69 FROM THE MINISTRY OF FINANCE (BUREAU OF PUBLIC ENTERPRISES) UPTO 31st MARCH 2022

₹ in lakhs

	Gross Block as at 31-3-2021	Written down value as at 2021	Additions/ adjustments 2021-22	Depreciation for the year 2021-22	**Depreciated value as at 31-3-2022**
Land (Estimated)	156.71	156.71	0.00	0.00	**156.71**
Staff Quarters etc.in Township	1379.96	343.17	0.00	7.49	**335.68**
Sewers & Drains	280.85	14.05	0.00	0.00	**14.05**
Hospitals	64.37	12.48	0.00	0.37	**12.11**
Schools	93.43	22.24	0.00	0.58	**21.66**
Shops	12.08	1.82	0.00	0.05	**1.77**
	1987.40	550.47	0.00	8.49	**541.98**

DETAILS OF MAINTENANCE AND OTHER REVENUE EXPENDITURE ON TOWNSHIP AND OTHER SOCIAL OVERHEADS AS REQUIRED BY O.M.No. BPE-1(17)/ADV.(F)/69 DATED 5-3-69 FROM THE MINISTRY OF FINANCE (BUREAU OF PUBLIC ENTERPRISES)DURING THE YEAR ENDED 31st MARCH 2022

Particulars	Expenditure	Income	**Net Expenditure**
Staff Quarters & Estate Establishment	387.82	591.41	**(203.59)**
Schools	0.58	8.50	**(7.92)**
Medical facilities	920.83	14.25	**906.58**
Other Welfare Expenses	1102.78	86.34	**1016.44**
Notional interest at 6 % p.a. on	119.24	0.00	**119.24**
capital outlay on Township and overheads	2531.25	700.50	**1830.75**

STATEMENT SHOWING EXPENDITURE ON PUBLIC RELATIONS AND PUBLICITY (AS REQUIRED BY BPE O.M. No. BPE/GL/O42/78 BPE (IR)21(1)/78 DATED 18-12-1978) FOR THE YEAR ENDED 31st MARCH 2022

Particulars	
Salaries and Wages	4.80
Advertisement Charges	37.12
Propoganda and Publicity	16.04
Exhibition	0.00
Demonstration, Sign Boards, Cost of Fertilisers,	3.02
Village adoption,Soil Testing and Agronomy Services	**60.98**

SUMMARISED ACCOUNTS

₹ in lakh

	2021-22	2020-21	2019-20
RESOURCES			
Net Worth	9461	(26315)	(57045)
Borrowings And Deferred Credits	324228	297190	273734
Capital Reserve	54	55	57
Equity Instruments through OCI	9422	8261	7446
	343165	**279191**	**224192**
UTILISATION OF RESOURCES			
Net Fixed Asset	30271	25280	25754
Capital -work- in progress	4402	5498	3896
Other non-current assets	4189	6583	4145
Investments	9787	8627	7812
Net Current Assets	294515	233203	182585
	343165	**279191**	**224192**
EARNINGS			
Sale of products and services (net)	442481	325883	276992
Accretion/(decretion) to work in progress and finished goods	(656)	(9672)	(860)
Other Income	11765	6759	3163
	453589	**322970**	**279295**
OUT GOINGS			
Direct Materials & inputs	324588	198242	189106
Employees' remuneration and benefits	23176	22922	23302
Other expenses	34436	39964	35818
Depreciation / Impairment loss	2714	2269	1802
Finance Cost	24441	24526	28934
	409355	**287923**	**278961**
Profit/(Loss) for the year	44235	35047	334
Extraordinary items / Exceptional items: Income/ (Expense)	(8906)	0	97217
Profit/ (Loss) before tax	35328	35047	97550
Provision for Taxation	-	-	
Profit/ (Loss) after tax	**35328**	**35047**	**97550**

CHANGES IN FINANCIAL POSITION FOR THE YEAR ENDED 31ST MARCH 2022

₹ Lakh

	2021-22	2020-21	2019-20
SOURCES OF FUNDS			
Funds generated from operations:			
Profit after tax	35328	35047	97550
Depreciation and Impairment loss	2714	2269	1802
Increase in Long term borrowings & liabilities	1193	0	0
Decrease in Working Capital	0	59339	0
	39236	**96655**	**99352**
APPLICATION OF FUNDS			
Prior Period Adjustments	0	0	350
Remeasurement of Fixed Benefit Plan	-448	4318	373
Decrease in Long term borrowings & liabilities	0	86501	87156
Capital expenditure (net)	6610	3398	4267
Non current assets	(2394)	2438	2970
Increase in Working Capital	35467	0	4236
	39235	**96655**	**99352**

STATEMENT OF CHANGES IN WORKING CAPITAL

	2021-22	2020-21	2019-20
Cash and bank balance	20960	98215	61005
Inventories	14616	(4764)	(8874)
Sundry debtors	7085	(28578)	(1515)
Other current assets	44256	6213	(27368)
Loans and advances	0	0	(52)
	86917	**71086**	**23196**
Creditors and other liablities	51450	130425	18960
Increase/(decrease) in Working capital	35467	(59339)	4236
	86917	**71086**	**23196**

VALUE ADDED STATEMENT

₹ in lakh

PARTICULARS	2021-22	2020-21	2019-20
Value of production * (Including other income)	453589	322970	279295
Less: Cost of Direct materials & inputs	324588	198242	189106
	129001	**124727**	**90189**
Add: Exceptional Items :Income/ (Expense)	(8906)	0	97217
Value Added	**120095**	**124727**	**187406**
Applied in the following way :			
Employee remuneration and benefits	23176	22922	23302
Other operating expenses	34436	39964	35818
Depreciation	2714	2269	1802
Finance Cost	24441	24526	28934
Provision for Income Tax	-	-	-
Retained profit/(loss)	35328	35047	97550
	120095	**124727**	**187406**

10 YEARS FINANCIAL HIGHLIGHTS

₹ in lakh

		2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
		As per Ind AS Schedule III of the Companies Act 2013						As per Schedule III of the Companies Act 2013			As per revised Schedule VI of the Companies Act 1956
1	Sales	2,71,197	2,23,709	1,88,538	1,34,762	1,33,946	1,27,146	1,15,010	1,31,386	1,37,309	1,40,166
2	Subsidy	1,70,579	1,01,648	86,485	58,649	57,655	57,270	52,997	65,280	83,141	90,669
3	Income from Contracts & Services	705	526	1,969	2,048	1,266	3,912	5,592	1,213	488	742
4	Revenue from operations (1+2+3)	4,42,481	3,25,883	2,76,992	1,95,459	1,92,867	1,88,328	1,73,599	1,97,879	2,20,938	2,31,577
5	Other Income	11,765	6,759	3,163	2,270	4,162	1,804	2,898	1,855	1,401	1,979
6	Total Income	4,54,245	3,32,642	2,80,155	1,97,729	1,97,030	1,90,132	1,76,497	1,99,734	2,22,339	2,33,556
7	Material Consumed	2,77,086	1,39,048	1,52,367	1,36,903	1,08,024	1,08,741	1,07,980	1,39,440	1,52,490	1,42,464
8	Purchases of Stock-in-trade	298	34,091	7,214	240	169	9,868	272	6,928	6,730	8,722
9	Stock: (Accretion)/Decretion	656	9,672	860	-7,698	-3,053	-8,120	17,904	-59	-3,368	11,044
10	Employee benefits expenses	23,176	22,922	23,302	22,981	24,942	24,397	24,965	26,278	25,754	23,871
11	Repairs & Maintenance	4,752	3,997	3,443	3,363	3,443	3,494	4,069	3,251	3,237	3,348
12	Power & Fuel	42,788	21,315	25,478	11,789	16,459	16,681	11,998	14,876	25,925	33,382
13	Other Manufacturing Expenses	34,100	39,755	36,421	26,917	26,095	28,743	28,737	24,955	24,765	26,068
14	Total Expenditure	3,82,856	2,70,800	2,49,085	1,94,495	1,76,079	1,83,804	1,95,925	2,15,669	2,35,533	2,48,899
15	Gross Margin (6-14)	71,389	61,842	31,070	3,234	20,950	6,328	-19,428	-15,935	-13,194	-15,343
16	Finance Cost	24,441	24,526	28,934	28,053	32,142	30,466	25,214	19,629	19,183	15,538
17	Depreciation / Impairment loss	2,714	2,269	1,802	2,302	1,715	2,130	1,812	2,021	4,526	4,554
18	Profit/(Loss) before Exceptonal items and tax	44,235	35,047	334	-27,121	-12,906	-26,268	-46,454	-37,585	-36,903	-35,435
19	Exceptional Items- Income (+)/ Expenses (-)	-8,906	0	97,217	43,390	0	0	1,235	-2,406	10,407	39
20	Profit/(Loss) before tax	35,328	35,047	97,550	16,269	-12,906	-26,268	-45,219	-39,991	-26,496	-35,396
21	Provision for taxation	0	0	0	0	0	0	0		0	0
22	Net profit / (Loss)	35,328	35,047	97,550	16,269	-12,906	-26,268	-45,219	-39,991	-26,496	-35,396
23	Other Comprehensive Income	1,609	-3,503	533	1,800	268	2,794	NA	NA	NA	NA
24	Proposed Dividend	0	0	0	0	0	0	0		0	0
25	Tax on Proposed Dividend	0	0	0	0	0	0	0		0	0
26	Net block	30,271	25,280	25,754	25,394	29,472	29,681	26,973	28,180	27,606	24,336
27	Capital work-in-progress	4,402	5,498	3,896	1,792	1,850	2,435	2,186	2,486	2,383	5,313
28	Non-Current assets, Loans & Advances	4,189	6,583	4,145	1,175	1,011	808	846	788	1,871	1,853
29	Investments	9,788	8,627	7,812	6,906	5,927	4,572	367	367	2,136	2,136
30	Finished Goods	20,846	22,346	32,460	34,726	27,002	23,661	14,815	29,809	31,246	27,188
31	Work in progress	4,193	3,349	2,908	1,502	1,527	1,815	2,542	5,452	3,956	4,645
32	Raw Materials	30,725	15,897	11,490	19,439	10,474	7,881	10,269	7,243	11,670	20,066
33	Stores,Spares & Loose tools	10,248	9,445	9,055	9,192	8,604	9,322	10,885	12,482	14,289	14,556
34	Materials in transit	167	526	414	342	268	231	352	146	927	989
35	Sundry debtors	17,523	10,438	39,016	40,531	36,108	50,607	710	1,021	1,147	826

10 YEARS FINANCIAL HIGHLIGHTS

₹ in lakh

		2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
		As per Ind AS Schedule III of the Companies Act 2013						As per Schedule III of the Companies Act 2013			As per revised Schedule VI of the Companies Act 1956
36	Cash & bank balance	1,87,647	1,66,687	68,472	7,467	6,365	5,218	5,757	8,839	7,737	3,237
37	Loans & advances	0	0	0	52	54	3	16,122	14,270	14,453	15,403
38	Other Current Assets	1,06,023	61,767	55,554	82,922	51,661	20,495	71,327	52,015	68,780	49,402
39	Total Assets	4,26,022	3,36,443	2,60,976	2,31,440	1,80,322	1,56,729	1,63,151	1,63,098	1,88,201	1,69,950
40	Share Capital (Incl. Pending allotment)	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707
41	Accumulated Loss	-55,246	-91,022	-1,21,752	-2,18,579	-2,35,622	-2,20,218	-1,95,660	-1,50,441	-1,10,450	-83,954
42	Capital Reserve	54	55	57	59	61	63	65	66	69	73
43	Equity Instruments through OCI	9,422	8,261	7,446	6,540	5,561	4,205				
44	Non Current Liabilities :-										
45	Long term borrowings	1,020	1,530	90,564	1,79,599	1,77,049	1,77,049	1,62,713	16,149	18,976	21,803
46	Other non-current liabilities & Long term provisions	24,198	22,495	19,962	18,082	17,066	12,802	13,155	21,221	19,530	18,735
47	Short term borrowings (1)	1,79,502	1,77,559	91,504	47,793	50,737	63,182	18,345	91,282	92,109	77,332
48	Interest accrued on borrowings	1,19,508	95,606	71,704	47,803	23,902	0	111	25,272	21,193	15,917
49	Other Current Liabilities	77,908	51,584	34,614	83,656	75,047	53,446	95,661	90,255	76,418	49,656
50	Provisions	4,949	5,668	2,170	1,780	1,815	1,493	4,054	4,588	5,649	5,681
51	Total Liabilities	4,26,022	3,36,443	2,60,976	2,31,440	1,80,322	1,56,729	1,63,151	1,63,098	1,88,201	1,69,950
52	Networth (40+41)	9,461	-26,315	-57,045	-1,53,872	-1,70,915	-1,55,511	-1,30,953	-85,734	-45,743	-19,247
53	Capital employed (40+41+42+43+45+47+48) (1)	3,18,967	2,56,696	2,04,230	1,27,922	86,394	88,988	50,281	47,035	86,604	95,878
54	Total Current Assets	3,77,372	2,90,455	2,19,369	1,96,173	1,42,062	1,19,233	1,32,779	1,31,277	1,54,205	1,36,312
55	Total Current Liabilities & provisions	3,81,867	3,30,417	1,99,992	1,81,032	1,51,502	1,18,121	1,18,171	2,11,396	1,95,369	1,48,586
56	Net Working Capital (54-57)	-4,495	-39,962	19,377	15,141	-9,440	1,112	14,608	-80,119	-41,164	-12,274
57	**Installed Capacity (MT)**										
	Ammonium Sulphate	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000
	Factamphos 20:20	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500
	Caprolactam	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	N content	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050
	P2O5 content	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900
58	**Production (MT)**										
	Ammonium Sulphate	1,36,665	2,45,676	2,20,951	1,41,754	1,80,178	1,52,953	79,567	1,20,360	1,78,792	1,26,286
	Factamphos 20:20	8,26,552	8,61,455	8,44,738	6,34,362	6,61,973	6,54,361	5,15,435	6,14,004	6,63,787	5,37,081
	Caprolactam	20,835	-		-	-	-	770.00	-	-	-	15544
	N content	193463	222900	214464	156074	169511	162381	119478	147595	169589	133431
	P2O5 content	165310	172291	168948	126872	132395	130872	103087	122801	132757	107416
	Capacity utilisation (%)										
	N content	111.80	128.81	123.93	90.19	97.95	93.83	69.04	85.29	98.00	77.11
	P2O5 content	125.33	130.62	128.09	96.19	100.38	99.22	78.16	93.10	100.65	81.44

INDEPENDENCE DAY CELEBRATIONS



Shri Kishor Rungta, CMD delivering Independence Day message



Shri Kishor Rungta, CMD and Smt. Sapna Rungta jointly unleashing the tricolour balloons

INDEPENDENCE DAY CELEBRATIONS



Independence Day Parade inspection by Shri Kishor Rungta, CMD



Rashtriya Salute by Shri Kishor Rungta, CMD

K. VENKATACHALAM AIYER & CO

CHARTERED ACCOUNTANTS

No. 30, "AADARSH", (First Floor), Next to CA. Institute, Indrani Nagar, Palakkad - 678 012
Off: 0491 - 2578063, 09349601128. E-Mail: chandrufca@gmail.com

INDEPENDENT AUDITORS' REPORT

To the Members of The Fertilisers and Chemicals Travancore Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **The FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (hereinafter referred to as "the Company") and its jointly controlled entity and an associate(The Company and its jointly controlled entity along with associate together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31st, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act,2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified 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 Group as at March 31st, 2022, the consolidated profit and consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

As explained in Note #2.3 regarding conversion of leasehold to freehold land to the Company, though the Government of Kerala (GoK) has accorded freehold right to the Company over 143.22 acres of land during the financial year 2019-20, the Company is yet to receive freehold title pending registration formalities. Accordingly, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16 – Property, Plant and Equipment and the consequent applicability of other Ind ASs on the Consolidated Ind AS Financial Statements have not been recognized by the Company. The Company has obtained a registered valuer's report valuing the said property at Rs. 47,956 lakhs during the year. In the event of adopting the aforesaid value as fair value in the financial statements, the impact thereof would be increase in both Property, Plant and Equipment and Other Equity to the tune of Rs. 47,956 lakhs from the present values shown.

We have conducted our audit of the Consolidated Ind AS Financial Statement in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statement section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules there under, 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 qualified opinion on the Consolidated Ind AS Financial Statement.

Going Concern

The Company has accumulated loss amounting to Rs. 55,246 lakhs (previous year Rs. 91,022 lakhs). The Company's current liabilities exceeded its current assets by Rs. 8,560 lakhs. Some of the key financial ratios of the Company are adverse. However, the Company has reported net profit (including other comprehensive income) of Rs. 36,938 lakhs during the year (previous year of Rs. 31,544 lakhs). The Company has a balance under current assets of Cash and Cash Equivalents and Other Bank balances of Rs. 1,87,647 lakhs (previous year Rs. 1,66,687 lakhs) as at year end. The company has submitted a proposal for restructuring of the loan received from Government of India amounting to Rs. 1,28,273 lakhs and interest due thereon. After considering these conditions, the Consolidated Ind AS Financial Statements of the Company have been prepared on going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

1. We draw attention to Note #17.1 of the Consolidated Ind AS Financial Statements regarding the confirmation of the loan and interest due thereon on the Government of India loan of Rs.2,96,557 lakhs outstanding as on March 31st,2022 which has been received upto March 31st, 2020 only.
2. Note #7.5 & #27.1 regarding estimated provision against irregularities in stock pending investigation in progress of Rs 218.50 Lakhs.

Our opinion is not modified in respect of these matters.

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. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters:

Sl No	Key Audit Matter	Auditors' Response
1	**Accounting of subsidy income from Government of India under DBT Scheme:** Under Direct Benefit Transfer (DBT) scheme of Government of India (GoI), the Company is entitled to receive subsidy only upon sale of fertilizer by the dealer to the ultimate beneficiary through Point of Sale (PoS) devices. However, the Company continues to account subsidy as income at the time of sale to dealers as in the earlier scheme, considering the reasonable certainty that the sale will take place and subsidy will be received based on the industry practice and past experience. Refer Note #28 to the Consolidated Ind AS Financial Statements	Our principal audit procedures included the following: • Analysed the scheme framed by the Department of Fertilizers (DoF) notified through Notification F. No. D(FA)/2016/ DBT dated March 17th, 2017. • Reviewed the agreement with dealers. • Performed analytical review procedures on the subsidy claim lodged by the Company from the inception of the DBT scheme and subsidy accounted by the Company. • Analysed post Balance Sheet sales through PoS devices in Integrated Fertiliser Management System (iFMS) to assess the sales trend. • Considered the ageing of the stock with the dealers for which sales not reported in the iFMS and assessed the conservative approach adopted by the Company. • Compliance with Ind AS 20 on 'Accounting for Government Grants and Disclosure of Government Assistance' • Method consistently followed by the Company from year to year.
2	**Property, Plant & Equipment:**Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Consolidated Ind AS Financial Statements.	• We examined whether the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and our observations are shown in clause (i)(a) to Annexure A to this report.

Sl No	Key Audit Matter	Auditors' Response
		• Reviewed the report of the committee that studied the Impairment of the assets. • Reviewed the capitalisation made during the year under review • Reviewed the valuation report of the assets held for sale. • Reviewed the report on the physical verification of Property, Plant and Equipment carried out by the Management and comments of the branch auditors in their report regarding physical verification conducted at depots/ zonal offices. The deficiencies in the physical verification process are reported in para 4 of Other Mattersof Annexure A to this report. • The deficiencies in the reconciliation of land as per documents with the books of accounts and consequent effect on the verification of completeness and correctness of the land are reported in para 3 of Other Matters of Annexure A to this report.

Information Other than the Consolidated Ind AS Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Ind AS Financial Statements and our Auditors' Report thereon.

Our opinion on the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially in consistent with the Consolidated Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

The said other information is expected to be made available to us after the date of this audit report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shareholders.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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.

Auditors' Responsibilities for the Audit of the 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 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 controls with reference to 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 Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 evidences obtained up to the date of our auditors' report. However, future events or conditions may cause the Group 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 financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matters

1. We did not audit the financial statements of five states comprising marketing offices of the Company included in the Consolidated Ind AS Financial Statements of the Company, whose financial statements reflect total revenue of Rs. 2,14,803 lakhs for the year ended on

that date, as considered in the Consolidated Ind AS Financial Statements and total assets not quantifiable in the absence of certified trial balance of the areas as at March 31st, 2022. The Company has submitted certain "financial schedules" only which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the ConsolidatedInd AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these states and our report, in so far as it relates to the aforesaid states, is based solely on the reports of other auditors.

2. The financial statements of the jointly controlled entity and an associate of the Company have been audited by other auditors, whose reports have been furnished to us by the Management. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of the other auditors.

3. The Company has not reconciled the value of the land as per the financial statements with the cost of acquisition of the land as per the title deeds and the additional compensation paid for the acquisition of land, hence we could not verify the completeness and correctness of the amount disclosed in the financial statements with respect to these title deeds. However, the management confirms that the said non reconciliation will not affect the financial position and financial performance of the Company for the year ended March 31st, 2022.

4. The Company has maintained generally proper records showing the particulars including quantitative details except situation of Property, Plant & Equipment. Major portion of the Property, Plant & Equipment have been stated to be physically verified by the Management during the year and are not observed by us. However, we report that the physical verification to be done on a systematical order and the procedure needs to be strengthened. As explained to us, no material discrepancies were noticed on such physical verification.

5. 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 Consolidated Ind AS Financial Statements / financial information and other details certified by the Management, except on the limitation of scope reported by other auditors due to non-provision of the trial balance of the states audited by them and their inability to ensure the correctness of the financial schedules due to this.

Report on other Legal and Regulatory Requirements

1. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in "**Annexure A**" a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.

2. With respect to the matters specified in paragraph 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. Based on the CARO report issued by the respective auditor of FACT-RCF Building Products Limited (Joint Venture), the paragraphs (ii)(a), (vii)(b), (ix)(a) & (b), (xiv), (xvii) & (xix) of the CARO report has been qualified.

3. As required by section 143 (3) of the Act, based on our audit and our comments on separate financial statements of the jointly controlled entities as noted in the Emphasis of 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 except the internal audit reports of the Company for the fourth quarter for the financial year 2021-22

   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 reports on the accounts of the five states of the Company audited under Section 143(8) of the Act by other auditors have been given to us and have been properly dealt with by us in preparing this report.

   d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (Other Comprehensive Income), the Consolidated Cash Flows Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with relevant books of account and with the returns received from five states not audited by us, subject to the limitation of scope by other auditors.

e) 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 Companies (Indian Accounting Standards) Rules, 2015 subject to the matter specified in paragraph 3 above.

f) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Consolidated Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**" which is based on the report of the statutory auditors of the joint venture and its associate incorporated in India.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note #48 of the Consolidated Ind AS Financial Statements).

(ii) Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts as at 31st March 2022.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, where applicable.

Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditor's Report is not applicable.

For **K Venkatachalam Aiyer& Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN: 22020504AIUYTF8583

Place: Kochi
Date: May 6th, 2022

Annexure A to the Independent Auditors' Report of even date to the members of

The Fertilisers and Chemicals Travancore Limited on the Consolidated Ind AS Financial Statements for the year ended March 31st, 2022

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

SL No	C & AG Directions	Observations/findings
1	Whether the company has system in place to process all the accounting transactions through IT system on the integrity of the accounts along with the financial implications, if any may be stated.	According to information and explanations given to us and based on the examination of records of the Company, all the accounting transactions of the Company are processed through IT system. As explained to us, there is no accounting transaction being processed outside the IT system except valuation of inventories. However, this has no financial implication on the accompanying financial statements.
2	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?(In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	According to information and explanations given to us, during the year, there was no restructuring of existing loans of the Company or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to Company's inability to repay the loan. However, we report that the company submitted a financial restructuring proposal to Department of Fertilizers, Government of India and no decision was taken by the Government on this proposal as on the balance sheet date.
3	Whether funds (grants/subsidy etc.) received /receivable for specific schemes from Central /State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	According to information and explanations given to us, during the year, the Company received freight subsidy against the freight expenses incurred for the transportation of the fertilizers from plant/ port to the depots and DBT subsidy against the ultimate sale of fertilizers to the beneficiaries. These funds are properly accounted as per Ind AS 20 and utilized as per the terms and conditions of the scheme.The company has not received / has receivable from any other fund for specific schemes of central/ state agencies during the year.
Sl.No	**C&AG Sub directions**	**Observations /findings**
1	State the impact of revision of subsidies for fertilizers products viz. NPK, Ammonium Sulphate and imported MoP in valuation of its closing stock.	The closing stock of NPK, Ammonium Sulphate and Imported MoP as on 31stMarch 2022 has been valued at cost. There is no impact of revision of subsidy in valuation of closing stock.
2	Whether subsidy was recognized as per provisions of the Direct Benefit Transfer Scheme of GOI?	According to the information and explanations given to us and based on the examination of the records of the Company, the subsidy income is recognized at the time of sales to dealers as per Ind AS 20. However, the subsidy claim is made by the Company with GOI at the time of ultimate sales made to the beneficiary.

3	State the area of land under encroachment, if any, and briefly explain the steps taken by the company to remove the encroachments.	As per the information and representation given to us, no area of land of the Company is under encroachment. [refer Other Matters para 3]
4	Whether subsidy received /recoverable from the GOI has been properly accounted for and reconciled as per claims admitted?	Based on the audit procedure performed by us and as per the information and explanation given to us, Price and Freight Subsidy is measured and raised based on policy issued by DoF/ principle/ notifications received from Fertiliser Industry Coordination Committee (FICC), and office of the GOI which regulates such subsidy. Escalation/ De-escalation in notified rates is considered for accounting the subsidy received/ recoverable from GOI. The claim made by the Company and the claim admitted by GOI is reconciled.

For **K Venkatachalam Aiyer& Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN: 22020504AIUYTF8583

Place: Kochi

Date: May 6th, 2022

Annexure B to the Independent Auditors' Report of even date to the members of The Fertilisers and Chemicals Travancore Limited on the Consolidated Ind AS Financial Statements for the year ended March 31st, 2022

Independent Auditors' 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 **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (hereinafter referred to as "the Company") as of and for the year ended March 31st, 2022, we have audited the internal financial controls over financial reporting of the Company and its jointly controlled entity and an associate (hereinafter referred to as "the Group"), which are Companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

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' and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS 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 Consolidated Ind AS 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 and to the best of our information and according to the explanations given to us, the Group which are Companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting need to be strengthened as at March 31st, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in "the Guidance Note" issued by the ICAI.

The financial statements of the jointly controlled entity and an associate of the Company have been audited by other auditors, whose reports have been furnished to us by the Management. Our report on the adequacy of internal financial controls over financial reporting with respect to these financial statements, in so far as it relates to these entities, is based solely on the reports of the other auditors.

For **K Venkatachalam Aiyer& Co.**
Chartered Accountants
FRN: 004610S

Sd/-
CA V Ramachandran
Partner
Membership No:020504
UDIN:22020504AIUYTF8583

Place: Kochi
Date:May 6th,2022

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022
[*See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Consolidated*)

I	Sl. No	Particulars	Audited Figures (In lakhs) (as reported before adjusting for qualifications)	Adjusted Figures (In lakhs)(audited figures after adjusting for qualifications)
	1	Turnover / Total income	454245.02	454245.02
	2	Total Expenditure	418916.76	418916.76
	3	Net Profit/(Loss)(Including extraordinary item)	35328.26	35328.26
	4	Earnings Per Share	5.46	5.46
	5	Total Assets	426022.09	473978.09
	6	Total Liabilities	407084.74	407084.74
	7	Net Worth	18937.35	66893.35
	8	Any other financial item(s) (as felt appropriate by the management)	NIL	NIL

II **Audit Qualification**

a. Details of Audit Qualification Regarding sale of land and conversion of leasehold to freehold land to the Company, even though the Government of Kerala (GoK) has accorded freehold right to the Company over 143.22 acres of land during the financial year 2019-20, the Company is yet to receive freehold title pending formalities. Accordingly, the fair value of the non-monetary asset of freehold title of the land converted as required under Ind AS 16-Property Plant and Equipment and the consequent applicability of other Ind ASs on the standalone financial statements have not been recognized by the Company. During the year, the Company has obtained a registered valuer's report valuing the said property at Rs. 47,956 lakhs in 2019. In the event of adopting the aforesaid value as fair value in the financial statements, the impact thereof would be increase in Property, Plant and Equipment and Other Equity to the tune of Rs. 47,956 lakhs from the present values shown.

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of qualification: Third time – However, the quantification of fair value of assets is first time.

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:Auditor has quantified the Impact of Audit Qualification for the first time. The procedure for completion of formalities for conversion of leasehold land is still under the consideration of the Govt. of Kerala. Considering this, even though the Company has ascertained the fair value of the land through a valuer, the same has not been considered in the accounts. The Company has not obtained the title deed of the land till date and the land, as per Revenue records, is in the name of Govt. of Kerala as 'Puramboke land' 'leased to FACT'.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

i. Management's estimation on the impact of audit qualification: Not applicable.
ii. If management is unable to estimate the impact, reasons for the same Not applicable.
iii. Auditors' Comments on (i) or (ii) above Not applicable.

Sd/-	Sd/-	Sd/-	Sd/-
Kishor Rungta	**S Sakthimani**	**Rabinarayan Patra**	**Statutory**
Chairman &	**Director (Finance)**	**Audit Committee**	**Auditor**
Managing Director	**/ CFO**	**Chairman**	

Place: Udyogmandal
Date : 06.05.2022

Office of the Director General of Audit,
(Agriculture, Food & Water Resources), New Delhi
Confidential

Report/2-97/DGA/(AF&WR)/Accounts/FACT(CON)/2022-23/2952
Dtd. 23/08/2022

To
The Chairman & Managing Director
The Fertilizers and Chemicals Travancore Limited
Eloor, Udyogamandal, Kochi 63 501, (Kerala)

Sub: Comments of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act 2013 on the financial accounts of The Fertilizers and Chemicals Travancore Limited (Consolidated) for the year ended 31 March 2022.

Sir,
The Comments on the financial accounts of The Fertilizers and Chemicals Travancore Limited (Consolidated) for the year ended 31 March, 2022 under Section 143 (6) (b) of the Companies Act, 2013 is being sent herewith.

Kindly acknowledge receipt.
Yours faithfully,
(sd/-)
Keerti Tewari
Director General of Audit
(Agriculture, Food & Water Resources)

Encl: as above

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor/auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 06th May 2022.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of The Fertilisers and Chemicals Travancore Limited, for the year ended 31 March 2022. We conducted a supplementary audit of the financial statements of The Fertilisers and Chemicals Travancore Ltd and FACT-RCF Building Products Limited for the year ended on that date. Further, section 139 (5) and 143 (6)(a) of the Act are not applicable to Kerala Enviro Infrastructure Limited being non-government company for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of the Company.

This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the consolidated financial statements and the related audit report:

A. Comments on Financial Position

Equity and Liabilities

Liabilities

Current Liabilities

Provisions (Note – 27): ₹ 4,949.17 lakh

The above does not include an amount of ₹ 4,790 lakh on account of pay revision for company's employees of FACT Limited in pursuance of Department of Public Enterprises (DPE) OM No.W-02/0028/2017-DPE-GL/XIII/17 dated 3 August 2017. Considering fulfillment of conditions laid down in the DPE OM. Board of Directors (BoD) of the FACT Limited in their meeting held on 12 August 2021 approved the proposal for pay revision with financial benefits w.e.f 1 April 2021 to the employees. The estimated financial implication was ₹ 4,790 lakh for the year 2021-22. The proposal for pay revision of company's employees was sent to the administrative Ministry on 25th August 2021 for approval. Considering BoD approval to the pay revision and in pursuance of Ind AS 37 (Para 10), company has a constructive obligation for the pay revision and thus should have made provision for the same in the financial statements in accordance with Para 14 of Ind AS 37.

Non provision for pay revision has resulted in understatement of provision for pay revision by ₹ 4,790 lakh and overstatement of profit for the year by the same amount.

For and on the behalf of the
Comptroller & Auditor General of India
(Sd/-)
Keerti Tewari
Director General of Audit
(Agriculture, Food & Water Resources)

Place: New Delhi
Date: 22.08.2022

REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED FOR THE YEAR ENDED 31 MARCH 2022

Comments of C & AG	Reply
A. Comments on Financial Position **Equity and Liabilities** **Liabilities Current Liabilities** **Provisions (Note – 27): ₹ 4,949.17 lakh** The above does not include an amount of ¹ 4,790 lakh on account of pay revision for company's employees of FACT Limited in pursuance of Department of Public Enterprises (DPE) OM No.W-02/0028/2017-DPE-GL/XIII/17 dated 3 August 2017. Considering fulfillment of conditions laid down in the DPE OM. Board of Directors (BoD) of the FACT Limited in their meeting held on 12 August 2021 approved the proposal for pay revision with financial benefits w.e.f 1 April 2021 to the employees. The estimated financial implication was ₹ 4,790 lakh for the year 2021-22. The proposal for pay revision of company's employees was sent to the administrative Ministry on 25th August 2021 for approval. Considering BoD approval to the pay revision and in pursuance of Ind AS 37 (Para 10), company has a constructive obligation for the pay revision and thus should have made provision for the same in the financial statements in accordance with Para 14 of Ind AS 37. Non provision for pay revision has resulted in understatement of provision for pay revision by ₹ 4,790 lakh and overstatement of profit for the year by the same amount.	As per the DPE Office Memorandum No. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 03.08.2017 and W-02/0015/2016-DPE(WC)-GL-XXIV/17 dated 24.11.2017, the pay revision in Central Public Sector Enterprises, can be implemented only after approval of the concerned Administrative Ministry. The Board of Directors of FACT has granted approval for submission of the pay revision proposal to the Department of Fertilisers, for approval. Company has not yet received approval from the Department of Fertilisers, for implementation of the pay revision of the employees. In view of the stipulation of approval from the Administrative Ministry as per the DPE Office Memorandum, there is no obligation on the part of the Company for implementation of the pay revision, so as to create provision or liability in the books of accounts. The Company has made proper disclosure of the above facts in Note No.33 of the financial statements.

Consolidated Balance Sheet as at 31st March 2022

₹ In Lakh

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021	As at the beginning of 01.04.2020
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	2	30,188.31	25,157.91	25,634.95
Capital Work in Progress	2A	4,402.16	5,498.34	3,895.71
Investment Property	2B	5.77	9.30	9.40
Right-of-use assets	2C	3,256.99	3,294.13	-
Other Intangible Assets	2D	76.47	112.32	109.21
Investments in Associates & Joint ventures	3A	407.99	534.20	514.52
Financial Assets				
Other Investments	3B	9,380.48	8,092.90	7,297.55
Loans	4	3.28	4.52	5.70
Other Financial Assets		5928.65	3,279.51	4,003.54
Other Non Current Assets	6	-	4.89	136.10
		48,650.10	45,988.02	41,606.68
CURRENT ASSETS				
Inventories	7	66,179.69	51,563.96	56,326.57
Financial Assets				
Trade Receivables	8	17,522.98	10,438.13	39,016.24
Cash and Cash equivalents	9	18,206.25	17,878.46	4,871.75
Other Bank Balances	10	1,69,440.47	1,48,808.35	63,599.98
Other Financial Assets	11	55,456.57	19,993.52	19,251.22
Current Tax Assets	12	232.55	1,039.05	1,611.22
Other current Assets	13	46,268.46	36,669.03	30,626.52
		3,73,306.97	2,86,390.50	2,15,303.50
Non-current Assets held for Disposal	14	4,065.02	4,065.02	4,065.02
TOTAL ASSETS		**4,26,022.09**	**3,36,443.54**	**2,60,975.20**
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	64,707.20	64,707.20	64,707.20
Other Equity	16	(45,769.85)	(82,706.43)	(1,14,249.14)
		18,937.35	(17,999.23)	(49,541.94)

Consolidated Balance Sheet as at 31st March 2022

₹ In Lakh

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021	As at the beginning of 01.04.2020
LIABILITIES				
NON CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	17	1,020.00	1,530.00	90,564.38
Lease Liabilities	18	2,966.79	2,882.19	-
Other Financial Liabilities	19	2,523.48	17.92	38.14
Provisions	20	18,142.76	18,966.42	19,231.83
Other Non Current Liabilities	21	564.77	628.45	692.14
		25,217.80	24,024.98	1,10,526.49
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	22	1,79,502.33	1,77,558.75	91,504.33
Lease Liabilities	23	268.76	264.46	-
Trade Payables	24			
(i) Dues to Micro,Small and Medium Enterprises		103.38	99.70	117.92
(ii) Dues to Others		57,694.74	37,344.75	21,023.29
Other Financial Liabilities	25	1,34,334.21	1,04,669.72	82,334.98
Other Current Liabilities	26	5,014.35	4,812.48	2,840.24
Provisions	27	4,949.17	5,667.93	2,169.89
		3,81,866.94	3,30,417.79	1,99,990.65
TOTAL EQUITY AND LIABILITIES		**4,26,022.09**	**3,36,443.54**	**2,60,975.20**

Statement of Significant Accounting Policies 1
Explanatory Information on Financial Statements 38-62

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

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

₹ In Lakh

	Particulars	Note No.	Year ended 31.03.2022	Year ended 31.03.2021
I	Revenue from Operations	28	4,42,480.27	3,25,883.22
II	Other Income	29	11,764.75	6,759.00
III	**Total Income (I+II)**		**4,54,245.02**	**3,32,642.22**
IV	Expenses			
	Cost of Materials Consumed	30	2,77,086.12	1,39,048.10
	Purchase of Stock in Trade	31	297.79	34,091.35
	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	655.94	9,672.26
	Employee Benefit Expenses	33	23,176.04	22,922.15
	Finance Cost	34	24,440.68	24,526.29
	Depreciation and Amortization Expenses / Impairment	2,2B,2C,2D	2,714.16	2,269.06
	Other Expenses	35	81,639.83	65,066.01
	Total Expenses (IV)		**4,10,010.56**	**2,97,595.22**
V	**Profit / (Loss) before exceptional items and tax (III - IV)**		**44,234.46**	**35,047.00**
VI	Exceptional Items (Income /(Expenses))	36	(8,906.20)	0.00
VII	**Profit / (Loss) before Tax (V+VI)**		**35,328.26**	**35,047.00**
VIII	Tax Expenses		0.00	0.00
IX	**Profit / (Loss) for the Year (VII-VIII)**		**35,328.26**	**35,047.00**
X	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit or loss		1161.35	815.04
	(ii) Remeasurement of defined benefit plan	16	447.90	(4,317.63)
	(iii) Income Tax relating to items that will not be reclassified to Profit or Loss		0.00	0.00
	Other Comprehensive income for the year (X)		**1,609.25**	**(3,502.59)**
XI	**Total Comprehensive Income for the year (IX+X)**		**36,937.51**	**31,544.41**
XII	**Earnings per Equity Share**			
	Basic/Diluted per Equity Share (₹)	37	5.46	5.42
	Statement of Significant Accounting Policies	1		
	Explanatory Information on Financial Statements	38-62		

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

Consolidated Cash flows statement for the year ended 31st March 2022

₹ In Lakh

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A **Cash flow From Operating Activities**		
Net Profit / (Loss) before Tax	35,328.26	35,047.00
Adjustments for:		
Depreciation / Impairment loss on Assets	2,714.16	2,269.06
Exceptional items	8,906.20	-
(Profit) / Loss on Sale of Asset	0.58	(2.12)
Interest Income	(8,991.95)	(5,843.05)
Dividend Income	(25.92)	(31.82)
Interest and Finance Charges	24,440.68	24,526.29
Provision for Bad / Doubtful Debts	144.91	349.13
Provision for Bad / Doubtful Advances	39.41	183.33
Provision for Obsolescence	193.22	68.63
Amount written off- Deferred Government Grants	(0.93)	(1.70)
Expenditure towards Corporate Social Responsibility	106.28	12.12
Change in Provision	(1,094.52)	(1,085.00)
Adjustment for Non cash items	(3.41)	(306.19)
Operating Profit before Working Capital Changes	**61,756.97**	**55,185.68**
Adjustment for :		
Inventories	(14,808.95)	4,693.98
Trade Receivables	(7,229.76)	28,228.98
Loans	1.24	1.18
Other Current Assets	(9,638.84)	(6,225.84)
Other Non Current Assets	4.89	131.21
Other Financial Assets	(35,408.38)	2,858.02
Trade Payables	20,353.67	16,303.24
Other liabilities	(486.02)	329.36
	(47,212.15)	**46,320.13**
Cash Generated from Operations	**14,544.82**	**1,01,505.81**
(Direct Tax Paid)/ Refund received	806.50	572.17
Paid for Corporate Social Responsibility	(106.28)	(12.12)
Net Cash from Operating Activities	**15,245.04**	**1,02,065.86**
B **Cash Flow from Investing Activities**		
Acquisition of Property, plant and equipment/CWIP	(6,445.30)	(3,198.84)
Proceeds from the sale of Property, plant and equipment	0.27	4.63
Acquisition of intangible assets	(3.11)	(42.65)
(Investment in)/Withdrawal of Bank deposits	(18,281.26)	(84,484.34)
Interest Received	8,937.28	2,242.73
Dividend Received	25.92	31.82
Net Cash from investing Activities	**(15,766.20)**	**(85,446.65)**

Consolidated Cash flows statement for the year ended 31st March 2022

₹ In Lakh

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
C **Cash Flow from Financing Activities**		
Net Proceeds /(Repayment) of Working capitalfacilities		
and short term loans	1,433.58	(2,979.96)
Interest Paid	(584.63)	(632.54)
Net Cash from Financing Activities	**848.95**	**(3,612.50)**
Net increase in Cash and Cash Equivalent (A+B+C)	**327.79**	**13,006.71**
Cash and Cash Equivalent as at 1st April (Opening Balance)	**17,878.46**	**4,871.75**
Cash and Cash Equivalent as at 31st March (Closing Balance)	**18,206.25**	**17,878.46**
Closing Cash and Cash Equivalents		
Represented By :		
Cash on hand	2.66	4.87
Balances with banks	286.08	3,302.15
Deposit with Bank (less than 3 month maturity)	17,917.51	14,571.44
Total	**18,206.25**	**17,878.46**

In terms of our Report Attached
For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

Consolidated Statement of changes in equity

A. Equity share capital

₹ In Lakh

(1) 2021-22

Particulars	Balance as at 01.04.2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2021	Changes in equity share capital during the year 2021-22	Balance as at 31.03.2022
Equity shares of ₹10 each	64,707.20	Nil	64,707.20	Nil	**64,707.20**

(2) 2020-21

Particulars	Balance as at 01.04.2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2020	Changes in equity share capital during the year 2020-21	Balance as at 31.03.2021
Equity shares of ₹10 each	64,707.20	Nil	64,707.20	Nil	**64,707.20**

STATEMENT OF CAHNGES IN EQUITY (CONSOLIDATED)

₹ In Lakh

B. Other Equity

(1) 2021-22

Particulars	Reserves and Surplus							Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against sharewarrants	Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings								
Balance as at 01.04.2021	-	-	2.64	-	52.65	(6,277.13)	(84,745.14)	-	8,260.55	-	-	-	-	-	(82,706.43)
Changes inaccounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at the beginning of the current reporting period	-	-	2.64	-	52.65	(6,277.13)	(84,745.14)	-	8,260.55	-	-	-	-	-	(82,706.43)
Total Comprehensive															
Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.93)	447.90	35,328.26	-	1,161.35	-	-	-	-	-	36,936.58
Balance as at 31.03.2022	-	-	2.64	-	51.72	(5,829.23)	(49,416.88)	-	9,421.90	-	-	-	-	-	(45,769.85)

**Fund received towards Indo EEC Fertiliser Education Project

B. Other Equity

(1) 2020-21

Particulars	Reserves and Surplus							Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against sharewarrants	Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings								
Balance as at 01.04.2020	-	-	2.64	-	53.59	1,959.50)	(1,19,442.35)	-	7,445.51	-	-	-	-	-	(1,13,900.11)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	(349.79)	-	-	-	-	-	-	-	(349.79)
Restated balance at the beginning of the current reporting period	-	-	2.64	-	53.59	(1,959.50)	(1,19,792.14)	-	7,445.51	-	-	-	-	-	(1,14,249.90)
Total Comprehensive															
Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	815.04	-	-	-	-	-	31,543.47
Any other change	-	-	-	-	(0.94)	(4,317.63)	35,047.00	-	-	-	-	-	-	-	-
Balance as at 01.04.2021	-	-	2.64	-	52.65	(6,277.13)	(84,745.14)	-	8,260.55	-	-	-	-	-	(82,706.43)

**Fund received towards Indo EEC Fertiliser Education Project

In terms of our Report Attached
For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S
Sd/-
V.Ramachandran
Partner
Membership No.020504

Place: Kochi
Date: 06.05.2022

For and on behalf of the Board of Directors

Sd/-
S Sakthimani
Director (Finance) &Chief Financial Officer
DIN 07482308
Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Note 1

Statement of Significant Accounting Policies forming part of Consolidated Financial Statements for the Year ended 31st March 2022

1. Corporate Information

The Company is a Public Limited company domiciled in India and is incorporated under provisions of the Companies Act applicable in India. The registered office of the Company is located at Eloor, Udyogamandal, Ernakulam 683501, Kerala. The shares of the company are listed in National Stock Exchange of India Limited.

The Company is engaged in the,

(i) Manufacturing and marketing of fertilizers and Petrochemicals,
(ii) Engineering Consultancy and Design and
(iii) Fabrication and Erection of Industrial Equipments.

2. Basis for preparation of financial statements

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

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

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

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

The consolidated financial statements relate to the Company [The Fertilisers and Chemicals Travancore Ltd.] and Jointly Controlled Entities FACT RCF Building Products Ltd. (FRBL) and Kerala Enviro Infrastructure Ltd (KEIL)

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

The financial statements of the Jointly Controlled Entities used in the consolidation are drawn up to the same reporting date as of the Company i.e. for the year ended 31st March 2022.

2.1 Use of Estimate

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and judgments affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving judgments have been disclosed in note (3). Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

2.2 Current versus non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
ii. the asset is intended for sale or consumption;

iii. the asset/liability is held primarily for the purpose of trading;

iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;

v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

Principles of Consolidation:

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

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

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

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as on 31.03.2022	Date of the entity becoming Joint Venture
FACT –RCF Building Products Ltd.	India	50.00%	02nd May 2008
Kerala Enviro Infrastructure Ltd	India	21.75%	26th Feb 2013

3. Significant Accounting Policies

i) Property Plant and Equipment

a) All Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

b) All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

c) Land purchased/acquired and under the possession of the company are treated as free hold land.

d) Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset

e) Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.

f) Spares costing (Unit value of ₹ 10 lakh and above), and other components which are required to be replaced at intervals, meeting the recognition criteria have been classified as Plant and equipment and are depreciated separately based on their specific useful lives.

g) The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

h) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue.

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

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

Depreciation

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

Effective from 1st April, 2014, the Company has reassessed the useful life of its existing Property, plant and equipment (considering component approach wherever necessary) and has charged depreciation over the remaining useful lives, after retaining residual value, in accordance with the transitional provisions contained in the Schedule II of the Companies Act 2013.

Residual value of 5% has been retained for all the Property, plant and equipment, which is in line with the provisions of the Schedule II.

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

Impairment

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

Capital Stores

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

Exemption Availed Under Ind AS 101
On transition to Ind AS, Company has elected to continue with the carrying value of all its property plant and equipment existing as at 1st April 2016, measured as per previous GAAP (Indian GAAP) and used that carrying value as the deemed cost of the property plant and equipment.

ii) Capital Work In Progress

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

iii) Investment Property

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

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

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Schedule II to Companies Act, 2013.

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

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

iv) Intangible Assets

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

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

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

Exemption Availed Under Ind AS 101

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

The Company has no intangible assets with infinite useful lives.

v) Inventory Valuation

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

Materials in process are not valued.

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

Materials in transit / under inspection are valued at cost.

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the lowest slab of the approved price for the next financial year reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. For assessing the closing stock of gypsum, the saleable quantity is assessed on the basis of technical study as on 30.09.2018 and the yearend stock has been derived by considering production, consumption, despatch and sales, till the year end.

vi) Commitments

Capital Commitments

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

Other Commitments

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

vii) Borrowing Cost

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

viii) Investments

All equity investments in scope of Ind- AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value through Profit and Loss (FVTPL). For all other equity instruments, the Company may decide to classify the same as at Fair Value through Other Comprehensive Income (FVTOCI). The Company makes such election on an instrument-by-instrument basis upon on initial recognition and same is irrevocable. Company is not holding any equity instrument for trading.

Upon classification of equity instruments as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investments. The Company may transfer the cumulative gain or loss within equity.

ix) Revenue Recognition

The revenue is recognised as and when control of goods or services is transferred to the customer at the amount which the Company expects to be entitled to. The Company adopted the 'Input method' as per Ind AS 115 for recognition of revenue.

Subsidy is recognised on sale of fertilisers to dealers. Freight subsidy is recognised on receipt of fertilisers at respective districts. Recoveries made are withdrawn from the claim on the basis of settlement as per the policies in force. Any differential subsidy due to change in rate of subsidy shall be recognised considering its recoverability.

Other income is recognized on an accrual basis.

Dividend income is recognized when right to receive dividend is established.

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

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

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

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

x) Leases

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

Company as a lessee

At the commencement date, Company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less

(short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.

The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

Company as a lessor

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

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

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

xi) Foreign Currency Transactions:

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

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

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

xii) Employee Benefits

Short Term Employee Benefits

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

Post - Employment Benefits

Defined Contribution Benefits

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

Defined Benefit Plans

The company's contribution to the Provident Fund is remitted to separate trust established for this purposes based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the company and charged to Statement of Profit and Loss. As a matter of prudence Company provides for certain expenses of the fund such as audit fees & expenses, bank charges etc.

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

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized

in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'.

xiii) Grants

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

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

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

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

xiv) Taxes

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

Deferred tax is recognized using the Balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax assets is recognized for the carry forward of unused tax losses and unused tax credits to the extent it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized, subject to management judgment. The company reassess un-recognized deferred tax assets at the end of each reporting period.

xv) Goods and Services Tax

Goods and Service Tax credit on eligible materials and services is recognised on receipt of such materials and services.

xvi) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) Ref Note No 44

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

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

xvii) Contract Operations

In contract operations revenue is recognized on percentage of completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date. Foreseeable losses on contract activities are recognized fully irrespective of the progress of work. The amount of estimated liquidated damages is reduced from revenue.

In the case of Total responsibility jobs/Deposit work/Cost plus contracts, contract revenue is determined by adding the

aggregate cost plus fixed percentage fees thereon as agreed with the Customer.

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to a earlier periods, exceeding ‘ 5 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

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

xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

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

i) a provision is recognized in respect of present obligations where the outflow of resources is probable

ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent assets are not recognized in the financial statements, however where the inflow of economic benefits are probable as at the end of the reporting period, a brief description of the nature of the contingent assets along with its estimated financial effect is disclosed in the financial statements.

xxi) Non-current assets held for sale

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

xxii) Financial Instruments

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and those measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

Initial recognition

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

asset. Transaction costs of financial assets carried at fair value through profit or loss are recognized in profit and loss.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets:

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through Profit and Loss(FVTPL)

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

Investments in Joint Venture

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IND AS 105.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Company's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Impairment of financial assets

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

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

Financial Liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

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

xxiii) Exemption as per Ind AS 101

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

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

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

xxiv) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of

income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period.

xxvi) Exceptional Items

Exceptional items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items. Financial Assets and Financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to set off the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

Loans and borrowings including bank overdrafts

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

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

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

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

xxiii) Exemption as per Ind AS 101

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

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

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

xxiv) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period.

xxvi) Exceptional Items

Exceptional items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

₹ In Lakh

Note 2- Non Current Assets - Property, Plant and Equipment (PPE):

Particulars	DEEMED COST / COST							DEPRECIATION					IMPAIRMENT LOSS			NET BLOCK	
	As at 01.04.2021	Additions during the year	Disposal/Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to revaluation	As at 31.03.2022	Upto\ 01.04.2021	For the year	On Disposal/Deduction during the year	On Adjustment during the year	Upto 31.03.2022	Upto 01.04.2021	(Withdrawal)/Provision during the year	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Tangible assets																	
Land	1,595.53	-	-	0.73	-	-	**1,596.26**	-	-	-	-	-	-	-	-	**1,596.26**	1,595.53
Buildings	2,042.82	-	-	3.30	-	-	**2,046.12**	287.11	65.20	-	0.51	**352.82**	-	-	-	**1,693.29**	1,755.71
Plant and Equipment	29,599.57	7,280.69	(0.76)	-	-	-	**36,879.50**	9,022.34	2,238.24	-	-	**11,260.58**	-	-	-	**25,618.91**	20,577.22
Furniture and Fixtures	37.78	20.68	-	-	-	-	**58.46**	9.97	2.27	-	-	**12.24**	-	-	-	**46.22**	27.81
Vehicles	375.03	2.55	-	-	-	-	**377.58**	60.11	36.51	-	-	**96.62**	-	-	-	**280.96**	314.92
Office equipment	774.11	219.19	(0.09)	-	-	-	**993.21**	369.59	126.59	-	-	**496.18**	-	-	-	**497.02**	404.52
Others:-					-	-						-					
Roads & Culverts	338.17	-	-	-	-	-	**338.17**	89.77	10.30	-	-	**100.07**	-	-	-	**238.09**	248.40
Railway Sidings	15.62	-	-	-	-	-	**15.62**	-	-	-	-	-	-	-	-	**15.62**	15.62
Misc. Assets	232.00	3.81	-		-	-	**235.81**	110.38	20.05	-	-	**130.43**	-	-	-	**105.38**	121.62
Retired Asset	509.09	-	-	-	-	-	**509.09**	412.53	-	-	-	**412.53**	-	-	-	**96.56**	96.56
Minor Assets	19.48	14.56	-	-	-	-	**34.04**	19.47	14.56	-	-	**34.04**	-	-	-	-	-
Total	35,539.20	7,541.48	(0.85)	4.03	-	-	43,083.86	10,381.27	2,513.72	-	0.51	12,895.50	-	-	-	30,188.31	25,157.91
Previous year	33,945.92	1,596.21	(2.93)	-	-	-	35,539.20	8,279.25	2,102.45	(0.42)	(0.01)	10,381.27	31.75	(31.75)	-	25,157.91	25,637.74

2.1) Company has agreed to mortgage 408 acres of land held vide patta no.7030 in survey no.205 in Puthencruz village, Ernakulam District ,Kerala State to the Government of India against the plan loan sanctioned by the Government of India during the year 2015-16.

2.2) Out of 1498.97 acres (Previous year 1498.97 acres) of land held by the Company, 14.26 acres,for which right of use asset is recognised (Previous year 14.26 acres) are held under lease hold right from Cochin Port Trust, for which lease agreement is under finalization. 80.50 acres of land has been provided as security towards arbitration award in the dispute between the Company and M/s.ABC & Sons Ltd(Refer Note.50).

2.3) The land held by the company also include 143.22 acres (value ₹ Nil) (Previous year 143.22 acres, value ₹ Nil) under lease from Government of Kerala. Government of Kerala had accorded freehold right to the Company over 143.22 acres of land vide G.O. (Ms) No. 99/2019/ 1D dated 13/11/2019. Pending issue of the title deed and other formalities in connection with the conversion, Company continues the classification of said land as lease hold land.

2.4) Title deeds are yet to be registered/ received, in respect of 42.26 acres of Land. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the respective year.

2.5) Railway siding includes siding held jointly with M/s.Bharat Petroleum Corporation Limited (Kochi Refinery) with written down value ₹ 4.27 lakh (Previous year ₹ 4.27 lakh),

2.6) Company has given land ranging from 2.50 hectares to 4.1344 hectares to Kochi Metro Rail Limited on leave and license basis for the period from 22.10.2013 to 21.10.2022. However, the leave and license agreement is pending execution.

2.7) Plant and Equipment includes value of 6 numbers of Ammonia bullets fixed on the barges of contractor of the company for transportation of Ammonia, with net Written Down value of ₹ 2.66 lakh.

2.8) First charge has been created on 36.08 acres of land (Previous year- 36.08 acres of land), in the State of Kerala, as security for Fund/Non Fund Based working capital arrangement with State Bank of India.

2.9) The above includes assets procured with EEC grant amounting to ₹ 55.85 lakh (previous year ₹56.79 lakh,)

2.10) Company has re-commissioned its Caprolactam plant on 15.09.2021, which was not in operation since the year 2012. An amount of ₹ 5291.81 lakhs incurred towards rejuvenation and recommissioning expenses of the Caprolactum Plant, has been capitalised during the year

2.11) Depreciation is charged on Property, plant and equipment based on the useful life of assets prescribed under the Schedule II of the Companies Act 2013 except for the following assets, for which depreciation is charged based on the estimated useful life ascertained on evaluation by the concerned technical team of the Company.

i.) DCS for Fertiliser Plant	10 Years
ii.) Analysers	5 Years
iii.) Rejuvenation of caprolactum plant	15 years

Note No. 2A Non Current Assets- Capital Work in Progress ₹ In Lakh

	As at 31.03.2022	As at 31.03.2021
Capital Work in Progress	4,185.87	4,824.89
Goods in Transit / Goods pending inspection /Capital Stores	216.29	673.45
	4,402.16	**5,498.34**

Note No. 2B. Non Current assets - Investment Property

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening Balance		
Land	6.50	6.50
Building	3.30	3.30
Total	**9.80**	**9.80**
Addition/ (Deletion)		
Land	(0.73)	0.00
Building	(3.30)	0.00
Total	(4.03)	0.00
Closing Balance		
Land	5.77	6.50
Building	-	3.30
Total	**5.77**	**9.80**
Depreciation		
Building		
Opening Balance	0.50	0.40
Adjustments	(0.50)	0.00
Current Year	-	0.10
Closing Balance	-	0.50
Net Block		
Land	5.77	6.50
Building	-	2.80
Total	**5.77**	**9.30**

During the year 2011-12 Company by way of leave and license basis, has made available to GAIL (India) Ltd, at Udyogamandal/ Cochin Division, 2.40 acres of land and right to use of 0.33 acres for laying pipelines for a period of 35 years for an upfront premium of ₹ 479 lakh and yearly license fee of ₹ 100. The Leave and license agreement is yet to be executed.

As per the Joint Venture agreement with Rashtriya Chemicals & Fertilisers Ltd (RCF), the Company during 2008-09, has made available , 11 acres of land at Cochin Division on lease basis to FACT-RCF Building Products Ltd, for a period of 20 years for an upfront premium of ₹ 1000 lakh and yearly rent of ₹ 10.

During the year 2021-22, company has entered into a Leave and License agreement with Kochi Salem Pipeline Private Limited (KSPPL) by allotting 30 cents of land to KSPPL at Udyogamandal for a period of 15 years with effect from 10-01-2022.

₹ In Lakh

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Rental Income from investment property	77.23	75.50
Direct operating expenses to income generating property	0.00	0.00
Less: Reimbursement of expenses	0.00	0.00
Profit arising from Investment Property before depreciation	77.23	75.50
Depreciation	-	0.10
Profit arising from Investment Property	**77.23**	**75.40**

Reconciliation of fair value

Particulars	As at 31.03.2022	As at 31.03.2021
Fair Value of Investment property		
Opening Balance		
Freehold Land	2,723.78	1,490.58
Buildings	26.42	26.42
Total	**2,750.20**	**1,517.00**
Additions/(Deletions)		
Freehold Land	182.63	1,233.20
Buildings	(26.42)	0.00
Total	**156.21**	**1,233.20**
Closing Balance		
Freehold Land	2,906.41	2,723.78
Buildings	-	26.42
Total	**2,906.41**	**2,750.20**

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

Note 2C Right of use Assets

₹ In Lakh

	GROSS CARRYING AMOUNT					DEPRECIATION			NET CARRYING AMOUNT	
Particulars	**As at 01.04.2021**	**Additions during the year**	**Disposal/ Deduction during the year**	Adjustment during the year	**As st 31.03.2022**	**Upto 01.04.2021**	**For the year**	**Upto 31.03.2022**	**As at 31.03.2022**	**As at 31.03.2021**
Right of use Assets	3,452.84	0.00	0.00	124.34	**3,577.18**	158.71	161.48	**320.19**	3,256.99	3,294.13
Total	**3,452.84**	**0.00**	**0.00**	**124.34**	**3,577.18**	**158.71**	**161.48**	**320.19**	**3,256.99**	**3,294.13**

1. The above includes, leased land from Cochin Port Trust taken for the purpose of storage, handling of raw materials and for setting up a dock for barge operations. The lease agreement is pending execution. The recognition of Right of use Asset and lease liability has been made based on the draft agreement agreed upon based on the sanction from Ministry of Shipping, Government of India, dated 14.11.2014. (Refer Note-40)

Note No. 2D Non Current Assets- Other Intangible Assets

₹ In Lakh

	Deemed Cost							Amortization					Impairment Loss			Net Block	
Particulars	As at 01.04.2021	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to revaluation	As at 31.03.2022	Upto 01.04.2021	For the year	On Disposal/ Deduction during	On Adjustment during the year	Upto 31.03.2022	Upto 01.04.2021	Withdrawal) /Provision during the year	Upto 31.03.2022	As at 31.03.2022	As at 31.03.2021
Computer Software	197.73	3.11	0.00	0.00	0.00	0.00	**200.84**	85.41	38.96	0.00	0.00	**124.37**	0.00	0.00	0.00	76.47	112.32
Total	**197.73**	**3.11**	**0.00**	**0.00**	**0.00**	**0.00**	**200.84**	**85.41**	**38.96**	**0.00**	**0.00**	**124.37**	**0.00**	**0.00**	**0.00**	**76.47**	**112.32**
Previous year	155.08	42.65	0.00	0.00	0.00	0.00	197.73	45.87	39.54	0.00	0.00	85.41	0.00	0.00	0.00	112.32	109.21

NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ In Lakh

Note No. 3A Non Current Asset - Financial Assets - Investments in Associates & Joint Ventures		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
In Joint Venture		
FACT-RCF Building Products Ltd		
3,28,70,000 (Previous year 3,28,70,000) Equity Shares of ₹ 10/- each	0.00	0.00
In Associate		
Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) equity shares of ₹10/- each fully paid-up	407.99	534.20
	407.99	**534.20**
Investment in Associates & Joint Venture	**407.99**	**534.20**
Reconciliation of fair value measurement of the investment in unquoted equity shares		
FACT-RCF Building Products Ltd		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Kerala Enviro Infrastructure Ltd		
Opening balance	534.20	514.52
Total gains and losses recognised in OCI	(126.21)	19.68
Closing Balance	407.99	534.20

Note No. 3B Non Current Asset - Financial Assets - Other Investments		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Travancore Cochin Chemicals Ltd.,		
6,81,820 (Previous year 6,81,820) Equity Shares of ₹10/- each including 3,40,910 Bonus shares.	160.16	148.70
Capexil Agencies Ltd.		
15 (Previous year 15) Equity Shares of ₹1000/- each fully paid up	0.00	0.00
Indian Potash Ltd.		
6,48,000 (Previous year 6,48,000) Equity Shares of ₹10/- each fully paid-up, including 459000 (previous year 459000) Bonus Shares	9,219.30	7,943.18
	9,379.46	**8,091.88**
Shares in Co-Operative Societies:		
FACT Co-operative Society Ltd		
10,001 (Previous year 10,001) shares of ₹10/- each fully paid-up	1.00	1.00
Meherabad Co-operative Housing Society Ltd		
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01
Good Earth Housing Society Ltd.		
10 (Previous year 10) shares of ₹50/- each fully paid-up ₹500 (Previous year ₹ 500)	0.01	0.01
	1.02	1.02
Other Investments	**9,380.48**	**8,092.90**

Aggregate amount of unquoted investments	9,788.47	8,627.10
Reconciliation of fair value measurement of the investment in unquoted Equity shares		
Travancore Cochin Chemicals Ltd		
Opening balance	148.70	200.93
Total gains and losses recognised in OCI	11.46	(52.23)
Closing Balance	160.16	148.70
Capexil Agencies Ltd.		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Indian Potash Ltd		
Opening balance	7,943.18	7,095.60
Total gains and losses recognised in OCI	1,276.12	847.58
Closing Balance	9,219.30	7,943.18

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

Note No. 4. Non current Assets - Financial assets-Loans

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Loan to Employees		
Unsecured Considered Good	3.28	4.52
	3.28	**4.52**

Note :Loans to employees ₹3.28 lakh (Previous year ₹ 4.52 lakh) towards festival advance paid during 1996-97, and being recovered at the time of separation from Company's service or release of 1997 arrears, whichever is earlier.

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

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Security deposit		
Unsecured Considered Good	716.72	667.92
Term Deposit with Banks *	0.00	2,404.09
Amount pledged for Letter of Credit, Bank Guarantee and		
Fund based arrangements *	200.00	195.37
Other Deposits	11.93	12.13
Advances to Related Parties		
Considered doubtful	3,617.52	3,614.78
Less : Provision for Doubtful Advances	(3,617.52)	(3,614.78)
	0.00	0.00
Advance against Equity Pending allotment	235.70	235.70
Less : Provision for Doubtful Advances	(235.70)	(235.70)
	0.00	0.00

Advance to Others		
Unsecured Considered Doubtful	25,758.30	21,264.59
Less : Provision for Doubtful Advances	(25,758.30)	(21,264.59)
	0.00	0.00
	928.65	**3,279.51**

*with more than 12 months maturity from the reporting date

Movement in Provisions

Provision for bad & doubtful loans and advances

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Provision at the beginning of the year	25,115.07	21,198.59
Provision released during the year	26.00	0.00
Provisions made during the year	4,522.45	3,916.48
Provision at the end of the year	**29,611.52**	**25,115.07**

1. Provision for doubtful loans and advances include ₹25450.98 lakh (Previous year ₹20967.09 lakh) towards interest accrued on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable (Refer note 13.2 & 50)

Note No. 6. Non current Assets - Other Non Current Assets

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Capital Advances (Unsecured Considered Good)	-	4.89
	-	**4.89**

Deferred tax assets (net)

The Company has a deferred tax asset of ₹ 52782 lakh (Previous year ₹ 63190 lakh) as on 31.03.2022 on account of unabsorbed depreciation and accumulated loss. The deferred tax liability as on 31.03.2022 is ₹ 4274 lakh (Previous year ₹ 4209 lakh). Even though there is net deferred tax asset of ₹ 48508 lakh as on 31.03.2022 (Previous year ₹ 58981 lakh), the same is not considered in the Books of Accounts, as a matter of prudence.

Note No. 7. Current Assets - Inventories

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Raw Materials	26,995.06	8,701.79
Raw materials-in -transit	3,729.73	7,195.31
	30,724.79	15,897.10
Work-in-progress	4,193.33	3,349.12
Finished Goods	20,846.25	17,294.21
Stock-in-trade (in respect of goods acquired for trading)	-	5,052.19
Stores and Spares		
Machinery Spares	10,070.62	9,922.97
General Stores	3,325.12	2,476.99
Stores & Spares-in -transit	167.38	525.96
	13,563.12	12,925.92
Retired Spares	453.50	453.50
Total Inventories	**69,780.99**	**54,972.04**
Less: Provision towards obsolescence and storage losses	3,601.30	3,408.08
	66,179.69	**51,563.96**

Notes

1. Current Assets include inventories and trade receivables pledged as Primary Security for Fund/ Non Fund based Working Capital arrangement with Banks amounting to ₹ 45000.00 Lakh. The utilisation of this arrangement as on reporting date is ₹ 1943.58 Lakh.
2. Inventory of finished goods, raw material, stores and spares and work in progress are valued as per the Accounting Policy of the Company
3. Finished Goods includes 22.00 lakh MT of saleable gypsum (Previous Year 22.51 lakh MT) amounting to ₹10161.25 lakh (Previous year ₹ 9269.97 lakh)
4. Stores & Spares in transit includes Stores & Spares at site pending inspection ₹ 116.13 lakh (Previous year ₹ 295.41 lakh)
5. During the year, company has detected irregularities in the physical stock to the tune of 543.60 MT of Factamfos and 60.50 MT in Ammonium Sulphate at Chikmagalur Depot valued at ₹ 218.50 lakhs. Company has provided for the entire amount of ₹ 218.50 lakhs. The Company has since realised an aggregate amount of ₹ 58.30 lakhs being the sale value of 234.95 MT of Factamfos from various dealers during the year in connection with the above. However, the company has maintained the provision of ₹ 218.50 lakhs pending completion of investigation. Company has taken steps for recovery from transporters, dealers and warehouse (Refer Note. 13.3, 24.1, 25.2, 27.1 & 35.5)

Movement in Provisions

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

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Provision at the beginning of the year	3,408.08	3,339.45
Provisions made during the year	193.22	68.63
Released during the year	0.00	0.00
Provision at the end of the year	**3,601.30**	**3,408.08**

Note No. 8. Current Assets - Financial assets-Trade Receivables

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
From related party		
Unsecured		
Considered doubtful	297.72	297.72
Less: Provision for Doubtful Debts	(297.72)	(297.72)
	0.00	**0.00**
Others		
Unsecured		
Considered doubtful	1,656.26	1,531.50
Less: Provision for Doubtful Debts	(1,656.26)	(1,531.50)
	0.00	0.00
Sundry Debtors		
Secured, considered good	425.82	413.13
Unsecured, considered good	4,085.74	578.51
	4,511.56	991.64
Subsidy Receivable		
Unsecured		
Considered doubtful	411.33	411.33
Unsecured Considered good	13,011.42	9,446.49
Less: Provision for Doubtful subsidy	(411.33)	(411.33)
	13,011.42	9,446.49
	17,522.98	**10,438.13**

Movement in Provisions

Provision for doubtful Trade receivables

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Provision at the beginning of the year	2,240.55	1,924.88
Provisions released during the year	20.02	(7.38)
Provisions made during the year	144.80	323.05
Provision at the end of the year	**2,365.32**	**2,240.55**

Trade Receivables Ageing Schedule

₹ in lakh

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment					As at 31.03.2022
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	9430.53	7,903.97	90.72	54.69	41.95	0.05	17,521.91
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	2.90	53.08	52.63	29.33	1,562.02	1,699.96	
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	1.07	1.07
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	665.35	665.35
TOTAL		**7,906.87**	**143.80**	**107.32**	**71.28**	**2,228.49**	**19,888.29**

Note No. 9. Current Assets - Financial assets-Cash and Cash Equivalents

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with Banks	286.08	3,302.15
Cash on hand	2.66	4.87
Short Term Deposit with Banks*	17,917.51	14,571.44
	18,206.25	**17,878.46**

*Original maturity of three months or less

Cash and Cash Equivalents include ₹ 0.13 lakh (Previous Year ₹ 0.14 lakh) being the balance of amount received from clients for execution of jobs on Total Responsibility basis and ₹ 500.07 lakh (Previous year - ₹516.67 lakh) towards work on Deposit basis, lying in a specified account to meet the corresponding liabilities under Current Liabilities.

Note No. 10 Current Assets - Financial assets-Other Bank Balances

Particulars	As at 31.03.2022	As at 31.03.2021
Short Term Deposit with Banks *	7,503.48	28,428.88
Amount pledged for Letter of Credit, Bank Guarantee and		
Fund based arrangements *	96,328.62	52,055.69
Deposit earmarked for capex projects *	65,608.37	68,323.78
	1,69,440.47	**1,48,808.35**

* Maturing within 12 months from the reporting date

Note No. 11. Current Assets - Financial Assets-Other Financial Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposits:		
Unsecured , considered good	60.01	88.17
Amount receivable against Service Orders	638.70	748.01
Other Accrued Income	54,175.10	18,776.28
Amount receivable from LIC under group Gratuity scheme	290.52	181.08
Township Dues	289.80	199.98
Others	2.44	0.00
	55,456.57	**19,993.52**

1. Other Accrued income includes ₹ 49337.93 lakh (Previous Year ₹ 13987.77 lakhs) towards unclaimed DBT subsidy, at revised rates as per the notification No.23011/22/2021-P&K, dated 27.04.2022, on recoverability basis. (Refer Note No.28)

Note No. 12. Current Assets - Current Tax Assets

Particulars	As at 31.03.2022	As at 31.03.2021
Income Tax (Net of provision)	**232.55**	**1,039.05**
	232.55	**1,039.05**

Note No. 13. Current Assets -Other Current assets		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Dues from:		
Statutory Authorities	41,280.14	32,299.07
Contractors	4,130.46	3,558.62
Employees	268.01	207.33
Pre Paid Expenses	562.34	543.89
Others	27.51	60.12
	46,268.46	**36,669.03**

1. Dues from statutory authorities include (i) ₹ 18301.45 lakh (Previous year 13458.13 lakh) towards Kerala Value Added Tax paid on procurement of Regasified Liquified Natural Gas, (ii) ₹ 1411.12 lakhs (Previous year ₹ 1411.12 lakhs) (net of provision) being KVAT refund receivable, under dispute and (iii) ₹ 72.97 lakh (Previous Year ₹ 72.97 lakh) towards the amount paid against disputed demands pending appeal.
2. Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹1.32 lakh (Previous year ₹ 2.71 lakh) and an amount of ₹1353.19 lakh (Previous year ₹1353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14, as per which the company is entitled to adjust an amount of ₹ 798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon' District Court, Ernakulam which has since stayed the award. The case is transferred to Commercial Court. Accordingly the Company demanded the banks to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon. High court of Mumbai for realization of amount, which are pending. However an amount of ₹1353.19 lakh only has been retained pending disposal of the case.
3. Other Current Assets, dues from contractors include ₹ 476.89 lakhs charged to transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations. (Refer Note- 7.5, 24.1 & 25.2)

Note No. 14. Current Assets -Non-current Assets held for Disposal

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Retired plant held for disposal	4,065.02	4,065.02
	4,065.02	**4,065.02**

During the year 2009-10, Company decided to scrap Ammonia and Urea Plant at Cochin Division. These retired assets are retained in books at the written down value of ₹ 4065.02 lakhs, which is lower than the estimated Net realisable value. The Company could not complete the disposal process since the matter is pending before the Court.

Note No. 15. Equity- Equity Share Capital		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Authorised:		
100,00,00,000 (Previous year 100,00,00,000)		
Equity Shares of ₹10/-each	1,00,000.00	1,00,000.00
Issued, Subscribed and fully Paid up:		
64,70,71,974 (Previous year 64,70,71,974)		
Equity Shares of ₹10/- each fully paid up	**64,707.20**	**64,707.20**

Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Number of shares at the beginning of the year	64,70,71,974	64,70,71,974
Number of shares issued during the year	Nil	Nil
Number of shares at the end of the year	64,70,71,974	64,70,71,974

Notes

1. Rights, Preference and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital. - **Nil / Not Applicable**
2. Shares held by shareholders holding more than 5% of shares:

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
The Government of India		
Number of shares	58,23,64,776	58,23,64,776
Percentage of Total Shares	90.00%	90.00%
Special National Investment Fund constituted by the Government of India		
Number of shares	5,54,00,424	5,54,00,424
Percentage of Total Shares	8.56%	8.56%

3. The Government of India had transferred 55400424 equity shares of ₹10 each to Special National Investment Fund on 6th August 2013.
4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

I. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
II. Aggregate number and class of shares allotted as fully paid up by way of Bonus shares	Nil	Nil
III. Aggregate number and class of shares bought back	Nil	Nil

5.Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL

6. Shares held by promoters at the end of the year

₹ In Lakh

Promoter name	No. of Shares (Equity shares)	% of total shares	% Change during the year
Government of India	582364776	90.00%	NIL
Total	582364776	90.00%	NIL

Note No. 16. Equity - Other Equity

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Capital Reserves:		
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64
	2.64	**2.64**
Other Reserves:		
Deferred Government Grant :		
Indo EEC Fertiliser Education Project		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening balance	52.65	53.59
Less: Amount transferred to Statement of Profit & Loss	0.93	0.94
Closing balance	51.72	52.65
Bio-Fertiliser Project		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening balance	0.00	0.76
Less: Amount transferred to Statement of Profit & Loss	0.00	0.76
Closing balance	0.00	0.00
Equity Instruments through other Comprehensive Income		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening Balance	8,260.55	7,445.51
Additions/(Deletions) during the Year	1,161.35	815.04
Closing Balance	**9,421.90**	**8,260.55**
Retained Earnings:		
Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Opening balance	(91,022.27)	(1,21,401.85)
Add Changes in Accounting Policy / Prior Period items as per Ind AS	0.00	(349.79)
Add :Profit/ (Loss) during the year	35,328.26	35,047.00
Add: Remeasurement of defined benefit plan	447.90	(4,317.63)
Closing balance	**(55,246.11)**	**(91,022.27)**
Other equity	**(45,769.85)**	**(82,706.43)**

Note No. 17 Non Current Liabilities - Financial Liabilities - Borrowings ₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Term loans		
Secured		
From the Government of India (Refer Note 1 below)	0.00	0.00
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 2 below)	1,020.00	1,530.00
	1,020.00	**1,530.00**

1. A plan loan of ₹100000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, ₹100000.00 lakh along with the earlier loan and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the letter dated 12.01.2016, of the Ministry of Finance, GOI, sanctioning the loan, the total outstanding liability of the Company is ₹183672.00 lakh. The Company entered into an agreement with the Department of Fertilizers(DOF), GOI, agreeing to mortgage 408 acres of Company's land to secure repayment of the entire loan together with interest at the rate of 13.50% per annum on the amount outstanding as on 31.03.2017. The loan amount was reconciled and loan outstanding has been arrived at ₹177048.75 lakh as on 31.03.2017. The loan along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022. As per the terms of the sanction of the loan the entire repayment can be made during the years 2020-21 and/or 2021-22 in three or more equated installments. Accordingly, the entire principal amount, being ₹ 177048.75 lakhs (previous year- ₹177048.75 lakhs) has been classified under Current Liabilities-Current maturities of Long term Debt. The outstanding principal and interest as on 31.03.2020, has been confirmed with th e balance of Government of India.

   Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹ 28273.00 lakhs into equity and conversion of loan amounting to ₹ 100000.00 lakhs as interest free loan, repayable in 10 yearly installments commencing from the financial year 2022-23. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016

2. The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF has settled the entire liability to the bankers, to the extent of ₹ 5100 lakh including 50% share of the Company ₹ 2550 lakh on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan with a repayment period of five years, starting from the year 2020-21. The Company has paid two instalments due as per the agreement. The principal amount payable ₹ 510 lakhs (Previous year ₹ 510 lakhs) during the year 2022-23 has been classified under Current Liabilities - Financial Liabilities - Other Financial Liabilities . The remaining amount has been classified under Non Current Liabilities - Financial Liabilities - Borrowings. Interest rate applicable on the loan for the year 2021-22 is 6.50% p.a (Previous year- 6.50% p.a)

Note No. 18. Non Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Liabilities (Refer Note-40)	2,966.79	2,882.19
	2,966.79	**2,882.19**

Note No. 19. Non Current Liabilities - Other Financial Liabilities ₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Dues to employees	2,491.45	0.00
Others	32.03	17.92
	2,523.48	**17.92**

1. As per the decision of Government of India, during the year 2021-22 Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹2491.45 lakhs (previous year-Nil) towards 1997 arrears payable after one year (refer Note- 25.1 & 36.1)

Note No. 20 Non Current Liabilities - Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits		
(i) Provision for gratuity	10,556.85	11,401.60
(ii) Provision for leave encashment	7,328.39	7,326.38
Decommissioning of Assets in Leased Properties	257.52	238.44
	18,142.76	**18,966.42**

Note No. 21 Non Current Liabilities - Other Non current Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Rent Received	564.77	628.45
	564.77	**628.45**
As at the beginning of the year	786.99	755.83
Advance received	38.91	94.84
Released to Statement of Profit and Loss	(158.54)	(63.68)
As at the end of the year	667.36	786.99
Current	102.59	158.54
Non Current	564.77	628.45
	667.36	786.99

Note No. 22 Current Liabilities - Financial Liabilities -Borrowings

Particulars	As at 31.03.2022	As at 31.03.2021
Secured :		
Bills discounted	1,943.58	0.00
Current maturities of Long-term debt :		
From the Government of India (Refer Note 17.1)	1,77,048.75	177048.75
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 17.2)	510.00	510.00
	1,79,502.33	**1,77,558.75**

Note No. 23 Current Liabilities - Lease Liabilities ₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Liabilities (Refer Note-40)	268.76	264.46
	268.76	**264.46**

Note No. 24. Current Liabilities - Financial Liabilities - Trade Payables

Particulars	As at 31.03.2022	As at 31.03.2021
Trade payables		
(i) Dues to Micro, Small and Medium Enterprises (Refer Note: 38)	103.38	99.70
(ii) Others	57,694.74	37,344.75
	57,798.12	**37,444.45**

1. Trade payables, others include ₹ 290.02 Lakhs withheld from transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and ₹ 65.24 lakhs withheld from warehouse.(Also Refer Note 7.5, 13.3, 25.2)

Note No. 25 Current Liabilities - Financial Liabilities -Other Financial Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Interest accrued on borrowings (Refer Note 17.1 & 17.2)		
Term Loan from Government of India	1,19,507.90	95,606.32
Inter-corporate Loan	44.44	89.97
Dues to employees	5,101.56	270.61
Trade Deposit from customers	4,116.39	3,395.20
Other liabilities	5,563.92	5,307.62
	1,34,334.21	**1,04,669.72**

1. As per the decision of Government of India, during the year 2021-22, Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹4738.64 lakhs (previous year-Nil) towards 1997 arrears, payable with in one year (refer Note- 19.1 & 36.1)
2. Other liabilities include amount charged from transport contractors as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and amount withheld from warehouse.(Also Refer Note 7.5, 13.3 & 24.1)

Note No. 26 Current Liabilities - Other Current Liabilities

Particulars	As at 31.03.2022	As at 31.03.2021
Statutory dues	975.41	836.76
Advance from Customers	3,936.35	3,817.18
Advance Rent Received	102.59	158.54
	5,014.35	**4,812.48**

Note No. 27 Current Liabilities - Provisions

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits		
(i) Provision for gratuity	2,331.83	2,876.14
(ii) Provision for leave encashment	2,098.79	2,455.04
Provision towards other Contractual Obligations	239.60	239.60
Other provisions	278.95	97.15
	4,949.17	**5,667.93**

1. Other provisions include ₹211.62 lakhs (aggregate provision ₹218.50 lakhs, net of GST ₹6.88 lakhs) provided towards shortage of finished goods noticed in certain warehouses in Karnataka State (Refer Note 7.5 & 35.5)

Trade Receivables Ageing Schedule

₹ in lakh

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment					As at 31.03.2022
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	9430.53	7,903.97	90.72	54.69	41.95	0.05	17,521.91
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired		2.90	53.08	52.63	29.33	1,562.02	1,699.96
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	1.07	1.07
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	665.35	665.35
TOTAL		**7,906.87**	**143.80**	**107.32**	**71.28**	**2,228.49**	**19,888.29**

₹In Lakh

Note No. 28 Revenue from operations

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Sale of products		
Own Products	2,65,984.22	1,97,920.67
Traded Products	5,212.45	25,788.61
	2,71,196.67	2,23,709.28
Subsidy/Concession on Fertilisers	1,70,578.53	1,01,647.87
	1,70,578.53	1,01,647.87
Sale of Services		
Gross income from contracts and other services	705.07	526.07
Total Revenue from operations	**4,42,480.27**	**3,25,883.22**
Sale of own products comprises of:		
Factamfos 20-20-0-13	1,97,219.67	1,64,501.10
Ammonium Sulphate	24,137.05	30,117.71
Caprolactum	33,366.86	0.00
Gypsum	2,275.53	1,578.54
Others	8,985.11	1,723.32
Total	**2,65,984.22**	**1,97,920.67**
Sale of traded products:		
Muriate of Potash	4,745.26	20,060.92
Imported Complex Fertiliser (16:16:16)	0.00	5,201.26
Urea	0.00	0.00
Organic Manures	467.19	526.43
Total	**5,212.45**	**25,788.61**
Subsidy/Concession on Fertilisers		
Factamfos 20-20-0-13	1,57,027.53	75,098.66
Ammonium Sulphate	11,420.95	14,244.42
Muriate of Potash	1,942.11	9,805.73
Imported Complex Fertilisers	80.28	2,300.49
City Compost	107.66	198.57
Total	**1,70,578.53**	**1,01,647.87**

Consequent to the implementation of Direct Benefit Transfer (DBT) subsidy scheme, subsidy income on fertilisers is recognised at the time of sale to dealers. However, the subsidy claim is generated at the rate applicable on the date of sale of fertilisers to ultimate beneficiary. The subsidy portion of the stock with dealers, pending sale to ultimate beneficiary as on 31.03.2022 is ₹ 49337.93 lakh (Previous Year ₹ 13987.77 lakh) (refer Note 11.1)

Note No. 29 Other income

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Interest income:		
On deposits with banks	8,854.58	5,767.26
On loans, advances, claims, overdues (Refer Note 1 below)	137.37	75.79
Dividend income		
Other than joint venture	25.92	31.82
Other non-operating income		
Excess provisions written back	228.76	14.76
Transfer from deferred Government grants:		
(i) On EEC project	0.93	0.94
(ii) On Bio-Fertiliser project	0.00	0.76
Rent & Compensation towards Right of use	1,157.28	484.73
Profit on sale of fixed Assets	0.18	3.04
Miscellaneous income	1,359.73	379.90
	11,764.75	**6,759.00**

1. Interest of ₹4483.89 lakh (Previous year ₹3733.15 lakh) for the year 2021-22 receivable from the contractor on the interest bearing mobilisation advance still retained by the party, has been considered in the accounts. However a corresponding provision for doubtful interest has been made during the current year and only the net interest is shown under 'Interest income - On loans, advances, claims, overdues'
2. Rent & Compensation towards Right of use, includes ₹ 652.80 lakh received from Kochi Salem Pipeline Private Limited (KSPPL) towards compensation for Right of Use of land at Cochin Division for laying pipeline.

Note No. 30 Cost of materials consumed

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Raw Material	2,72,805.17	1,35,261.54
Packing Material	4,280.95	3,786.56
	2,77,086.12	**1,39,048.10**

Note : The physical verification of raw materials has been carried out on or around 31st March 2022. The differences over book figures in the case of raw material has been adjusted in consumption (Excess(-) / Shortage). Current year ₹(-) 247.44 lakh (Previous year ₹ (-) 479.79 lakh).

Note No. 31 Purchases of Stock-in-trade

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Complex Fertilisers/ Organic Manures	297.79	34,091.35
	297.79	**34,091.35**

Note No. 32 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Opening stock		
Finished Goods	17,294.21	32,292.49
Stock-in-trade	5,052.19	167.13

Work-in progress	3,349.12	2,908.16
	25,695.52	35,367.78
Closing stock		
Finished Goods	20,846.25	17,294.21
Stock-in-trade	0.00	5,052.19
Work-in- progress	4,193.33	3,349.12
	25,039.58	25,695.52
Changes in inventories: (Increase)/ Decrease	**655.94**	**9,672.26**

Note No. 33 Employee benefits expense

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Salaries and Wages	15,758.53	15,896.59
Contribution to Provident Fund	1,705.21	1,697.75
Leave encashment (Net of Provision)	2,404.72	2,268.60
Gratuity	1,395.66	1,240.83
Staff welfare expenses	1,911.92	1,818.38
	23,176.04	**22,922.15**

Since review / decision on implementation of 2017 pay revision for the Board level and below Board level executives of the Company is yet to be taken by the Department of Fertilisers, Government of India, the amount of liability, if any, cannot be ascertained and provided.

Note : Remuneration to Directors, including retirement benefits paid during the year

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Shri Kishor Rungta, Chairman and Managing Director (From 02.02.2019)	48.96	39.54
Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	29.99	19.85
Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	29.39	1.69
Shri.A.Ganesan, Director(Finance) & Chief Financial Officer (From 28.08.2019 up to 31.07.2020)	0.00	21.31
Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021)	28.93	0.70
	137.27	**83.09**

Note No. 34 Finance costs

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Interest		
Interest on loans from the Government of India (Refer Note 17.1)	23901.58	23901.58
Interest -others	291.20	379.56
Other Finance costs	0.31	0.00
Finance Cost on lease liability	247.59	245.15
	24,440.68	**24,526.29**

Note No. 35 Other expenses

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Consumption of stores and spare parts	4,100.19	3,616.68
Power and Fuel	42,787.50	21,315.47
Rent	436.27	638.00
Repairs and maintenance to buildings	178.18	129.45
Repairs and maintenance to machinery	4,573.50	3,867.28
Insurance	260.11	285.06
Rates and Taxes	110.04	270.86
(Gain)/Loss on exchange rate variation (net)	192.94	(1,184.96)
Material and other direct charges on contracts	316.45	170.80
Auditors' Fees and Expenses (Refer note 1 below)	24.52	24.34
Freight , Handling and other charges	21,286.04	29,196.04
Bad debts written off	18.88	0.00
Provision for doubtful receivables & advances	184.32	532.46
Damages/Shortages/(Excess) of Stores, Spares & Products (Net)	24.84	(7.33)
Provision for obsolescence of stores (Net)	193.22	68.63
Research and Development Expenditure (Refer note 2 below)	75.97	59.26
CISF Expenses (including salaries)	2,843.37	2,851.54
Directors' Sitting Fees	1.60	1.30
Loss on Fixed assets sold/written off	0.76	0.92
Expenses towards Corporate Social Responsibility (Refer note 6 below)	106.28	12.12
Miscellaneous Expenses (Refer note 3 & 5 below)	4,877.46	4,049.80
	82,592.44	65,897.72
Less :Allocated Expenses [net of income from inter-divisional jobs of ₹1494.71 lakh] (Previous year ₹1428.84 lakh)	(952.61)	(831.71)
	81,639.83	**65,066.01**

Notes:

1. Payments to the auditor as

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
a) Auditor	11.60	10.60
(b) for taxation matters	0.00	0.00
(c) for company law matters	0.00	0.00
(d) for management services	0.00	0.00
(e) for other services	11.01	10.54
(f) for reimbursement of expenses	1.91	3.20
Total	**24.52**	**24.34**

2. Research and Development Expenditure includes expenditure towards salary ₹75.21 lakh (Previous year ₹59.17 lakh), chemicals & stores ₹0.67 lakh (Previous year Nil) and depreciation ₹0.09 lakh (Previous year ₹0.09 lakh).
3. Miscellaneous Expenses includes Directors travel amounting to ₹3.79 lakh (Previous year ₹ 8.47 lakh) and ₹ Nil (previous year ₹(-)4.51 lakh) towards the cost of PoS machine distributed by the Company under Direct benefit Transfer Scheme.
4. Differences noticed (Excess(-)/Shortage) on perpetual verification of stores and spares compared to book records have been adjusted in the books of accounts, which for Current year is ₹6.09 lakh (Previous year ₹(-)8.24 lakh)
5. During the year, company has noticed 543.60 MT of shortages in physical stock of Factamfos and 60.50 MT in Ammonium Sulphate in certain warehouses of Karnataka state. The value of the shortage ₹218.50 lakhs has been provided during the year. (Refer Note 7.5 & 27.1)

6. Expenses towards Corporate Social Responsibility

The Company is liable to spend ₹56.07 lakhs on Corporate social responsibility, being the average net profit for the immediately preceding three financial years as per section 198 of the Companies Act 2013. The Company has spent an amount of ₹106.28 lakh towards Corporate Social Responsibility, during the financial year.

(i) amount required to be spent by the company during the year,	₹ 56.07 lakh
(ii) amount of expenditure incurred,	₹106.28 lakh
(iii) shortfall at the end of the year	NIL
(iv) total of previous years shortfall,	NIL
(v) reason for shortfall,	NA
(vi) nature of CSR activities	Health & Education support activities
(vii) details of related party transactions	NIL
(viii) provision is made with respect to a liability incurred by entering into a contractual obligation	NIL

Note No. 36. Exceptional Items

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Provision for 1997 pay revision arrears	(8,906.20)	0.00
	(8,906.20)	**0.00**

1. As per the decision of Government of India, during the year 2021-22, Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Accordingly, the Company has made provision for the entire liability of ‘ 8906.20 Lakhs in the financial year 2021-22.(refer Note 19.1 & 25.1)

Note No. 37. Earning per Share

Particulars	**Year ended 31.03.2022**	**Year ended 31.03.2021**
Profit / (Loss) after Tax	35,328.26	35,047.00
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted earnings per Share (₹)	**5.46**	**5.42**

38. Disclosure required for Micro Small and Medium Enterprises

₹ In Lakh

Sl No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Principal amount remaining unpaid **	0.00	0.00
2	Interest due thereon	0.00	0
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	0.00	0.00
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.00	-
5	Interest accrued and remaining unpaid	0.00	0.00
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00

**** Amount due and unpaid as at the year end**

39. Trade Payables Ageing schedule

₹ in lakh

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment				As at 31.03.2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	103.38	0.00	0.00	0.00	0.00	103.38
(ii) Others	56387.39	0.00	0.00	0.00	0.00	56387.39
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv)Disputed dues -Others	0.00	470.64	68.37	657.91	110.43	1307.35
Total	**56490.77**	**470.64**	**68.37**	**657.91**	**110.43**	**57798.12**

40. Fair Value Hierarchy

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

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

Investment in Unquoted Equity Shares

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

Derivatives not designated as hedges

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

Investment Properties

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

₹ In Lakh

Particulars	31.03.2022 Significant observable inputs		31.03.2021 Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3
Financial Assets				
Investment in Unquoted Equity Shares of:				
Indian Potash Limited		9,219.30		7,943.18
Travancore Cochin Chemicals Ltd		160.16		148.70
Capexil Agencies Ltd.		0.00		0.00
Kerala Enviro Infrastructure Limited		407.99		534.20
Foreign Currency Receivable under Forward exchange contracts	0.00		-	
Financial Liabilities				
Amount Payable under forward exchange contracts	0.00		-	
Assets for which Fair values are disclosed				
Investment Properties	2,906.41		2,750.20	

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

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

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

Operating Leases

A. Leases as lessor

The Company leases out its investment property on operating lease basis

i) Future minimum lease receivable

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

(₹ In Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Within one year	124.69	63.69
Between one and five years	498.96	254.76
More than five years	907.04	373.71

ii) Amounts recognized in profit and loss (₹ In Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Lease Rent	77.23	75.50
	77.23	**75.50**

B. Leases as lessee

The Lease Liability is measured at the present value of remaining lease payments at the date of initial application and Right-of-use asset has been recognized at an amount equal to Lease Liability adjusted by an amount of any prepaid expenses. . Under Ind AS 116 "Leases", at commencement of lease, the Company recognizes Right-of-use asset and corresponding Lease Liability. Right-of-use asset is depreciated over lease term on systematic basis and Interest on Lease Liability is charged to Statement of Profit and Loss as Finance cost.

Recognition of right of use Asset and corresponding lease liability, as per IndAS 116, has been made in respect of the property taken for lease (Operating lease) for the purpose of storage and handling of Raw Materials, at Willington Island and for Guest House facility at New Delhi

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) disclosed in Note No. 2C

₹ in Lakh

Particulars	Gross Block				Depreciation				Net Carrying amount
	As at 01-04-2021	Additions/ Adjustments	Reclassifi cations/ Deductions on Account of Conclusion	As at 31-3-2022	As at 01-04-2021	For the year	Reclassifi cations/ Deductions on	Up to 31-3-2022	As at 31-3-2022
Land	3,411.25	124.34	0.00	3,535.59	142.14	144.90	0.00	287.04	3,248.55
Building	41.59	0.00	0.00	41.59	16.57	16.58	0.00	33.15	8.44

b) The following expenses have been charged to Statement of Profit and Loss during FY 2021-22

Particulars	₹ in Lakh
Interest on Lease Liabilities	247.59
Expenses relating to short term leases	108.99
Expenses relating to leases of low value items	10.83
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	316.45

c) Total Cash outflow for leases during FY 2021-22 is ₹ 283.04 Lakhs

d) Income from Sub leasing of Right-of-use assets recognized in Statement of Profit and Loss during FY 2021-22 is Nil

e) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

Particulars	**Contractual cash flows in ₹ Lakh**				
	Up to 1 year	1-3 years	3-5 Years	More than 5 years	Total
Cash outflows	282.97	560.27	576.50	5,656.68	7076.42

41 . Financial Instrument Classification

(₹ In Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Financial Assets		
Financial Assets at Amortised Cost		
Trade Receivables	17,522.98	10,438.13
Cash and Cash equivalents	18,206.25	17,878.46
Other Bank Balances	1,69,440.47	1,48,808.35
Loans	3.28	4.52
Other Financial Assets	56,385.22	23,273.03
	2,61,558.20	**2,00,402.49**
Financial Assets at Fair Value through Other Comprehensive Income:		
Equity Investments	9,788.47	8,627.10
Financial Assets at Fair Value through Profit and Loss Statement:		
Foreign Currency Receivable on Forward exchange contract	0.00	0.00
	9,788.47	**8,627.10**
Financial Liabilities		
Financial Liability at Amortised Cost		
Borrowings	1,80,522.33	1,79,088.75
Trade Payables	57,798.12	37,444.45
Other Financial Liabilities	1,36,857.69	1,04,687.64
	3,75,178.14	**3,21,220.84**
Financial Liabilities at Fair Value through Profit and Loss Statement:		
Liability on Forward Exchange contract	0.00	0.00
	0.00	**0.00**

42. Financial Risk Management

The company's activities are exposed to market risk, liquidity risk and credit risk.
This note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements

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

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 17522.98 lakh (Previous year ₹ 10438.13 lakh) of which ₹ 13011.42 lakh (previous year ₹ 9446.49 lakh) due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and from services rendered.

Expected credit loss assessment for Trade and other receivables

The Company has been consistently following a policy of creating 100% provision for the unsecured portion of the trade receivables that are more than three years old, except subsidy receivables from Government of India, wherein allowance for loss is made after analysis of possibility of realisation.

The following table provides information about the exposure to credit risk and the provisions made

₹ In lakh

As at 31.03.2022	Total receivables	Provision for doubtful receivables
Trade Receivables	6,465.54	(1,953.98)
Subsidy Receivable	13,422.75	(411.33)
Total	**19,888.29**	**(2,365.31)**

₹ In lakh

As at 31.03.2021	Total receivables	Provision for doubtful receivables
Trade Receivables	2,820.86	(1,829.22)
Subsidy Receivable	9,857.82	(411.33)
Total	**12,678.68**	**(2,240.55)**

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Provision at the beginning of the year	2,240.55	1,924.88
Provisions released during the year	(20.02)	(7.38)
Provisions made during the year	144.80	323.05
Provision at the end of the year	**2,365.32**	**2,240.55**

(ii) Cash and Cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of ₹ 187646.72 lakhs at 31st March 2022 (31st March 2021: ₹ 166686.81 lakhs). The Cash equivalents are held with banks with good credit ratings and financial position. Also, the Company invests its short term surplus funds in bank fixed deposits, which carry no / low market risks for short duration and therefore does not expose the Company to credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The following are the remaining contractual maturities of significant financial liabilities at the reporting date.

Maturity Analysis of Significant Financial Liabilities

As on 31.03.2022

	Contractual Cash Flows (₹ In Lakh)		
	Total	**Up to 1 year**	**1-5 years**
Government of India Loan (Refer note 1 below)	3,20,458.23	3,20,458.23	0.00
Intercorporate Loan	1,821.75	713.39	1,746.75

As on 31.03.2021

	Contractual Cash Flows (₹ In Lakh)		
	Total	**Up to 1 year**	**1-5 years**
Government of India Loan (Refer note 1 below)	2,96,556.65	2,96,556.65	0.00
Intercorporate Loan	2,417.27	595.52	1,821.75

1. The loan from Government of India along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022.Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹ 28273.00 lakhs into equity and conversion of loan amounting to ₹ 100000.00 lakhs as interest free loan, repayable in 10 yearly installments commencing from the financial year 2022-23. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016. The management expects restructuring of the loan, whereby the Government shall grant sufficient time for the repayment of the loan and interest due thereon. Accordingly, the Company can manage the immediate liquidity requirement.

Financing arrangements (₹ In Lakh)

The Company has sufficient funds for its business/operational activities. The following is the undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	**31st March, 2022**	**31st March, 2021**
Expiring within one year (Bank Overdraft/ CC Limit)	8,411.40	0.00
LC Bill discounting limit	23,056.42	0.00

The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. These credit facilities have an average maturity of one year. Besides, the above, Company has Non Fund Based Working Capital Arrangement with various Banks, with a lien on Term Deposits of the Company.

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other prices, such as equity price risk and commodity risk.

(i) Currency Risk

The Company's activities are exposed primarily to the financial risk of changes in foreign currency rates. To mitigate the foreign currency risk, the company is closely monitoring the market trend to take appropriate action

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

Particulars	Figures as at 31.03.2022		Figures as at 31.03.2021	
Trade Payable	Foreign Currency	Indian Rupee	Foreign Currency	Indian Rupee
	(In lakh)	(In lakh)	(In lakh)	(In lakh)
	USD 564.55	43093.96	USD 390.20	28897.99
			JPY 175.03	117.79
			EUR 0.11	9.45

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, JPY or EUR against INR at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ In Lakh

	Effect in INR (before tax)	
	Strengthening	Weakening
For the year ended 31st March, 2022		
3% movement in,		
USD	(1292.82)	1292.82
JPY	0.00	0.00
EUR	0.00	0.00
For the year ended 31st March, 2021		
3% movement in,		
USD	(866.94)	866.94
JPY	(3.53)	3.53
EUR	(0.28)	0.28

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates

Exposure to interest rate risk:

The Company's investments are in Bank fixed deposits wherein the interest rates are fixed, as on the reporting date.

The Company do not have any borrowing with banks, other than discounting of bills, as on the reporting date. The interest rate on the Company's borrowings from Government of India is not fluctuating. The rate of interest on Intercorporate loan from Rashtriya Chemicals and Fertilisers Ltd is subject to change, based on the lowest cost of their working capital finance. The Intercorporate loan outstanding as on 31.03.2022 is ₹ 1530 lakh and the applicable interest as on the reporting date is 6.50%.

(iii) Commodity rate risk

The Company's profitability gets affected by the price differential (also known as Margin) between prices of products (output) and the price of the raw materials used in production (input).

Company has entered in to agreement with suppliers of one of the major raw materials, Regassified Liquified Natural Gas, to mitigate the fluctuation in market price.

(iv) Price Risk

The Company's exposure to equity investments price risk arises from investments held by the Company and classified in the financial statements at fair value through OCI. The Company intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ In Lakh

	Effect on OCI			
	31.03.2022		31.03.2021	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
Investment in Kerala Enviro Infrastructure Ltd	4.08	(4.08)	5.34	(5.34)
Investment in Travancore Cochin Chemicals Ltd	1.60	(1.60)	1.49	(1.49)
Investment in Indian Potash Ltd	92.19	(92.19)	79.43	(79.43)

CAPITAL MANAGEMENT

The Company's objective is to maximize the shareholders' value.

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

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

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

(₹ In Lakh)

Name of Entity	Nature of Transaction	2021-22	2020-21
GAIL (India) Ltd	Procurement of Gas / TransmissionCharges	39,229.78	19,267.93
Bharat Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products/Sulphur	62,567.13	26,852.48
Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	34,204.61	14,939.10
Hindustan Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products	158.73	141.70

Steel Authority of India Ltd	Procurement of Steel Structural	179.33	252.93
National Fertilisers Ltd	Purchase of Fertilisers	0.00	0.80
National Fertilisers Ltd	Sale of Fertilisers	6,180.88	0.00
BRAHAMPUTRA VALLEY FERTILIZERS CORPORATION LTD (BVFCL)	Sale of Fertilisers	199.47	0.00
Rashtriya Chemicals and Fertilisers Ltd	Sale of Fertilisers	0.00	0.00
Hindusthan Insecticides Ltd	Sale of Fertilisers	5,490.06	2,457.94
Rashtriya Chemicals and Fertilisers Ltd	Principal repayment of Intercorporate Loan	510.00	510.00
Rashtriya Chemicals and Fertilisers Ltd	Interest on Intercorporate Loan	50.22	205.94
Bharat Petroleum Corporation Limited	Compensation for recreation club	0.00	88.88
Bharat Petroleum Corporation Limited	Services Provided	21.41	199.95
Hindustan Petroleum Corporation Ltd	Services Provided	67.70	92.30
Indian Oil Corporation Ltd	Services Provided	107.53	86.27
Rashtriya Chemicals and Fertilisers Ltd	Services Provided	7.70	6.50
Bharat Heavy Electricals Ltd	Procurement of Assets/Spare parts	236.05	40.22
Bharat Earth Movers Ltd	Procurement of Assets/Spare parts	21.34	23.52
Kochi Metro Rail Ltd	Lease of property	298.94	277.50
Kochi Salem Pipeline Pvt Ltd.	Lease of property	665.89	0.00
Central Institute of Plastic Engineering & Technology	Lease of property	0.00	18.10
GAIL (India) Ltd	Lease of property	13.69	13.69

The above referred transactions have been carried out on arm's length basis with the said entities.
The other disclosures with related parties are as under:

1) Associates & Joint Ventures

Relationship

Sl No	Name of Entity	Percentage of ownership interest as at	
		31.03.2022	31.03.2021
1	FACT-RCF Building Products Ltd(FRBL)	50.00%	50.00%
2	Kerala Enviro Infrastructure Ltd. (KEIL)	21.75%	21.75%

Transactions during the year with the above referred related parties: (₹ In Lakh)

Sl No	Particulars	2021-22	2020-21
i)	Contribution towards sharecapital	0.00	0.00
ii)	Dividend received	0.00	15.62
iii)	Sales of Products	0.00	0.00
iv)	Others	2.74	9.75

The provision towards the amount given as material, Services and advances made in the earlier financial years continues. A provision amounting to ₹ 2.74 Lakh (Previous year ₹ 9.75 lakh) has been made for the current year also.

Balance Outstanding: (₹ In Lakh)

Sr.No	Particulars	As at 31.03.2022	As at 31.03.2021
	Receivable from FACT-RCF building products Ltd :		
	Towards sale of gypsum	297.72	297.72
	Salary of deputationists and other expenses	827.92	825.18
	Under Corporate Guarantee and other Contractual obligations	2,789.60	2,789.60
	Advance against Equity Pending allotment	235.70	235.70
	Provision for bad & doubtful debts/advances	4,150.94	4,148.20
	Provision towards other Contractual Obligation	239.60	239.60
	Provision for diminution in the value of investments	3,287.00	3,287.00

The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF had settled the entire liability to the bankers, to the extent of ₹ 5100 lakhs including 50% share of the Company ₹ 2550 lakhs on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan. Accordingly, the amount of ₹ 2550 lakhs has been classified as Intercorporate loan. The principal amount outstanding as on 31.03.2022 is ₹ 1530 lakh (Previous year ₹ 2040 lakh). Interest rate applicable on the loan for the year 2021-22 is 6.50% p.a. (Previous year- 6.50% p.a).

Department of Fertilisers, Govt of India, had accorded the approval (16 November 2018) to The Fertilisers and Chemicals Travancore Limited (FACT) for additional investment of ₹ 2925 lakh to the equity share capital of FACT-RCF-Building Products Limited (FRBL).FRBL is a joint venture between FACT and Rashtriya Chemicals & Fertilisers Limited (RCF). FACT in its 75th Annual General Meeting approved the additional investment in FRBL. Against approval received for ₹2925 lakh, FRBL had issued equity shares amounting to ₹ 1518 lakh towards gypsum supplied and other services provided by FACT during the period from 2010-2013. Equity Shares amounting to ₹ 1168 lakh against which gypsum and other services provided by the FACT during 2014-2017, are pending for allotment by FRBL. The same has been disclosed under advance against Equity Pending allotment and advances to related parties. Further, supply of gypsum from FACT amounting to ₹239 lakh is still pending as on 31 March 2022 to complete the above additional investment. FRBL, in its 68th Board meeting held on 04/05/2022, has decided to allot shares to FACT, for the share application money amounting to ₹235.70 lakhs.

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

2) Key Management Personnel

1 Shri Kishor Rungta, Chairman and Managing Director
2 Shri.A.Ganesan, Director(Finance) & Chief Financial Officer (From 28.08.2019 up to 31.07.2020)
3 Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)
4 Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021)
5 Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)
6 Shri K V Balakrishnan Nair, Company Secretary & Executive Director (Finance)

Transactions with related parties:

Remuneration to key management personnel : (₹ In Lakh)

Sl No	Particulars	Short Term Employee Benefits		Termination benefits**		Other long-term benefits/ Share-based payments/ Post-term employee benefits	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1	Sri Kishor Rungta, Chairman and Managing Director	48.96	39.54	0.00	0.00	0.00	0.00
2	Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	29.99	19.85	0.00	0.00	0.00	0.00
3	Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	29.39	1.69	0.00	0.00	0.00	0.00
4	Shri.Kesavan Nampoori A.S Director (Technical) (From 22.03.2021)	28.93	0.70	0.00	0.00	0.00	0.00
5	Shri.A.Ganesan, Director (Finance) & Chief Financial Officer (From 28.08.2019 up to 31.07.2020)	0.00	16.96	0.00	4.35	0.00	0.00
6	Shri K V Balakrishnan Nair Company Secretary & Executive Director (Finance)	28.20	27.10	0.00	0.00	0.00	0.00
		165.47	**105.84**	**0.00**	**4.35**	**0.00**	**0.00**

** On payment basis

The whole time Directors have been allowed the use of company car and for private journey upto a ceiling of 9000 kms. per year, on payment as prescribed by the Government.
Gratuity and leave encashment benefit accrued to the Directors have not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.

3) Other related parties

Party	Nature of Relationship
i. FACT Cochin Division Employees Provident Fund Trust	To manage the provident fund contribution in respect of the employees of the Company
ii. The FACT Employees Provident Fund	To manage the provident fund contribution in respect of the employees of the Company
iii. FACT Employees Group Gratuity Fund Trust	To manage fund earmarked for gratuity under group gratuity accumulation scheme and provide gratuity benefits including insurance towards future service gratuity benefit
iv. FACT Employees Superannuation Benefit Fund Trust	To provide superannuation benefits to members of the Trust

Transactions with related parties:

Party	Company Contribution made during the year	
	2021-22	2020-21
i. The FACT Employees Provident Fund	1628.84	1611.21
ii. FACT Cochin Division Employees Provident Fund Trust	76.37	86.54
iii. FACT Employees Group Gratuity Fund Trust	2792.44	2107.56

Dues outstanding in respect of the above related parties:

Party	As on	
	31.03.2022	31.03.2021
i. Amount payable to The FACT Employees Provident Fund	289.51	278.94
ii. Amount payable to FACT Cochin Division Employees Provident Fund Trust	24.71	28.20
iii. Amount receivable from FACT Employees Group Gratuity Fund Trust	290.52	181.08

44. Financial Reporting of interest in Joint Ventures

JOINT CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Percentage of ownership interest	
		31.03.2022	31.03.2021
FACT RCF Building Products Ltd.	India	50.00%	50.00%
Kerala Enviro Infrastructure Limited	India	21.75%	21.75%

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

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

(₹ In Lakh)

Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
Non-Current Assets	284.20	351.40
Cash and Cash Equivalent	28.53	31.88
Current Assets other than Cash and Cash Equivalents	1,025.16	1,321.77
Non-Current Liabilities	6,266.59	5,665.79
Current Liabilities	9,313.25	9,423.13
Equity	(14,241.95)	(13,383.87)
Proportion of the company's ownership	50.00%	50.00%
Carrying amount of the investment*	0.00	0.00

(₹ In Lakh)

Particulars	2021-22 (Audited)	2020-21 (Audited)
Income	349.73	1,648.22
Cost of materials consumed	0.00	0.00
Changes in inventories	123.41	2.74
Depreciation and amortization expense	0.00	0.00
Finance costs	600.80	538.59
Employee benefits expenses	87.84	79.43
Other Expenses	395.74	1,632.24
Exceptional items	0.00	0.00
Loss for the year	(858.08)	(604.78)
Total comprehensive income for the year	(858.08)	(604.78)
Company's Share of profit / loss for the year	(429.04)	(302.39)

* Owing to the company's share of losses exceeding its interest in the joint venture recognising the share of loss stands discontinued. Accordingly company has not recognized share of loss of ₹429.04 lakh for the year (Previous Year ₹302.39 lakh) and ₹ 10407.97 lakh cumulatively upto the year ended 31.03.2022 (₹9978.93 lakh cumulatively upto the year ended 31.03.2021).

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

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

(₹ In Lakh)

Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
Non-Current Assets	2,997.82	3,619.20
Cash and Cash Equivalent	246.29	311.45
Current Assets other than Cash and Cash Equivalents	2,020.55	1,351.23
Non-Current Liabilities	2,419.67	2,130.61
Current Liabilities	968.84	695.57
Equity	1,876.15	2,455.70
Proportion of the company's ownership	21.75%	21.75%
Carrying amount of the investment	407.99	534.20

(₹ In Lakh)

Particulars	2021-22 (Audited)	2020-21 (Audited)
Income	1,871.46	1,265.38
Cost of materials consumed	223.17	22.62
Depreciation and amortization expense	264.52	103.70
Finance costs	47.27	3.64
Employee benefits expenses	394.50	236.16
Other Expenses	1,522.74	759.18
Profit before Tax	(580.74)	140.08
Tax	(1.91)	24.18
Profit after Tax	(578.83)	115.90
Other Comprehensive Income	(0.72)	(0.01)
Total comprehensive income for the year	(579.55)	115.89
Company's Share of profit / loss for the year	(126.21)	25.21

Additional information on entities included in Consolidated Financial Statements

Name of the entity	Net Asset i.e total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated comprehensive income	Amount
Parent :								
The Fertilisers and Chemicals Travancore Ltd	97.85%	18,529.36	100.00%	35,328.26	107.84%	1,735.46	100.34%	37,063.72
Associates (Investment as per the equity method)								
Indian								
1. Kerala Enviro Infrastructure Ltd	2.15%	407.99	0.00%	0.00	-7.84%	(126.21)	-0.34%	(126.21)
Joint Venture (Investment as per the equity method)								
Indian								
1. FACT-RCF Building Products Ltd	NA	NA	NA	NA	NA	NA	NA	NA

100% provision made towards dimunition in the value of investments in FACT-RCF Building Products Ltd

45. SEGMENTAL REPORTING

Segment Information for the year ended 31st March 2022

Information about Primary Business Segments

	₹ in Lakh. Fertiliser	₹ in Lakh. Petrochemical	₹ in Lakh. Others (Unallocated)	₹ in Lakh. Total
REVENUE				
External Revenue	**402695.47**	**40930.54**	**1627.05**	**445253.06**
	(325954.54)	(9.37)	(835.26)	(326799.17)
TOTAL REVENUE	**402695.47**	**40930.54**	**1627.05**	**445253.06**
	(325954.53)	(9.37)	(835.26)	(326799.16)
SEGMENT RESULTS				
Profit before Interest and Taxation	**86844.42**	**-14612.56**	**-13501.28**	**58730.58**
	(61552.99)	(-2032.19)	(-6622.27)	(52898.53)
Unallocated Corporate Expense			**-952.61**	**-952.61**
			(-831.72)	(-831.72)
Operating Profit	**86844.42**	**-14612.56**	**-12548.67**	**59683.19**
	(61552.97)	(-2032.19)	(-5790.56)	(53730.23)
Interest Expense	**0.00**	**0.00**	**24440.68**	**24440.68**
	-	-	(24526.29)	(24526.29)
Interest Income	-	-	**8991.95**	**8991.95**
	(0.00)	(0.00)	(5843.05)	(5843.05)
Profit before Exceptional items and Tax	**86844.42**	**-14612.56**	**-27997.40**	**44234.46**
	(61552.97)	(-2032.19)	(-24473.79)	(35047.00)
Exceptional Income/(Expenses)	-	-	**-8906.20**	**-8906.20**
	(0.00)	(0.00)	(0.00)	**0.00**
Income Tax	-	-	-	-
Profit after Interest and Taxation	**86844.42**	**-14612.56**	**-36903.60**	**35328.26**
	(61552.97)	(-2032.19)	(-24473.79)	(35047.00)
OTHER INFORMATION				
Segment Assets	**368720.08**	**27748.58**	**29553.42**	**426022.09**
	(295278.83)	(12705.16)	(28459.58)	(336443.57)
Segment Liabilities	**137771.18**	**12516.32**	**275734.59**	**426022.09**
	(322534.11)	(2355.10)	(11554.36)	(336443.57)
Depreciation	**2148.64**	**384.13**	**181.39**	**2714.16**
	(1954.31)	(174.89)	(139.86)	(2269.06)
Capital Expenditure	**1708.80**	**5737.08**	**98.71**	**7544.59**
	(1467.41)	(73.17)	(98.28)	(1638.86)

The business segments are:-

Segment	**Products**
Fertiliser	Ammonium Phosphate, Ammonium Sulphate, Mixtures, MOP
Petrochemical	Caprolactam

Segments have been identified taking into account the organisation structure.

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

Segment reporting is prepared based on the methods consistantly followed by the company

Figures given in brackets pertains to previous year.

RECONCILIATION OF REVENUE	2021-22	2020-21
Segment Revenue as above	445253.07	326799.17
Add Interest Income	8991.95	5843.05
Revenue as per Profit and Loss Statement	**454245.02**	**332642.22**

46. EMPLOYEE BENEFITS

General Description of Defined Contribution Plan

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

General Description of Defined Benefit Plan

A Leave Encashment and Gratuity

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

B Provident Fund

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

During the year an amount of ₹ 1705.21 lakh (Previous Year ₹ 1697.75 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19 issued by the Institute of Chartered Accountants of India, the Provident Fund Trust set up by the company is treated as Defined Benefit Plan since the company has to meet the shortfall in the fund assets , if any.

A Movement in net defined benefit (asset)/ liability in respect of Leave Encashment and Gratuity

	₹ in Lakh		₹ in Lakh		₹ in Lakh	
a. Changes in the present value of obligations	**Leave encashment (Unfunded)**		**Gratuity (Funded)**		**CLR Gratuity (Unfunded)**	
	31.03.2022	**31.03.2021**	**31.03.2022**	**31.03.2021**	**31.03.2022**	**31.03.2021**
Present value of obligations at the beginning of the year	9781.42	9100.33	14711.97	13011.10	768.03	596.57
Interest cost	616.51	527.29	958.10	796.24	53.74	39.62
Past service cost	0.00	0.00	0.00	0.00		
Current service cost	1788.21	1823.09	527.11	545.83	45.87	45.66
Benefits paid	(2366.08)	(2737.53)	(2698.66)	(2671.98)	(36.86)	(31.19)
Actuarial loss/(gain) on obligation	(392.86)	1068.24	(238.17)	3030.78	93.56	117.37
Present value of obligations at the end of the year	**9427.20**	**9781.42**	**13260.35**	**14711.97**	**924.34**	**768.03**
b. Changes in the fair value of plan assets						
Fair value of plan assets at the beginning of the year	0.00	0.00	1202.25	1766.67	0.00	0.00
Expected return on investment	0.00	0.00	89.56	101.24	0.00	0.00
Employer's contribution	0.00	0.00	2792.44	2107.56	0.00	0.00

Benefits paid	0.00	0.00	(2698.66)	(2671.98)	0.00	0.00
Actual return on Plan Asset over Expected Interest	0.00	0.00	(89.56)	(101.24)	0.00	0.00
Fair value of plan assets at the end of the year	**0.00**	**0.00**	**1296.03**	**1202.25**	**0.00**	**0.00**
Actual return on investment**	0.00	0.00	89.56	101.24	0.00	0.00
c. Amount recognised in Balance sheet						
Present value of obligations at the end of the year	9427.20	9781.42	13260.35	14711.97	924.34	768.03
Fair value of plan assets at the end of the year	0.00	0.00	1296.03	1202.25	0.00	0.00
Unfunded net liability recognised in Balance sheet	**9427.20**	**9781.42**	**11964.32**	**13509.72**	**924.34**	**768.03**
d. Expenses recognised in the Statement of Profit and Loss during the year						
Current service cost	1788.21	1823.09	527.11	545.83	45.87	45.66
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00
Net Interest on Obligation / Asset	616.51	527.29	868.55	695.00	53.74	39.62
Total Expenses recognised in the Statement of Profit and Loss during the year	**2404.72**	**2350.38**	**1395.66**	**1240.83**	**99.61**	**85.28**
Amount Disclosed under Other Comprehensive Income:						
Opening balance	(4303.21)	(5371.45)	4129.62	997.60	641.63	524.26
Actuarial Gain or Loss on Obligation side during the year	(392.86)	1068.24	(148.60)	3132.02	93.56	117.37
Closing Amount Disclosed under OCI	**(4696.07)**	**(4303.21)**	**3981.02**	**4129.62**	**735.19**	**641.63**
Investment details	% invested as at 31st March		% invested as at 31st March		% invested as at 31st March	
LIC Group Gratuity (Cash Accumulation) policy	-	-	9.77	8.17	-	-
Actuarial assumptions						
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate					
e. Discount rate	6.82%	6.82%	6.82%	6.82%	6.82%	6.82%
Salary escalation rate	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
f. Expected rate of return on plan assets	NA	NA	6.82%	6.82%	NA	NA

** The Actual return on plan assets for the year 2021-22 is yet to be declared by the Fund Manager

GRATUITY - OTHER DISCLOSURE REQUIREMENTS

(i) Description of plan Characteristics and associated risks:

The Gratuity scheme is a final salary defined benefit plan that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years. The design entiles the following risks that affect the liabilities and cash flows

Interest rates risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times the fall can be permanent due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Salary inflation risk:

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER) which is applied to find the salary of plan participants in future at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

Retirement age:

It should be noted that in case of employees above retirement age for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Demographic risks:

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase discount rate and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

Asset Liability Mismatch:

This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date

Investment Risk

For funded plans that rely on insurers for managing the assets the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time..

Employees with high salaries and long durations of service or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk/Regulatory risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) Sensitivity Analysis

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates salary growth Attrition & Mortality is shown below

GRATUITY-EMPLOYEES :

₹ In Lakh

				31-03-2022
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-2.75%	12895.82	(364.53)
2	DISCOUNT RATE -100 basis points	2.99%	13656.54	396.18
3	SALARY GROWTH +100 basis points	1.71%	13486.83	226.47
4	SALARY GROWTH -100 basis points	-1.78%	13024.12	(236.24)
5	ATTRITION RATE +100 basis points	-0.60%	13252.17	(8.18)
6	ATTRITION RATE-100 basis points	0.60%	13267.84	7.47
7	MORTALITY RATE 10% UP	-0.10%	13259.47	0.90
8	EFFECT OF NO CEILING	12.88%	14968.63	1707.95

GRATUITY-CASUAL LABOUR (CLR)

₹ in lakh

				31-03-2022
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-4.81%	879.93	-44.42
2	DISCOUNT RATE -100 basis points	5.36%	973.92	49.56
3	SALARY GROWTH +100 basis points	5.22%	972.60	48.24
4	SALARY GROWTH -100 basis points	-4.78%	880.16	-44.18
5	ATTRITION RATE +100 basis points	-0.36%	921.03	-3.31
6	ATTRITION RATE-100 basis points	0.40%	928.02	3.67
7	MORTALITY RATE 10% UP	-0.02%	924.17	0.18
8	EFFECT OF NO CEILING	0.00%	924.35	0

P.U.C method has been used. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed]

(iii) Asset Liability Matching Strategies

GRATUITY-EMPLOYEES :

Insurer Administered Fund

The company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the Insurance company and the Asset Values as informed by the Insurance Company has been taken for the valuation purpose. The policy thus mitigates the liquidity risk. However being a cash accumulation plan the duration of assets is shorter compared to the duration of liabilities. Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset). .

Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset).

GRATUITY-CASUAL LABOUR (CLR)

Pay As You Go Method

The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero; there is liquidity risk in that they may run out of cash.

(iv) Other disclosures

GRATUITY-EMPLOYEES :

The company has started funding the liability through the medium of an insurance company and regular assessment is made by the Company of the increase in liability and contributions are being made to maintain the fund and is subject to the credit risk of the insurance company and asset liability mismatch risk of the investments.

Expected Contributions to the plan for the next annual reporting period. ₹2193.26 lakhs

	31-03-2022	31-03-2021
Weighted average duration of the D B O	**10.16**	**10.43**
		₹ in lakh
Information on the maturity profile of the liabilities	**31-Mar-22**	**31-Mar-21**
Projected Benefit Obligation	13260.36	14711.97
Accumulated Benefits Obligation	11508.01	14055.06

₹ in lakh

	FIVE YEAR PAYOUTS	31-03-2022 Discounted values / Present value	31-03-2022 Undiscounted values / Actual value
1	Year (I)	3390.26	3465.62
2	Year (II)	2669.47	2898.89
3	Year (III)	2140.12	2475.89
4	Year (IV)	1661.32	2042.67
5	Year (V)	1044.11	1381.37
6	Next 5 year pay-outs (6-10 years)	1722.45	2697.47
7	Pay-outs Above Ten Years	632.6	2352.28
8	Vested benefit Obligation as on Para 137 (b) 31-03-2021		**13077.94**

GRATUITY-CASUAL LABOUR (CLR) :

The company has not started funding the gratuity liability & has been following pay as you go method for settlement of the liability

Expected Contributions to the plan for the next annual reporting period. \NA

	31-03-2022	31-03-2021
Weighted average duration of the D B O	7.44	10.43
		₹ in lakh
Information on the maturity profile of the liabilities given below	31-03-2021	31-03-2021
Projected Benefit Obligation	924.35	768.03
Accumulated Benefits Obligation	667.03	624.86

	FIVE YEAR PAYOUTS	31-03-2022 Discounted values / Present value	31-03-2022 Undiscounted values / Actual value
1	Year (I)	138.56	141.55
2	Year (II)	130.36	142.35
3	Year (III)	103.53	120.97
4	Year (IV)	82.09	102.51
5	Year (V)	93.75	125.49
6	Next 5 year pay-outs (6-10 years)	224.84	366.65
7	Pay-outs Above Ten Years	**151.22**	**467.72**
8	Vested benefit Obligation as on Para 137 (b) 31-03-2021		**921.92**

LEAVE ENCASHMENT - OTHER DISCLOSURE REQUIREMENTS

(i) **Description of plan Characteristics and associated risks:**

The leave scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of seperation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the leave count at the time of seperation and paid as lumpsum.

The design entiles the following risks that affect the liabilities and cash flows,

Interest rates risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risks:

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compared to long service employees.

(ii) **SENSITIVITY ANALYSIS**

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates,salary growth, Attrition & Mortality is shown below

PRIVILEGE LEAVE

₹ In Lakh

Net Asset/(Liability) Recognised in Balance sheet			31-03-2022
	% increase in DBO	LIABILITY	INCREASE IN DB
1 DISCOUNT RATE +100 basis points	-4.98%	7337.39	(384.40)
2 DISCOUNT RATE -100 basis points	5.56%	8150.75	428.95
3 SALARY GROWTH +100 basis points	5.19%	8122.75	400.96
4 SALARY GROWTH -100 basis points	-4.74%	7355.60	(366.19)
5 ATTRITION RATE +100 basis points	-0.33%	7696.66	(25.13)
6 ATTRITION RATE-100 basis points	0.36%	7749.64	27.85
7 MORTALITY RATE 10% UP	-0.01%	7721.26	0.50

SICK LEAVE

₹ In Lakh

Net Asset/(Liability)Recognised in Balance sheet			31-03-2021
	% increase in DBO	LIABILITY	INCREASE IN DB
1 DISCOUNT RATE +100 basis points	-4.53%	1628.17	(77.21)
2 DISCOUNT RATE -100 basis points	4.98%	1790.30	84.90
3 SALARY GROWTH +100 basis points	4.65%	1784.72	79.33
4 SALARY GROWTH -100 basis points	-4.31%	1631.87	(73.52)
5 ATTRITION RATE +100 basis points	-0.30%	1700.35	(5.04)
6 ATTRITION RATE-100 basis points	0.32%	1710.89	5.49
7 MORTALITY RATE 10% UP	-0.01%	1705.28	0.10

P.U.C method has been used for sensitivity analysis.If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed

(iii) Acturial measurements as on March 31,2022

The company has not started funding the Leave liability & has been following pay as you go method for settlement of the liability

(iv) Maturity profile of the liabilities

PRIVILEGE LEAVE

₹ In Lakh

Weighted average duration of the D B O			**10.16**
Information on the maturity profile of the liabilities given below		**31-03-2022**	**31-03-2021**
Projected Benefit Obligation		7721.79	8084.81
		31-03-2022	
FIVE YEAR PAYOUTS		**Discounted values / Present value**	**Undiscounted values / Actual value**
1	Year (I)	1682.9	1944.69
2	Year (II)	1244.35	1539.72
3	Year (III)	1021.52	1351
4	Year (IV)	867.02	1229.91
5	Year (V)	613.68	928.93
6	Next 5 year pay-outs (6-10 years)	1073.47	1922.6
7	Pay-outs Above Ten Years	**1218.82**	**3753.88**

SICK LEAVE

₹ In Lakh

Weighted average duration of the D B O			**10.16**
Information on the maturity profile of the liabilities		**31-03-2022**	**31-03-2021**
Projected Benefit Obligation		1705.39	1696.61
		31-03-2022	
FIVE YEAR PAYOUTS		**Discounted values / Present value**	**Undiscounted values / Actual value**
1	Year (I)	419.95	485.34
2	Year (II)	282.47	349.58
3	Year (III)	238.80	317.04
4	Year (IV)	192.40	273.31
5	Year (V)	130.81	197.92
6	Next 5 year pay-outs (6-10 years)	239.14	426.37
7	Pay-outs Above Ten Years	**201.81**	**589.07**

B Movement in net defined benefit (asset)/ liability in respect of Provident Fund

		₹ in Lakh		₹ in Lakh	
		Trust managed Provident Fund-Udyogamandal		Trust managed Provident Fund-Cochin Division	
a.	**Changes in the present value of obligations**	**31-03-2022**	**31-03-2021**	**31-03-2022**	**31-03-2021**
	Present value of obligations at the beginning of the year	24591.64	23886.51	2351.74	2130.65
	Interest cost	1527.18	1438.55	144.31	129.39
	Past service cost	-	-	-	-
	Current service cost	923.22	770.87	76.37	86.54
	Plan participants contribution	2893.90	2142.58	249.72	297.58
	Benefits paid	(6583.93)	(5586.92)	(678.09)	(466.99)
	Acturial loss/(gain) on obligation	1126.92	1940.04	9.47	174.57
	Present value of obligations at the end of the year	**24478.93**	**24591.64**	**2153.52**	**2351.74**
b.	**Changes in the fair value of plan assets**				
	Fair value of plan assets at the beginning of the year	24591.64	24307.51	2354.68	2146.34
	Expected return on investment	1560.28	1493.55	147.26	133.41
	Employer's & Plan participants contribution	3817.11	2913.45	326.09	384.12
	Benefits paid	(6583.93)	(5586.92)	(678.09)	(466.99)
	Acturial (loss)/gain on plan assets	1092.92	1464.04	(10.56)	157.80
	Fair value of plan assets at the end of the year	**24478.02**	**24591.64**	**2139.38**	**2354.68**
	Actual return on investment	2653.20	2957.59	136.69	291.21
c.	**Amount recognised in Balance sheet of the Trust**				
	Present value of obligations at the end of the year	24478.93	24591.64	2153.52	2351.74
	Fair value of plan assets at the end of the year	24478.02	24591.64	2139.38	2354.68
	Unfunded net liability	**0.91**	**0.00**	**14.14**	**(2.94)**
d.	**Expenses recognised in the Statement of Profit and Loss of the Trust during the year**				
	Current service cost	923.22	770.87	76.37	86.54
	Past service cost				
	Interest cost	1527.18	1438.55	144.31	129.39
	Expected return on investment	(1560.28)	(1493.55)	(147.26)	(133.41)
	Net acturial (gain) / loss recognised during the year	34.00	476.00	20.03	16.77
	Total Expenses	**924.12**	**1191.87**	**93.45**	**99.29**

47. Additional Regulatory Information

(i) Fair value of investment property

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

(ii) Capital-Work-in Progress (CWIP)

(a) CWIP ageing schedule

Rs. in lakhs

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	Morethan 3 years	Total
Projects in progress	3197.29	980.95	223.92	0	**4402.16**
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	**3197.29**	**980.95**	**223.92**	**0**	**4402.16**

(iii) Ratios

RATIO	NUMERATOR	DINOMINATOR	RATIO		% Variance	Reason for variation more than 25%
			2021-22	2020-21		
(a) Current Ratio,	Current Assets	Current Liabilities	0.98	0.87	13.00%	NA
(b) Debt-Equity Ratio	Total liabilities/debt	Shareholder's Equity	21.50	Negative	NA	NA
(c) Debt Service Coverage Ratio,	Net profit after tax plus Finance cost and Non cash operating expenses	Finance cost, Current maturities of debt and accrued interest	0.21	0.33	-37.28%	The entire Government of India loan along with outstanding interest has been considered as payable during the year 2021-22, in line with the loan agreement.
(d) Return on Equity Ratio	Profit after Tax	Shareholder's Equity	1.87	negative	NA	NA
(e) Inventory turnover ratio,	Turnover	Average inventory	7.50	6.03	24.42%	NA
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average Accounts Receivable	4.27	2.49	71.49%	There is considerable reduction in the average subsidy receivable as at the year end
(g) Trade payables turnover ratio,	Net credit Purchases	Average Accounts Payable	6.65	6.52	1.99%	NA
(h) Net capital turnover ratio,	Net sales	Working capital	negative	negative	NA	Working capital is negative as the current liabilities exceeds current assets on account of the Government of India loan and interest payable
(i) Net profit ratio	Net profit after tax	Turnover	0.08	0.11	-25.76%	Net profit ratio has decreased due to increase in the raw material prices and expenses of exceptional nature
(j) Return on Capital employed	Earnings before interest and taxes	Capital employed (Net Worth + Total Debt)	0.19	0.23	-18.27%	NA
(k) Return on investment	Increase in the net assets value of investment in shares plus dividend received	Original value of investment	0.32	0.23	40.20%	Increase in the profit of the investee companies

48. Contingent Liabilities and Commitments (to the extent not povided for):

Contingent Liabilities

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Claims against the company not acknowledged as debts in respect of:		
Central Excise Act, 1944	12948.25	12583.50
Service Tax (Finance Act, 1994)	347.93	334.52
Sales Tax / Value Added Tax/ Entry tax	16953.64	16113.47
Income Tax Act, 1961	4.26	4.26
ESI Act	127.83	127.83
Suppliers and contractors	26045.60	25167.15
Payment of Bonus Act,1965	33.59	33.59
Others	1138.23	1206.26

49.Sales Tax/ Value Added Tax / Entry Tax includes ₹ 16614.87 lakh (including interest up to 31.03.2022) (previous year ₹ 15779.52 lakh) towards differential tax demand in respect of the year 2011-12 on the disputed turnover. Against this order, Company obtained stay from Hon' High Court of Kerala.

50. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹ 178489.75 lakh including interest till 31.03.2013 before the arbitrator .The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17308.04 lakh including interest as on 31.12.2013 .As per the award, the mobilisation advance paid by the Company to the contractor along with interest of ₹2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court , Ernakulam which has since stayed the award. During the year 2019-20, as per the directive of Hon' District Court,Ernakulam the Company has provided 80.50 acres of land as security for the award. Accordingly, the award amount along with interest up to 31.03.2022, amounting to ₹ 25699.33 lakh without considering the adjustment of mobilsation advance and interest allowed under the arbitral award is not considered as a liability and included under Contingent Liability. The case is transferred to Commercial Court.

51. Contingent Assets

₹ In Lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Amounts estimated to be receivable in respect of:		
Suppliers and Contractors	120.81	120.81
Delares and customers	15.05	4.75
	135.86	**125.56**

₹ In Lakh

	As at 31.03.2022	As at 31.03.2021
52. Estimated amount of contracts remaining to be executed on capital account and not provided for.	56,417.27	4,635.80

53. Construction Contracts

Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹736 lakh (Previous year ₹921.18 lakh), and capital expenditure ₹ 758.71 lakh (Previous year ₹507.66 lakh).

In the case of work being carried out by FACT Engineering and Design Organisation (FEDO), for National Institute of Technology (NIT), Nagaland, as an executing agency, on a cost plus basis, as a deposit work , FEDO is eligible for certain percentage of fees of total project cost . As per technical evaluation ,52.46 %(previous year 52.46%) of work related to consultancy services by FEDO to NIT, has been completed as on 31.3.2022 and pro-rata credit of ₹862.73 lakh (previous year ₹917.44 lakh) has been taken, after considering ₹264.27 lakh towards work in progress (previous year ₹319.52 lakh). The value of construction work billed and certified during the year 2021-22 is taken as ₹234.35 lakh, (previous year ₹ 57.57 lakh) and equivalent amount has been considered for direct charges on contract.

₹ in lakh

Particulars	As at 31.03.2022	As at 31.03.2021
Contract revenue recognised in the period.	705.07	526.07
Advance received against contract in progress.	500.07	516.67
Retention by customers against contract in progress.	89.96	94.31
Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date.	2,543.00	2,605.95
Gross amount due from customers for contract work as an asset.	143.28	214.01
Gross amount due to customers for contract work as a liability.	101.14	154.30

54. Disclosure in respect of changes in accounting policies, Changes in Accounting Estimates and Errors.

During the year certain errors or omission were identified. Accordingly, previous year financial statements were restated, as per the provisions of IndAS 8. The impact of the above in the previous financial statements and at the beginning of the earliest prior period is given below:

₹ In Lakh

SL No	Particulars	Increase in expenses /decrease in income / increase in assets /decrease in liabilities for the F Y 2020-21	Increase in income /decrease in expenses /increase in liabilities / decrease in assets for the F Y 2020-21	Correction at the beginning of the earliest prior period (April 1,2020)	
				Increase in assets/ decrease in liability	Increase in liability/ decrease in Assets
1	Other Financial Liabilities		144.93		67.83
2	Other Financial Assets	1.02	7.16		43.63
3	Other Current assets				238.33
4	Other equity			349.79	
5	Property, plant and equipment				
6	Revenue from operations		1.02		
7	Other income				
8	Employee Benefit expenses	7.16			
9	Other expenses	144.93			
10	Capital work-in progress				
11	Trade payable				
12	Other Financial liabilities				
	Total	**153.11**	**153.11**	**349.79**	**349.79**

55.INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 (viii) OF GENERAL INSTRUCTIONS FOR STATEMENT OF PROFIT AND LOSS OF SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31.03.2022

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

₹ In Lakh

	Current year	**Percentage**	Previous year	Percentage
Spare Parts , Components & Chemicals				
Imported	334.84	8.17%	245.07	6.78%
Indigenous	3765.35	91.83%	3371.61	93.22%
	4100.19		3616.68	

			₹ In Lakh
2	CIF Value of Imports	Current year	Previous year
	(i) Raw Materials	170093.53	88392.65
	(ii) Traded Products	0.00	26920.68
	(iii) Spares and other materials	70.20	449.10
	(iv) Capital Goods	0.00	128.59
		170163.73	115891.02
3	Expenditure in foreign currency		
	(Cash Basis)		₹ In Lakh
	(i) Consultancy service	0.00	0.00
	(ii) Others	56.61	57.37
		56.61	57.37

56. COST OF MATERIALS CONSUMED

₹ in lakh

		2021-22				2020-21			
Sl No.	**Particulars**	**Opening Stock**	**Purchases**	**Closing Stock**	**Consumption**	Opening Stock	Purchases	Closing Stock	Consumption
1	Regassified Liquid natural Gas	1.99	68776.92	2.56	68776.34	-	34308.90	1.99	34306.91
2	Sulphur - Imported #	801.37	16698.27	3488.15	14011.49	1044.39	6805.40	801.37	7048.42
3	Sulphur	1,333.36	19208.84	3205.32	17336.88	453.09	5876.76	1,333.36	4996.49
4	Rock Phosphate-Imported	344.97	34770.61	9070.42	26045.16	1504.56	12804.73	344.97	13964.32
5	Phosphoric Acid-Imported	4,025.76	107169.96	7992.76	103202.96	4087.19	61815.96	4025.76	61877.39
6	Ammonia - Imported	1,933.37	11310.57	206.29	13037.65	1928.66	9392.45	1933.37	9387.74
7	Benzene -Imported	10.24	0.00	0.09	10.15	10.24	0.00	10.24	0.00
8	Benzene	123.89	18132.70	1651.80	16604.79	125.07	0.00	123.89	1.18
9	Caustic Soda * #	7.86	641.02	55.71	593.17	20.45	-	7.86	-
12	Rock Phosphate-18% for mixing	27.35	1.02	13.28	15.09	27.35	0.00	27.35	0.00
13	Sulphuric Acid**	88.41	4881.01	1271.85	3697.57	8.79	919.51	88.41	832.71
14	Sulphuric Acid-Imported	3.22	9507.52	36.83	9473.92	270.41	2,579.20	3.22	2846.39
	TOTAL	**8701.79**	**291098.44**	**26995.06**	**272805.17**	**9480.20**	**134502.91**	**8701.79**	**135261.54**
	Cost of Materials Consumed				**272805.17**				

Net of amount consumed during trial run of petrochemical plants

* Caustic soda consumption of ₹ Nil (previous year ₹-12.59) is treated as chemical consumption

** Closing stock after adjustments for sale ₹ Nil (Previous Year ₹ 7.18 lakhs)

57. The Company has a system of obtaining confirmation of balances from Vendors and Customers. Some of the parties confirmed the balances.

58. The Company has earned profit continuously from the financial year 2018-19 and consequently the networth of the Company has improved considerably.The networth of the company is positive as on 31.03.2022 The Company has achieved excellent production, marketing and financial performance during the last three years and the same trend is expected in the financial year 2022-23 also. Financial restructuring packages submitted by the company requesting approval for waiver of Govt of India interest and restructuring Govt of India loan is under the consideration of the Govt of India and the Company expects a favourable decision on the proposal. . Accordingly the accounts of the company are prepared on going concern basis

59. Spread of COVID 19 has affected the economic activity across the Globe, including India. However, the Government classified the Fertilizers business of the company as an “Essential Commodity” and granted certain relaxations and guidelines so that production and distribution of the same will not be affected. The Company operated its plants during the year following the covid protocol and guidelines issued by the Government. Thus, the impact of Covid-19 on the Company for the year is minimal. The Company has considered the possible effects that may result from the pandemic on the carrying amounts of receivables, inventories and other financial assets, considering the available internal and external information up to the date of approval of these financial statements. Based on the nature of these assets, the company expects to recover the carrying amount of these assets as on March 31, 2022.

60. The consolidated financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 06.05.2022

61. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by the Shareholders.

62. The figures of the previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year.

In terms of our Report Attached
For K. Venkatachalam Aiyer and Co
Chartered Accountants
Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) & Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022

FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rules 5 of Companies (Accounts) Rules,2014 Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part -A Subsidiaries

NIL

Part-B Associates and Joint ventures

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

₹ In lakh

Name of Associates or Joint Ventures	FACT RCF Building Products Ltd.	Kerala Enviro Infrastructure Ltd
Latest Audited Balance Sheet date	31.03.2022	31.03.2021
Date on which the Associate or Joint Venture was associated or acquired	2nd May 2008	26th Feb 2013
Shares of Associate or Joint ventures held by the Company at the year end (No.)	3,28,70,000.00	31,24,000.00
Amount of Investment in Associates or Joint ventures	3287.00	312.40
Extent of Holding (in percentage)	50%	21.75%
Description of how there is significant influence	50:50 Joint venture, One half of the Directors are nominated by the Company	Share holding of 21.75% Company is nominating one Director on the Board
Reason why the associate/Joint venture is not consolidated	Consolidated	Consolidated
Networth attributable to shareholding as per latest audited Balance sheet	0.00	407.99
Profit or loss for the year 2020-21	(858.08)	(578.83)
1. Considered in consolidation	NA	(125.90)
2. Not Considered in consolidation	(429.04)	0.00

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

For and on behalf of the Board of Directors

Sd/-
V.Ramachandran
Partner
Membership No.020504

Sd/-
S Sakthimani
Director (Finance) & Chief Financial Officer
DIN 07482308

Sd/-
Kishor Rungta
Chairman & Managing Director
DIN 00231106

Sd/-
K V Balakrishnan Nair
Company Secretary & Executive Director (Finance)

Place: Kochi
Date: 06.05.2022



Shri V Muraleedharan, Hon'ble Union Minister of State interacting with Shri Kishor Rungta, CMD and Senior Officials of FACT



Shri Kishor Rungta, CMD, speaking at the meeting organized to congratulate team FACT for restarting Caprolactam plant.



Shri Kishor Rungta, CMD, lighting the traditional lamp
at the International Day of Yoga celebrations



CMD Shri Kishor Rungta present memento to the Secretary (Fertilizers)
on superannuation

BIO FERTILIZERS

CHEMICAL FERTILIZERS

ORGANIC MANURES



FACT

प्रगति के पथप्रदर्शक

PIONEERS IN PROGRESS

दि फर्टिलाइज़र्स एण्ड केमिकल्स ट्रावनकोर लिमिटेड

(भारत सरकार का उद्यम)

पंजीकृत कार्यालय: एलूर, उद्योगमंडल-683 501 कोच्ची, केरल, भारत. वेबसाइट : www.fact.co.in

सी आइ एन : L24129KL1943GO1000371

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

(A Government of India Enterprise)

Regd. Office: Eloor, Udyogamandal - 683 501, Kochi, Kerala, India

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State Offices

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