Contents

DIRECTORS' REPORT

Dear Members

Your Directors are pleased to present the Seventeenth Annual Report on the business and operations of your Company together with the Audited Financial Statements for the Financial Year ended on March 31, 2022.

1. FINANCIAL RESULTS

The summarized standalone financial results for the year are as under:

(₹ in Lakh)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
A. Revenue From Operations	319869.72	216137.31
B. Other Income	913.44	1549.01
Total Income (A+B)	320783.16	217686.32
Less: Total Expenses before Finance Cost, Depreciation & Tax	298823.07	199064.64
Profit Before Finance Cost, Depreciation & Tax	21960.09	18621.68
Less : Finance costs	5796.98	9765.95
Less : Depreciation and amortization expenses	8145.72	8176.42
Less: Exceptional Item-Expenses	0	0
Profit/ (Loss) Before Tax	8017.39	679.31
Less: Tax Expenses	0	0
Add : Other Comprehensive Income	(381.70)	(57.75)
Total Comprehensive Income	7635.69	621.56
Less: Prior period accumulated losses	(2381.40)	(3002.96)
Less: Transferred to Debenture Redemption Reserve	2244.74	0
Balance in the retained earnings	3009.55	(2381.40)

2. PERFORMANCE HIGHLIGHTS

During Financial year 2021-22, your Company has surpassed its previous records of urea and ammonia specific energy consumptions and surplus ammonia sale because of all round excellent efforts put-in by the employees at all levels under the guidance of Board of Directors and sincere efforts made by KRIBHCO's Marketing Department. This all happened by implementation of mega energy saving schemes which was supposed to be implemented in FY2020-21 but could not be implemented because of worldwide lockdowns due to COVID-19. In FY 2021-22 also, during shutdown period 2nd wave of fatal Covid-19 hit the country but Company has continued its shutdown and then its operation without affecting the plant productivity during the lockdown with limited manpower/ resources and set the lowest specific energy consumption figures and surplus ammonia sale as tabulated below:

Particulars	Unit	FY 2021-22	Previous Records	
Surplus Ammonia Sale	MT	52931.71	32132.14	FY 2018-19
Energy consumption for Ammonia	Gcal/MT	7.4502	7.7074	FY 2020-21
Energy consumption for Urea	Gcal/MT	5.1985	5.4297	FY 2020-21

The Plant has produced 9.65 Lakh MT of Urea and 6.05 Lakh MT of Ammonia with capacity utilization for Urea and Ammonia was 111.58% and 120.58% respectively. During the year 9.66 Lakh MT of urea was sold. The production beyond reassessed capacity was 1.001 Lakh MT. The production level achieved in the year 2021-22 was slightly lower than the targeted production of 9.810 Lakh MT set for the year due to prolonged shutdown on account of 2nd wave of Covid-19 during shutdown period. The target for FY 2021-22 includes a planned shutdown of 35.50 days to implement various energy saving schemes.

The Company's financial results for the year 2021-22 shows an EBIDTA of ₹ 21960.09 lakh on a turnover of ₹ 320783.16 lakh against the previous year EBIDTA of ₹ 18621.68 lakh on a turnover of ₹ 217686.32 lakh. The bottom line stands at a Profit of ₹ 7635.69 lakh for FY 2021-22 against a profit of ₹ 621.56 lakh for FY 2020-21.

During the year under review, your Company had spent ₹ 43,654.42 lakh capital expenditure primarily on Railway Siding project, New Urea stripper, Carbamate condenser E-5, Syn Gas Turbine Retrofit, High efficiency trays in Urea Reactor, S-50 Converter with Addl Loop in Ammonia, Ammonia converter cold shot pipe line etc.

Your Company has always serviced its debts and interest thereon on the due dates and same practice is continuing. During FY 2021-22, there was not a single instance of any delay / default in service of debt / interest thereon. The Company has ability to service its financial and statutory liabilities as and when it becomes due.

3. FUTURE OUTLOOK

The New Urea Policy 2015 (NUP 2015) effective from 01.06.2015 had earlier revised the energy norm for the Company to 5.643 GCal/MT of urea w.e.f. 01.06.2015. The said policy also indicated that your Company has to reach a targeted energy norm of 5.500 GCal/MT in FY 2018-2019. In order to achieve the targeted norm, your Company had taken action for implementation of some energy saving schemes since the announcement of NUP 2015 in May 2015 and has also planned for implementation of additional energy saving schemes so as to achieve the targeted norm on sustained basis. Responding to industry request, the Government of India has favorably considered deferment of the targeted norm by two years and these are now be effective from 2020-21. On further request by the industry due to impact on COVID-19, energy norm was further extended upto 6 month (i.e. upto 30th Sep 2020). New urea energy norm of 5.50 Gcal/MT is now effective from 1st October 2020.

Further, new urea policy which was valid upto 31.03.2019 has been extended from 1st April, 2019 till further orders. Accordingly, the provision of NUP as applicable to production upto re-assessed capacity and beyond re-assessed capacity will continue to be applicable.

Your Company is positive about future outlook and implemented mega energy saving projects in Apr-May 2021 and we have achieved urea energy of 5.1985 Gcal/MT in FY2021-22 which is well below the present norm of GOI (i.e. 5.50 Gcal/MT).

Production target for FY 2022-23 will likely to be 1051000 MT of urea and the specific energy consumption will likely to be 5.20 Gcal/MT of urea. A short shutdown to take up various routine maintenance and addressing teething problems is planned for 15 days in the month of April, 2022.

4. AWARDS

During the year, your Company bagged consecutively 2nd time **"Best Production Performance Award 2021"** for improvement in overall performance of a Company, awarded by Fertiliser Association of India, New Delhi. Your Company also received **"Golden Peacock Environment Management Award"** in Fertilizer Sector for the year 2021 awarded by Golden Peacock Foundation, New Delhi.

5. SHARE CAPITAL

The paid up Equity Share Capital of the Company as on March 31, 2022 was ₹ 479.94 crore and the entire share capital is in dematerialized form. During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options nor sweat equity. As on March 31, 2022, none of the Directors of the Company hold shares or any convertible instruments of the Company. Krishak Bharati Cooperative Limited (KRIBHCO), promoter of the Company, is holding the entire shareholding of the Company as on date. During the year there was neither change in authorized, issued, subscribed and paid-up share capital nor any reclassification or subdivision in the authorized share capital.

6. ISSUE OF LISTED DEBT

During the year your Company had raised funds for its Capital Expenditure schemes, refinancing of existing debts and for other general corporate purpose by issuing debt instruments on private placement basis in the month of August, 2021 for ₹ 95 crore and in the month of December, 2021 for ₹ 70 crore. Both the Debt instruments were rated by CRISIL as "CRISIL AA-/ Positive" pronounced as CRISIL Double A minus rating with Positive Outlook and are listed on the Wholesale Debt Market segment of Bombay Stock Exchange (BSE).

Since allotment of first tranche of debt instruments in May, 2020, your Company has paid the interest on time without any delay/default and has duly intimated BSE Limited and respective Debenture Trustee(s) about the payment of interest on due date. A total debts (non-convertible debenture) of ₹ 485 crore are outstanding as on date.

During the year, your Company had also raised funds for its working capital requirement by issuing Commercial Paper (CP) to Banks and Mutual Funds. The CP is rated as ICRA A1+ and India Rating A1+. As on 31.03.2022, no CPs were outstanding.

7. DIVIDEND

In view of excellent performance of the Company, the Board of Directors of your Company recommends a dividend of 5% i.e. ₹ 0.50 per equity share (previous year NIL per equity share) out of the profits of the Company for FY 2021-22 on the fully paid 47,99,39,243 equity shares of ₹ 10 each. If approved by the members at the ensuing Annual General Meeting, the total dividend outgo would be ₹ 2399.70 lakh subject to deduction of applicable TDS (tax deduction at source). This is the first dividend recommended by the Board of Directors since inception of the Company.

8. IMPACT OF COVID – 19 ON THE BUSINESS AND MEASURES TAKEN

Your Company is in the business of manufacture of fertilizer viz Urea. Your Company has adhered to all the guidelines and precautions issued by the Government and Local Administration from time to time to ensure smooth functioning of the Plant Operations, safety of employees at plant and working at Corporate Office. Your Company has successfully implemented its energy saving schemes during the second wave of COVID-19 pandemic.

During second and third wave of COVID 19, your Company had run its Plant on maximum load without any disruption with limited manpower / resources. The COVID 19 situation does not have much impact on production and sale of fertilizer, however second wave has slightly delayed the April 2021 shutdown wherein energy saving schemes were taken up. Your Company had safely completed the major shut-down of 45 days by deploying more than 1500 external manpower and different vendors.

Your Company had maintained a COVID testing camp at your Company's Plant dispensary with the help of local administration where more than 2000 tests free of cost were conducted. We have also conducted various camps at our dispensary for vaccination & currently almost all eligible residents of the township are vaccinated.

Your Company has adhered to all the guidelines and precautions issued by the Government and Local Administration from time to time to ensure smooth functioning of the plant operations, safety of employees at plant and working at Corporate Office.

INSTALLATION OF MEDICAL OXYGEN GENERATION UNIT

During March-April, 2021, the whole world had felt second wave of Covid-19 which was more severe in nature than the first one. A severe shortage of Medical Oxygen was felt throughout the Country to save the lives of COVID patients. To serve the society, it was felt necessary to establish a robust oxygen generation unit to ensure continuous supply of oxygen to the COVID patients. Your Company took a swift decision and established a Medical Oxygen Generation Unit at our Plant in Shahjahanpur (U.P.) within a very short span of time and the oxygen plant was inaugurated on 10th May, 2021. The supply of Medical Oxygen was done free of cost to Hospitals at Shahjahnapur (U.P.) as well as at individual level.

9. FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public during the year 2021-22.

10. AMOUNTS TRANSFERRED TO RESERVES, IF ANY

The Board of Directors have recommended payment of dividend for FY 2021-22 amounting to ₹ 2399.70 lakh. If the dividend is approved by the shareholders, the same will be paid out of the profits for FY 2021-22 and the balance shall remain in the Retained Earnings.

DEBENTURE REDEMPTION RESERVE

The Company has created debenture redemption reserve from the profits earned during FY 2021-22 in pursuance to the provisions of the Companies Act, 2013. The Company has transferred the requisite percentage (as provided in the Companies Act, 2013) of the outstanding redeemable debentures to the debenture redemption reserve. The same will be transferred to Retained Earnings on redemption of debentures. The amounts credited to the debenture redemption reserve shall be utilized as per the provisions of the Companies Act, 2013.

11. STATE OF COMPANY AFFAIRS AND CHANGE IN NATURE OF BUSINESS, IF ANY

The Company is engaged in the business of manufacture of urea and ammonia and there has been no change in the business of the Company, its status and financial year, during FY 2021-2022.

12. CREDIT RATING

The details of credit rating of your Company for various instruments as on 31.03.2022 is given hereunder:

Description	Amount Rated (₹ In Crore)	Rating
A) Bank Finance		
Long Term Bank Facility, Cash Credit & Working Capital Demand Loan	1,320.00	CRISIL AA-/ Positive
WCDL – Cooperative Rabobank U.A.	190.00	CRISIL A1+
Short Term Loan and Overdraft Facility	1,190.00	CRISIL A1+
Standby Letter of Credit	301.25	CRISIL AA-/ Positive
Total	3,001.25	
B) Non-Convertible Debentures (NCD)		
NCDs	200.00	CRISIL AA-/ Positive
NCD-2	120.00	CRISIL AA-/ Positive
NCD-3	100.00	CRISIL AA-/ Positive
NCD-4	65.00	CRISIL AA-/ Positive
Total	485.00	
C) Commercial Paper	600.00	ICRA A1+
		IND A1+

13. CORPORATE GOVERNANCE

Your Company has followed good Corporate Governance Practices in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder. The various details on Board Composition, Managerial Remuneration, meetings of the Board, about its Committees, Key Managerial Personnel etc. are given hereunder:

A. BOARD COMPOSITION

As on 31.03.2022, the Board of Directors of your Company comprises of eight members of which four are Non-Executive Directors, one is Executive Director and three are Non-Executive Independent Directors including a Woman Director. The Chairman of the Company is a Non-Executive and is a KRIBHCO (Promoter) nominated Director. The appointment/ re-appointment of Directors are being made by the resolutions of the Board of Directors and Shareholders of the Company on the recommendation of the Nomination and Remuneration Committee of the Board, as the case may be.

B. CHANGES IN BOARD OF DIRECTORS

Kribhco has nominated Shri Sunder Singh Yadav (DIN-07022181) for appointment on the Board of the Company. The Board of Directors has appointed Shri Sunder Singh Yadav as an Additional Director w.e.f. 25.03.2022 who will hold office till the ensuing Annual General Meeting of the Company. The Company has received a notice under section 160 of the Companies Act, 2013 from a member proposing candidature of Shri Sunder Singh Yadav for being appointed as Director of the Company and whose period of office shall be, liable to retire by rotation. The Board of Directors recommends his appointment in the ensuing Annual General Meeting.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 16.03.2022 had re-appointed Shri V. P. Kaushik (DIN 00059733), Shri I. N. Bansal (DIN 00874334) and Smt. Subha Tampi (DIN 07073107) as Directors of the Company under the category of Independent Director (Non-executive). w.e.f. 20.03.2022 for a second term of 2 years, who are not liable to be retire by rotation. The Nomination and Remuneration Committee and Board has assessed the performance, skill, experience and knowledge of each Independent Director and based on which re-appointed them for second term as their re-appointment would be beneficial to the Company. The shareholders of the Company had approved their re-appointment for a second term of 2 years w.e.f. 20.03.2022.

In accordance with the provisions of Companies Act, 2013 and Company's Articles of Association, Shri Sudhakar Chowdary Vallabhaneni (DIN 00320555), Director of the Company retires at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends his re-appointment for consideration of the shareholders.

C. MANAGERIAL REMUNERATION

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and Committees thereof. During the year none of the Non-Executive Directors have been granted any stock options, commissions etc. The remuneration paid to the Executive Director is in accordance to the recommendation of the Nomination and Remuneration Committee to the Board of Directors and as per approval of the Shareholders of the Company.

D. MEETINGS OF BOARD

The Board of Directors of the Company met 06 times during the financial year 2021-22 on 28th April, 2021, 29th June, 2021, 6th August, 2021, 1st November, 2021, 28th January, 2022 and 16th March, 2022.

E. COMMITTEES OF THE BOARD

Currently the Board has three Committees – Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

AUDIT COMMITTEE

The Audit Committee met 5 times during the financial year 2021-22 on 28th April, 2021, 6th August, 2021, 1st November, 2021, 28th January, 2022 and 16th March, 2022. The Audit Committee of the Board comprises of following three Directors as on 31.03.2022 with Independent Directors forming a majority:

Shri V. P. Kaushik	– Chairman
Shri Rajan Chowdhry	– Member
Smt Subha Tampi	– Member

Vigil Mechanism

In accordance to the provisions of the Act, the Company has established a Vigil Mechanism and formulated a policy in order to provide a framework for responsible and secure Vigil Mechanism. The Vigil Mechanism Policy provides that the Director or employees can make a protected disclosure of any unethical and improper or malpractices and events which have taken place / suspected to take place. The disclosures reported are addressed in the manner and within the time frames prescribed in the policy. The Vigil Mechanism Policy is placed on the website of the Company at http://kfl.net.in/coc.htm.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee met 5 times during the Financial Year 2021-22 on 28th April, 2021, 29th June, 2021, 1st November, 2021, 23rd December, 2021 and 16th March, 2022. The Nomination and Remuneration Committee of the Board comprises of following three Directors as on 31.03.2022:

Shri Rajan Chowdhry	– Chairman
Shri I. N. Bansal	– Member
Smt Subha Tampi	– Member

In accordance to the provisions of the Companies Act, the Company has formulated a Nomination and Remuneration Policy for its Directors, Key Managerial Personnel and Senior Management. The Policy is placed on the website of the Company at http://kfl.net.in/coc.htm.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee met only once on 1st November, 2021 during the FY 2021-22. The Corporate Social Responsibility Committee of the Board comprises of following three Directors as on 31.03.2022:

Shri Rajan Chowdhry	– Chairman
Smt Subha Tampi	– Member
Shri R. K. Chopra	– Member

Your Company has formulated a Corporate Social Responsibility Policy and the same is placed on the website of the Company at http://kfl.net.in/coc.htm. In view of the accumulated losses in the Company's financial statement, the Company has not undertaken any CSR activities, project or program during FY 2021-22.

F. KEY MANAGERIAL PERSONNEL'S

During the year, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Shri Vinod Kumar Singh as Head of Works (Vice President – Works) w.e.f. 01.01.2022 and subsequently designated as Key Managerial Personnel (KMP) w.e.f. 01.02.2022 as per Section 2(51) of Companies Act, 2013. Following are the whole-time Key Managerial Personnel of the Company in pursuance to the provisions of section 2(51) and section 203 of the Companies Act, 2013 as on 31st March, 2022:

Shri R. K. Chopra	– Managing Director
Shri M. C. Bansal	– Chief Financial Officer
Shri V. K. Singh	– Vice President (Works)
Shri Bipin C. Phuloria	– Company Secretary

14. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director of the Company confirming that he/she met the criteria of independence as prescribed under section 149(6) of Companies Act, 2013.

15. ADDITIONAL DISCLOSURE ON INDEPENDENT DIRECTORS

Your Board of Directors are of the opinion that the Independent Directors appointed are persons of integrity and possess relevant expertise and experience. The MCA through its Rules and notifications has required for creation and maintenance of databank for Independent Director by Indian Institute of Corporate Affairs (IICA). All the Independent Director's have informed that they have registered themselves with IICA and in view of their wide experience they are exempted from online proficiency self-assessment test.

16. PERFORMANCE EVALUATION

During the year under review the evaluation of performance of the Directors individually as well as evaluation of Board and its Committees has been done. The evaluation process was carried by circulating evaluation forms listing out assessment criteria for the performance of the Board, its Committees, Chairperson and all the individual Directors. The performance evaluation of each Director was carried out by all the Directors excluding the Director being evaluated in addition to performance evaluation of Board, Chairperson and Committees of the Board by giving the ratings in evaluation form. The Board had reviewed the rating and remarks given by the Directors. The Directors expressed to continue with the existing evaluation process.

17. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year, there was no amount or shares which required to be transferred to IEPF.

18. RISK MANAGEMENT

Your Company has put in place proper and adequate systems and practices, policies relating to the identification, assessment, monitoring and mitigation of strategic, operational and environmental risks to achieve its business objectives. The systems are reviewed from time to time to identify the element of the risk and to take preventive action. The Company has taken comprehensive Mega Risk Insurance coverage for its assets and Director's & Officer's

Liability Insurance coverage in respect of any claim against Director's and Officer's arises due to decision taken by him/her in the official capacity to discharge his/her official duties. The policy also covers to defend Director's and Officer's legally in the court of laws. In addition to business risk, the safety of employees and workers is also of utmost importance in your Company. To make healthy and safe environment, the Company has implemented Occupational Health and Safety (OHS) Management System and obtained ISO 45001: 2018 certification.

19. INTERNAL FINANCIAL CONTROL

Your Company has a well-defined Internal Control System that is adequate and commensurate with the nature of its business, size and complexity of its operations to ensure 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 disclosures. The Company maintains its records in SAP system and the work flow and approvals are routed through SAP. The Company also have an effective budgetary control mechanism in place to take care of the capex and revenue expenditure. There is a monitoring system in place to compare the actual performance with the budget.

The Company's Internal Auditors scrutinize and sample check the internal controls and the work flow of the organization with the policies, procedures, manuals, approvals of the Management and Board of Directors of the Company. The report of the Internal Auditor with Management comments is submitted to the Audit Committee for its review from time to time and monitored by the Monitoring Committee constituted specifically for this purpose.

20. AUDITORS & AUDITORS REPORT

A. STATUTORY AUDITOR

M/s S. K. Mehta & Co., Chartered Accountants, who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from the auditors to this effect that their re-appointment, if made, would be within the prescribed limits & conditions specified in sections 139 & 141 of the Companies Act, 2013. The Board of Directors recommends their re-appointment.

The notes to the accounts in Auditors Report are self-explanatory and therefore, do not call for any further comments.

B. COST AUDITOR

The maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required to be maintained by the Company and accordingly such accounts and records are made and maintained by the Company.

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder, on the recommendation of the Audit Committee, the Company has appointed M/s Ravi Sahni & Associates, Cost Accountants as the Cost Auditor of the Company to conduct the audit of the cost records for FY 2022-23 maintained by the Company as per the applicable provision/Rules/Guidance Notes etc. As required under the Companies Act, 2013, the remuneration payable to the cost auditor will be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s Ravi Sahni & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

The Cost Audit Report for FY 2020-21 was filed on 3rd September, 2021, which was within the due date of filing. The Cost Audit Report did not contain any adverse observation / comment or qualification from the Cost Auditor. The Cost Audit Report for FY 2021-22 will be filed within the prescribed time schedule.

C. SECRETARIAL AUDITOR

The Board has appointed M/s Agarwal S. & Associates, Practicing Company Secretaries to conduct the Secretarial Audit for the financial year 2021-22 as required under section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the financial year ended March 31, 2022 is appended as Annexure 1 to this Report. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

D. INTERNAL AUDITOR

M/s DNS & Associates, New Delhi have been appointed as Internal Auditors of the Company for the financial Year 2021-22. The Internal Audit observations along with the Management action plan have been discussed in the meeting of the Audit Committee of the Board from time to time.

21. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any Subsidiaries, Joint ventures or Associate Companies.

22. LOANS, GUARANTEES OR INVESTMENTS

The Company has neither directly nor indirectly given any Loan, Guarantee or made any Investment in/to any other Body Corporate or to any person beyond the limit prescribed under Section 186 of the Companies Act, 2013. The details of investments are provided in the notes to the Financial Statements forming part of the Annual Report.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All Related Party Transactions entered during the year were on arm's length basis and in the ordinary course of business. The details of transactions with Related Party are provided in the notes to the Financial Statements forming part of the Annual Report. All related party transactions were placed before the Audit Committee and the Board, wherever applicable for their approval.

24. FRAUDS REPORTED BY THE AUDITOR

During the year under review, the Statutory Auditors, Cost Auditors, Internal Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

25. ANNUAL RETURN

The Annual Return is available on the website of the Company and link to access is http://www.kfl.net.in/annual-return.htm.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, is appended as Annexure 2 to this report.

27. SOCIAL COMMITMENTS

Your Company is performing various activities for the development of communities, their welfare and for all round improvement in the quality of their life on a regular basis. Your Company organized regular medical camps at nearby villages from time to time, wherein the health check-up of the villagers is done by our medical team and necessary medicines are distributed to them on free of cost basis. Your Company is also operating a widow pension scheme for the widows of nearby villages. Your Company is also extending its resources for providing relief in case of natural calamities such as floods, winters, COVID-19 etc., and providing contribution for upkeep of park in nearby areas. Your Company has also taken social responsibility of providing help to 40 nos. tuberculosis patients by providing them nutritive food on monthly basis.

28. HUMAN RESOURCES, INDUSTRIAL RELATIONS & SOCIAL WELFARE

Your Company has continued to place great importance on training and development of human resources and accordingly considerable efforts were made in training and development of the employees for harnessing their potential. Due to COVID-19, most of the training programs were held either online or in-house through senior employees. During the year under review, many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes which have helped the Company to improve its productivity levels.

The industrial relations between the management and its employees remained very harmonious and cordial during the year. The exercise of wage revision for all the employees is also completed & implemented in very conducive environment.

The Company is continuing with its policy of extension of welfare activities so as to improve the working environment and living conditions of the employees. Company continues to organize/support conducting of various religious functions, Health & Wellness Programs, health check-up, sports day, tournaments in its township from time to time so as to maintain harmonious & joyful atmosphere. The school, hospital and other infrastructure facilities in the Company's township are being improved and adequate investments have been made wherever required.

29 HEALTH, SAFETY, QUALITY & ENVIRONMENT PROTECTION

Your Company continued to focus on the key areas of Environment Protection, Health and Safety and all the regulatory and legislative requirements are being complied. Trade and domestic effluent are treated in respective treatment plant. Due to effective environmental management system, the treated effluent, ambient air quality and stack emission are monitored and maintained as per standards. The Company operates an Environmental Management System which complies with the requirements of ISO 14001:2015 and the Quality Management System which complies with the requirement of ISO 9001:2015 for the scope 'manufacture of neem coated urea'.

The Company has obtained ISO 45001:2018 certification and implementation of Occupational Health and Safety (OHS) is being done in the plant effectively to make healthy and safe environment. Annual Medical check-up of all the employees is a continuous process in compliance to the statutory requirements as well as the conditions of ISO 45001:2018. Various training programs related to rescue operations, emergency management, fire safety were organized in addition to mock drills to check the emergency preparedness. Further improvement in safety standards of Company in terms of infrastructure, skill of employees etc. is in progress to ensure zero accident.

All Safety & Fire Systems including fire tenders at plant are in healthy condition.

30. PARTICULARS OF THE EMPLOYEES

None of the employees of the Company falls under the ambit of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

31. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards prescribed under section 118 (10) of the Companies Act, 2013.

32. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and/or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

33. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There are no proceedings initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

34. NO MATERIAL CHANGES AND COMMITMENTS HAVE OCCURRED, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK-PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during the year 2021-22.

36. DIRECTORS RESPONSIBILITY STATEMENT

As required under section 134(3)(c) and 134(5) of the Companies Act 2013, the Board of Directors of your Company confirms that:

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

b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of your Company as at 31st March, 2022 and of the profit or loss of your Company for that period;

c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d. the Directors had prepared the annual accounts on a going concern basis;

e. the Directors, in the case of a listed company, had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Your Directors have pleasure in recording their appreciation of the continued guidance & support extended by Department of Fertilizers (DoF) - Govt. of India, Reserve Bank of India, Railways, NHAI, Promoters and Shareholders, Lenders, Company's Bankers, Central and State Government Agencies, BSE, Debenture Trustees, Debenture holders, Customers and Suppliers.

Your Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by all staff and work force at all levels through their involvement, dedication and sincerity in achieving an all-round success. This unstinted support has been and continues to be integral to your Company's ongoing growth.

For and on behalf of the Board of Directors

CPY

Place : Noida
Dated : 09.05.2022

(Dr. Chandrapal Singh Yadav)
Chairman
DIN 00023382

ANNEXURE-1

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

{Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
Kribhco Fertilizers Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kribhco Fertilizers Limited** (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not Applicable**

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **Not Applicable**

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;- **Not Applicable**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and - **Not Applicable**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable**

(vi) Compliances/ processes/ systems under other applicable Laws to the Company are being verified on the basis of random sampling and as per compliance certificate submitted to the Board.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements: Chapter-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of directors on the board of the company. 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.

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100

Sd/-

CS Garima Grover
Partner
FCS No. : 27100
C.P. No. : 23626

Place : New Delhi
Date : 18.04.2022
UDIN: A027100D000149915

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

"Annexure A"

To,
The Members,
Kribhco Fertilizers Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and our report is not covering observations/ comments/ weaknesses already pointed out by the other Auditors.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal S. & Associates**,
Company Secretaries,
ICSI Unique Code: P2003DE049100

Sd/-

CS Garima Grover
Partner
FCS No. : 27100
C.P. No. : 23626

Place : New Delhi
Date : 18.04.2022

ANNEXURE-2

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(i) Steps taken or Impact on conservation of energy:

KFL recognizes the importance of energy conservation and is fully committed to minimizing use of energy. Plant operations are continuously reviewed and modifications made to reduce energy consumption wherever possible in continuation to our efforts for reducing the specific energy consumption for production of ammonia and urea.

In order to meet the DOF revised urea energy consumption norm w.e.f. 1st October 2020, KFL have implemented some of major energy saving schemes.

The details of the main scheme implemented in FY 2021-22 are as under:-

(a) Replacement of synthesis gas turbine with new high efficiency turbine synthesis section of Ammonia Plant. By implementation of this scheme, the steam consumption in synthesis gas turbine has come down for same compressor output. This scheme was implemented in ATA 2021.

(b) Provision of Additional Ammonia Converter (S-50 Converter) along with additional waste heat boiler in the synthesis section of Ammonia Plant. By implementation of this scheme, the synthesis loop pressure has come down in turn the compression energy requirement in synthesis gas compressor has come down. This scheme was implemented in ATA 2021.

(c) Replacement of existing 10 nos. sieve trays with 17 nos. new Saipem make High Efficiency Trays (Super cup Trays). This scheme has reduced steam consumption in Urea Stripper and thus saved energy. This scheme was implemented in ATA 2021.

(ii) Steps taken by company for utilizing alternate source of energy:

NIL

(iii) Capital Investment on Energy Conservation Equipments:

₹ 123.98 Crores (Estimated Cost for the 3 nos. schemes mentioned above)

B. TECHNOLOGY ABSORPTION

(i) The Efforts made towards Technology Absorption:

(a) Replacement of Urea reactor trays from conventional Sieve type to Super cup trays supplied by M/s SAIPEM, Italy. This scheme was implemented in ATA 2021.

(b) Replacement of synthesis Gas turbine from BHEL to Siemens, Germany. This has reduced the energy consumed by synthesis gas turbine and thus energy consumption per ton of ammonia has reduced which in turn has reduced specific energy consumption of product urea. This scheme was implemented in ATA 2021.

(c) Installation of M/s HTAS Add-on Ammonia Converter (S-50) and New Synthesis Loop Waste Heat Boilers has reduced energy consumption in synthesis gas compressor due to reduction in synthesis loop pressure. Ammonia production capacity has also increased due to increase in ammonia conversion efficiency. This scheme was implemented in ATA 2021.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Schemes mentioned above are energy saving schemes which also have provided flexibility in plant operation. Schemes implemented so far have, accordingly, resulted in drastic reduction in specific energy consumption for production of Ammonia & Urea and have also resulted in sustained plant operation at higher loads.

The scheme studied and implemented above are in the direction to meet DOF/ FICC revised urea energy consumption norm of 5.50 Gcal/ MT (yearly basis).

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

(a) Details of the technology imported:

1. FS Elliot design high capacity energy efficient air compressor in Offsites Plant for saving of electrical energy by stopping existing reciprocating compressors.
2. SAIPEM design Super cup Trays in Urea Plant for better conversion thus reduction in steam consumption in downstream urea stripper.
3. Siemens design Synthesis Gas Turbine in Ammonia Plant for reduction in compression energy in Synthesis Gas Compressor.
4. HTAS design Add-on Ammonia Converter (S-50) for improved ammonia conversion thus reduction in compression energy in Synthesis Gas Compressor.

(b) The year of Import:

1. Technology was imported in March 2021.
2. Technology was imported in May 2021.
3. Technology was imported in May 2021.
4. Technology was imported in May 2021.

(c) Whether the technology been fully absorbed:

1. Yes, it is fully absorbed from March 2021 in Offsites Plant.
2. Yes, it is fully absorbed from May 2021 in Urea Plant.
3. Yes, it is fully absorbed from May 2021 in Ammonia Plant.
4. Yes, it is fully absorbed from May 2021 in Ammonia Plant.

(d) If not fully absorbed, areas where absorption has not taken place and the reason thereof:

N.A.

(e) the expenditure incurred on Research and Development

NIL

C. FOREIGN EXCHANGE EARINGS AND OUTGO:

	2021-22	2020-21
Foreign Exchange outgo	₹ 84.91 Lakh	₹ 104.78 Lakh
Foreign Exchange earned	₹ 1.53 Lakh	₹ 35.61 Lakh

CPY

(Dr. Chandrapal Singh Yadav)
Chairman
DIN No. 00023382
Kribhco Fertilizers Ltd.
"Kribhco Bhawan"
A-10, Sector-1, Noida (U. P.) 201301

Place : Noida (U. P.)
Date : 09.05.2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Kribhco Fertilizers Limited

Opinion

We have audited the accompanying financial statements of Kribhco Fertilizers Limited ("the Company"), which comprise the Balance sheet as at 31st March 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2022, its profit (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 opinion on these financial statements.

Information Other than the Financial Statements and Auditor's 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 financial statements and our auditors' report thereon.

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

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

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

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, Statement of changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

   (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors in accordance with the provisions of Section 197 of the Act.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.33 to the financial statements;

      ii. The Company has made provisions, as required under applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement;

v. As stated in Note 15 to the financial statements

The Board of Directors of the Company have proposed dividend for the year 2021-22 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For S. K. Mehta & Co.
Chartered Accountants
(FRN 000478 N)

Rohit Mehta

(Rohit Mehta)
Partner
Membership No.: 091382

Place of Signature: Noida
Date: 09.05.2022
UDIN: 22091382AIQIOW4139

Annexure "A" to the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Kribhco Fertilizers Limited on the financial statements for the year ended 31st March 2022, we report that:

(i) (a) (A) To the best of our information and according to the explanations provided to us by the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation, of its Property, Plant & Equipment and right-of-use assets.

(B) To the best of our information and according to the explanations provided to us by the Company, the Company has maintained proper records showing full particulars of intangible assets.

(b) To the best of our information and according to the explanations provided to us by the Company, the Company has a regular programme of physical verification of Property, Plant and Equipment and right-of use assets and are physically verified in phased manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancy was noticed on such physical verification.

(c) To the best of our information and according to the explanations provided to us by the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

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

(ii) (a) In our opinion, physical verification of inventory has been conducted by the management at reasonable intervals. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of Inventory.

(b) Company has also been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of current assets Based on our examination quarterly statements filed by the company with such banks are in agreement with the books of account of the Company. Company has not availed any working capital limit from a financial institution during the year.

(iii) As per the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, accordingly reporting under clause 3(iii) of the Order is not applicable.

(iv) As per the information and explanations given to us, the Company has not given any loans, investments, guarantees and security and as such the provisions of Section 185 & 186 of the Companies Act, 2013 are not applicable.

(v) The Company, has not accepted any deposits from the public during the year and does not have any deemed deposits as at March 31, 2022 and therefore, the reporting under clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records prescribed under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 as amended and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii)(a) According to the information and explanation given to us, the Company is regular in depositing undisputed statutory dues with appropriate authorities including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Duty of Custom, Duty of Excise, Cess and other statutory dues as applicable to the company and that there are no undisputed statutory dues outstanding as on 31st March, 2022 for a period more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Period to which the amount relates	Amount (Rs. in Lacs)	Forum where dispute is pending
U.P. Stamp Act	Stamp Duty on Deed of Mortgage	F.Y. 2008-2009	19000	Hon'ble High Court, Allahabad
Sales Tax Act and Value Added Tax Act.	Value Added Tax/ Sales Tax	F.Y. 2013-14	44.84	Appellate Authority, Bareilly
		F.Y. 2017-18	18.98	Appellate Authority, Bareilly
Central Excise Act, 1944 and Finance Act, 1994	Excise Duty/ Service Tax	For various years	828.00	Central Excise & Service Tax Appellate Tribunal, Allahabad
	Service Tax	1.04.2016 to 30.06.2017	6.27	Assessing Officer, Lucknow
Income Tax Act, 1961	Income Tax	F.Y. 2017-18	1.57	Commissioner of Income Tax - Appeals
		F.Y. 2018-19	5.52	Commissioner of Income Tax - Appeals

iii) As per the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) As per the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and as per the information and explanations given to us term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and 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) As per the information and explanations given to us, company has no subsidiary, associate or joint venture entity therefore, reporting under clause 3(ix)(e) is not applicable.

(f) The company has no subsidiary, associate or joint venture, therefore, reporting under clause 3(ix)(f) of the order is not applicable.

(x) (a) The Company has not raised moneys 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) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) Since no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit, therefore no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As per the information and explanations given to us, no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable and the necessary details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports 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.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him and as such the compliance of provisions of Section 192 of the Companies Act, 2013 is not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.

(b) 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and based on explanation received, company is not required to spent CSR expenditure till 31.3.2022 considering the accumulated losses, therefore reporting under clause 3(xx) of the Order is not applicable.

For S. K. Mehta & Co.
Chartered Accountants
(FRN 000478 N)

(Rohit Mehta)
Partner
Membership No.: 091382

Place of Signature: Noida
Date: 09.05.2022
UDIN: 22091382AIQIOW4139

Annexure "B" to the Independent Auditor's Report

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

We have audited the internal financial controls with reference to financial statements of **Kribhco Fertilizers Limited** ('the Company') as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial reporting future periods are subject to the risk that the internal financial control with reference to 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, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. K. Mehta & Co.
Chartered Accountants
(FRN 000478 N)

(Rohit Mehta)
Partner
Membership No.: 091382

Place of Signature: Noida
Date: 09.05.2022
UDIN: 22091382AIQIOW4139

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakh)

	Particulars	Note No.	March 31, 2022		March 31, 2021	
I	**ASSETS**					
	1 Non-current assets					
	a Property, Plant and Equipment	**2**	**90,154.63**		79,018.15	
	b Capital work-in-progress	**3**	**21,401.55**		25,100.40	
	c Intangible Assets	**4**	**1,192.89**		1,335.95	
	d Financial Assets					
	i Investments	**5**	**0.25**		0.25	
	ii Loans	**6**	**24.20**		24.81	
	e Other non-current assets	**7**	**5,604.63**	**1,18,378.15**	4,800.40	1,10,279.96
	2 Current assets					
	a Inventories	**8**	**11,334.04**		9,120.07	
	b Financial Assets					
	i Trade receivables	**9**	**82,450.39**		41,617.96	
	ii Cash and cash equivalents	**10**	**14,478.16**		380.08	
	iii Bank balances other than above	**11**	**0.07**		0.07	
	iv Loans	**6**	**27.79**		26.91	
	v Other financial assets	**12**	**17,540.28**		2,650.00	
	c Other current assets	**7**	**6,784.71**	**1,32,615.44**	8,093.77	61,888.86
	3 Non Current Assets classified as held for Sale	**13**		**702.91**		7.45
	TOTAL ASSETS			**2,51,696.50**		1,72,176.27
II	**EQUITY AND LIABILITIES**					
	1 Equity					
	Equity Share Capital	**14**	**47,993.92**		47,993.92	
	Other Equity	**15**	**5,254.29**	**53,248.21**	(2,381.40)	45,612.52
	2 LIABILITIES					
	1 Non-Current Liabilities					
	a Financial Liabilities:					
	Borrowings	**16**	**60,492.20**		53,459.65	
	Lease Liabilities	**16A**	**233.09**		231.62	
	b Provisions	**17**	**5,787.08**		4,744.60	
	c Deferred Tax Liabilities (Net)	**18**	**-**	**66,512.37**	-	58,435.87

Continued...

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakh)

Particulars			Note No.	March 31, 2022		March 31, 2021	
2	**Current liabilities**						
a	Financial Liabilities:						
	i	Borrowings	**16B**	**75,274.50**		43,655.71	
	ii	Trade payables	**19**				
		- Total outstanding dues of micro and small enterprises		**24.69**		156.17	
		- Total outstanding dues of creditors other than micro and small enterprises		**44,831.84**		15,269.71	
	iii	Other financial liabilities	**20**	**7,867.54**		6,522.02	
b		Other current liabilities	**21**	**3,549.31**		2,229.32	
c		Provisions	**17**	**388.04**	**1,31,935.92**	294.95	68,127.88
TOTAL EQUITY AND LIABILITIES					**2,51,696.50**		1,72,176.27
Significant Accounting Policies			**1**				
Notes To Financial Statements			**2 - 41**				

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

FOR S. K. MEHTA & CO.
Chartered Accountants
[Firm Reg. No. 000478 N]

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Rohit Mehta

ROHIT MEHTA
Partner
Membership No.: 091382

RAJAN CHOWDHRY
Director

R. K. CHOPRA
Managing Director

Place : Noida
Date : 09.05.2022

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakh)

	Particulars	Note No.	March 31, 2022	March 31, 2021
I	**Revenue From Operations**	**22**	**3,19,869.72**	2,16,137.31
II	**Other Income**	**23**	**913.44**	1,549.01
III	**Total Income (I+II)**		**3,20,783.16**	2,17,686.32
IV	**Expenses**			
	Cost of materials consumed	**24**	**2,70,681.23**	1,61,251.03
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	**25**	**(2,900.94)**	8,662.37
	Employee benefits expense	**26**	**11,419.00**	8,566.52
	Finance costs	**27**	**5,796.98**	9,765.95
	Depreciation and amortization expenses	**28**	**8,145.72**	8,176.42
	Impairment losses	**29**	**122.43**	
	Other expenses	**30**	**19,501.35**	20,584.72
	TOTAL EXPENSES		**3,12,765.77**	2,17,007.01
V	**Profit before tax**		**8,017.39**	679.31
VI	**Tax expense**			
	Current Tax		**-**	-
	Deferred tax		**-**	-
VII	**Profit for the year (V-VI)**		**8,017.39**	679.31
VIII	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss	**31**	**(381.70)**	(57.75)
IX	**Total Comprehensive Income (VII+VIII)**		**7,635.69**	621.56

Continued...

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakh)

Particulars	Note No.	March 31, 2022	March 31, 2021
Earnings per Equity Share (Face Value of ₹ 10.00 each)	**32**		
Basic & Diluted (in ₹)		**1.67**	0.14
Significant Accounting Policies	**1**		
Notes on Financial Statements	**2 - 41**		

The accompanying notes referred to above form an integral part of the financial statements

As per our report of even date

FOR S. K. MEHTA & CO.
Chartered Accountants
[Firm Reg. No. 000478 N]

FOR AND ON BEHALF OF BOARD OF DIRECTORS

ROHIT MEHTA
Partner
Membership No.: 091382

RAJAN CHOWDHRY
Director

R. K. CHOPRA
Managing Director

Place : Noida
Date : 09.05.2022

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakh)

	Particulars	As at March 31,2022		As at March 31,2021	
		No. of Shares	Amount	No. of Shares	Amount
a.	**Equity share capital**				
	Balance at the beginning of the reporting year	**47,99,39,243**	**47,993.92**	47,99,39,243	47,993.92
	Balance at the end of the reporting year	**47,99,39,243**	**47,993.92**	47,99,39,243	47,993.92

b. **Other equity** (₹ in Lakh)

Particulars	Reserves & Surplus		Total
	Retained Earnings	Debenture Redemption Reserves	
Balance as at March 31, 2020	**-3,002.96**	-	-3,002.96
Profit for the year	**679.31**	-	679.31
Other comprehensive income for the year*	**-57.75**	-	-57.75
Total comprehensive income for the year	**621.56**	-	621.56
Balance at March 31, 2021	**-2,381.40**	-	-2,381.40
Profit for the year	**8,017.39**	-	8,017.39
Other comprehensive income for the year*	**-381.70**	-	-381.70
Total comprehensive income for the year	**7,635.69**	-	7,635.69
Amount transferred to Debenture Redemption Reserve	**-2,244.74**	**2,244.74**	-
Balance as at March 31, 2022	**3,009.55**	**2,244.74**	5,254.29

**Remeasurement of Defined Benefit Plans*

FOR S. K. MEHTA & CO.
Chartered Accountants
[Firm Reg. No. 000478 N]

FOR AND ON BEHALF OF BOARD OF DIRECTORS

ROHIT MEHTA
Partner
Membership No.: 091382

RAJAN CHOWDHRY
Director

R. K. CHOPRA
Managing Director

Place : Noida
Date : 09.05.2022

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

Statement of cash flows annexed to the Balance Sheet for the Year ended March 31, 2022

(₹ in Lakh)

PARTICULARS	March 31, 2022	March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net operating Profit/(Loss) before tax	**8,017.39**	679.31
Re-measurement gain loss on defined benefit plans routed through Other Comprehensive Income	**(381.70)**	(57.75)
Depreciation of Property, Plant and Equipment	**8,001.05**	8,032.17
Amortisation of Intangible Assets	**144.67**	144.25
(Profit)/Loss on Sale/Retirement of Property, Plant and Equipment/ Investment (Net)	**495.40**	281.14
Impairment losses on fair value of Assets held for sale	**122.43**	-
Interest Expenses	**5,796.98**	9,765.95
Operating Profit/(Loss) before Working Capital changes	**22,196.22**	18,845.07
(Increase) / Decrease in Short term Trade Receivables	**(40,832.43)**	1,12,457.73
(Increase) / Decrease in Financial assets	**(0.27)**	(7.06)
(Increase) / Decrease in Other Financial assets	**(14,890.28)**	2,975.58
(Increase) / Decrease in Other assets	**570.25**	(415.51)
(Increase)/Decrease in Inventories	**(2,213.97)**	8,937.95
Increase / (Decrease) in Trade Payables/ Provisions	**30,566.21**	(1,998.89)
Increase / (Decrease) in Other Financial Liabilities	**1,698.14**	615.76
	(25,102.35)	1,22,565.56
Cash generated (used) in /from Operations before tax	**(2,906.13)**	1,41,410.63
Direct Taxes	**(65.42)**	(86.02)
Net cash flow (used) in/ from Operating Activities	**(2,971.55)**	1,41,324.61
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Intangible Assets	**(1.61)**	(5.55)
Purchase of Property, Plant & Equipment	**(16,751.96)**	(16,849.85)
Net cash flow (used) in/ from Investing Activities	**(16,753.57)**	(16,855.40)
Net cash (used) in/ from Operating and Investing Activities	**(19,725.12)**	1,24,469.21

Continued...

(₹ in Lakh)

PARTICULARS	March 31, 2022	March 31, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Long-term borrowings repaid during the year	**7,517.71**	6,710.56
Short term borrowings repaid during the year (net)	**31,618.78**	(1,35,070.77)
Interest paid	**(5,313.29)**	(9,765.95)
Net cash (used) in/ from Financing Activities	**33,823.20**	(1,38,126.16)
Net cash (used) in/ from Operating, Investing & Financing Activities	**14,098.08**	(13,656.95)
Net increase/(decrease) in Cash & Cash equivalent	**14,098.08**	(13,656.95)
Opening balance of Cash & Cash equivalent	**380.08**	14,037.03
Closing balance of Cash & Cash equivalent	**14,478.16**	380.08

Notes:

a) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS-7 on Statement of Cash Flows as notified under Companies Act.

b) Figures in brackets denote cash outflow.

c) Disclosure as per Para 44A of IND AS 7 for Reconciliation of Opening and Closing Financing Activities is given as Annexure to Statement of Cash Flows.

FOR S. K. MEHTA & CO.
Chartered Accountants
[Firm Reg. No. 000478 N]

ROHIT MEHTA
Partner
Membership No.: 091382

Place : Noida
Date : 09.05.2022

FOR AND ON BEHALF OF BOARD OF DIRECTORS

RAJAN CHOWDHRY
Director

R. K. CHOPRA
Managing Director

M. C. BANSAL
Chief Financial Officer

BIPIN C. PHULORIA
Company Secretary

ANNEXURE TO STATEMENT OF CASH FLOWS

(Refer Note (c) to Cash Flow Statement)

Disclosure as per Para 44A of IND AS 7 for Reconciliation of Opening and Closing Financing Activities

	(₹ in Lakh)
Opening Financing Liabilities (A) - Reinstated	**97,315.47**
Add: Opening Interest Accrue but not due (B)	**73.83**
Total Opening Financing Liabilities disclosed in Note 16, 16A &16B (C)	**97,389.30**
Long Term Repayments as disclosed above (D)	**8,887.48**
Long Term Raised as disclosed above (E)	**16,500.00**
Short Term Borrowings Raised as disclosed above (F)	**30,910.56**
Finance Costs for the year	**5,796.98**
Add: Opening Interest Accrue but not due	**73.83**
Less: Closing Interest Accrue but not due	**599.08**
Less: Changes arising on account of EIR method for Long Term Borrowings	**88.16**
Finance Costs paid during the year as disclosed above	**5,183.57**
Changes arising on account of EIR method for Long Term Borrowings (G)	**88.16**
Closing Financing Activities (A-D+E+F-G)	**135,926.71**
Add: Closing Interest Accrue but not due	**599.08**
Total Closing Financing Liabilities disclosed in Note 16, 16A & 16B	**136,525.79**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Note 1: SIGNIFICANT ACCOUNTING POLICIES

A. CORPORATE INFORMATION

KRIBHCO Fertilizers Limited is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The shares of the Company are unlisted. The registered office of the Company is located at A-60, Kailash Colony, New Delhi-110048. The Company is wholly owned subsidiary of Krishak Bharati Cooperative Limited (KRIBHCO).

The company manufactures nitrogenous fertilizer viz. urea through integrated urea and ammonia manufacturing facility at Shahjahanpur in the state of Uttar Pradesh in India. The Company also trades in Phosphatic and Potassic Fertilizers.

Financial statements were approved for issue in accordance with Resolution of the Board of Directors meeting held on May 09, 2022.

B. Significant Accounting Policies

1. Basis of Preparation of Financial Statements

The Financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and comply in material aspects within the relevant provisions of the Companies Act 2013.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities
- Derivative Financial Instruments

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakhs only, except otherwise indicated.

2. Revenue Recognition

(a) Sales

Sale is recognized upon the transfer of control of promised goods to the customers. Sales are stated at net of discount and rebates allowed.

(b) Interest

Interest income is recognized on time proportion basis taking into account the amount outstanding & applicable interest rate, using effective Interest Rate (EIR) method.

(c) Subsidy from Government of India

(i) Subsidy on urea from the Government of India under Group Concession Scheme/ Pricing Scheme is recognized as revenue on the basis of quantity sold. Further, subsidy is recognized based on management's estimation taking into consideration the guidelines, policies, instructions and clarifications given by the Department of Fertilizers, Government of India (GOI) from time to time and is further adjusted for input price escalation/de-escalation.

(ii) Subsidy on Phosphatic and Pottassic Fertilizers is recognized based on quantity sold based on concession price as notified by the Government of India from time to time.

(iii) Freight Subsidy is recognized on the quantity sold in terms of schemes notified by the Government of India (GOI).

(d) Others

Income from sale of scrap/salvage is recognized when sold.

3. Property, Plant & Equipment & Intangible Assets

(i) Property, Plant & Equipment are carried at cost less depreciation/ amortization and impairment loss, if any. Cost of fixed assets includes cost of acquisition and directly attributable cost for bringing the assets in an operational condition for their intended use including pre-operative expenditure till commencement of commercial production and other incidental expenses subsequent thereto up-to the date of stabilization of production but excluding refundable taxes and duties thereon, if any.

(ii) An intangible asset is recognized where it is probable that the future economic benefit attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Such assets are stated at cost less accumulated amortization.

(iii) Spares are recognized in accordance with Ind AS-16 "Property, Plant & Equipment" when they meet the definition of property, plant & equipment. Otherwise, such items are classified as inventory.

(iv) Capital work- in-progress is carried at cost.

4. Borrowing Cost

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are recognized as expenses in the period in which they are incurred.

5. Depreciation / Amortization

Depreciation:

(i) Depreciation on Plant & Equipment has been provided on Straight Line Method, based on useful life technically assessed by Company, based on report of independent expert.

(ii) Property, Plant & Equipment individually costing up to ₹ 5,000/- are being fully depreciated in the year of acquisition.

(iii) Depreciation on Spares capitalized has been charged over the residual life of such spares.

(iv) Depreciation on other items of PPE has been provided on Straight Line Method based on useful life as specified in Schedule II of the Companies Act, 2013.

(v) The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

Amortization:

(i) Value of Leasehold Land and Site Development expenses is amortized over the period of lease.

(ii) Intangible assets in the nature of Gas Price Right, Locational Benefits in term of present future products as identified by the independent valuer in terms of its valuation report for the purpose of determining the fair value of individual assets taken over by the Company in the year 2006 are amortized on straight line method basis over the period of twenty five years.

(iii) Intangible assets comprising of computer software are amortized on straight line method over a period of legal right or five years whichever is earlier on pro-rata basis.

6. Impairment of Non-Financial Assets

The carrying amount of cash generating unit is reviewed at each balance sheet date where there is any indication of impairment based on internal / external indicators. An impairment loss is recognized in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating unit.

An impaired loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

7. Catalysts

Catalysts are charged to revenue over their estimated useful life. Value of Catalysts yet to be consumed in production process is considered as part of Inventories.

8. Foreign Currency Transactions

(i) The Company's financial statements are presented in Indian rupee ('₹') which is also its functional currency.

(ii) Foreign currency transactions are initially recorded at exchange rates prevailing on the date of such transactions.

(iii) Foreign currency monetary assets and liabilities remaining unsettled at the year end are translated at the closing exchange rate. Gain and losses on account of exchange difference either on settlement or translation is recognized in the statement of Profit & Loss.

(iv) Non-monetary items denominated in foreign currency are reported using exchange rate prevailing on the date of transactions.

9. Inventories

Inventories are valued at lower of cost and net realizable value.

(a) Cost in respect of various types of inventories is computed as under:

(i) Raw Materials, Packing Materials, Chemicals & Catalyst in Stock, Stores and Spares at Weighted Average Cost.

(ii) Stock in process at direct cost and appropriate portion of overheads.

(iii) Finished goods (Manufactured Urea) at annualized cost of production.

(iv) Traded Products (Imported P&K Fertilizers) at procurement cost determined on weighted average basis plus direct expenses.

(b) Net Realizable Value is computed as under:

(i) Finished goods (Manufactured Urea) is Concession Price/ Import Parity Price (IPP) determined in accordance with norms of Government of India less estimated costs necessary to make the sales.

(ii) Traded goods (Imported P&K Fertilizers) at estimated selling price plus subsidy rate notified by Government of India less estimated costs necessary to make the sales.

10. Financial instruments

(A) Financial assets:

(i) Initial recognition and measurement

All financial assets are recognized initially at fair value. However in the case of financial assets not recorded at fair value through profit or loss, it is recognized at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

a) Financial Instruments at Amortized Cost

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

- **Cash flows Characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Debt Instruments at Fair Value through Other Comprehensive Income

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

- **Cash flows characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Debt Instruments at Fair Value through Profit or Loss (FVTPL)

FVTPL is residual category of debt instruments. Any debt instrument which does not the criteria for categorization as at amortized cost or Fair Value through other comprehensive income is classified in this category. This category also includes derivative financial instruments entered by the Company that are designated as hedging instruments in hedge relationships as defined Under Ind AS 109.

Such instrument are measured at fair value with all changes recognized in P&L.

d) Equity Investments

All equity investments are measured at fair value with changes is recognized in other comprehensive income.

(iii) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either.

a) The Company has transferred substantially all the risks and rewards of the asset, or

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets measured at amortized cost;

b) Financial Assets measured at fair value through Other Comprehensive Income (OCI).

Expected Credit losses are measured through a loss allowance at an amount equal to:

a) The 12 Months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date).

b) Full Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime Expected Credit Losses at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the Company estimates provision on doubtful debt at the reporting date.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month Expected Credit Losses is used to provide for impairment loss. However, if credit risk has increased significantly, Lifetime Expected Credit Losses is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month Expected Credit Losses.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(B) Financial liabilities:

(i) Initial recognition and measurement

All financial liabilities are recognized initially at amortized cost net of directly attributable transaction costs except for derivative financial liabilities which are recognized at fair value through Statement of Profit & Loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:-

(a) Financial liabilities at fair value through profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are measured subsequently through Statement of Profit & Loss.

(b) Financial liabilities at Amortized Cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. 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.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(iv) 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 offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(v) Derivative financial instruments and hedge accounting

The Company enters into derivative contracts to hedge its Loans, Buyers Credit and Letter of credits etc. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

11. Employee Benefits

(a) Short Term Benefits: Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

(b) Post-Employment Benefits & Other Long Term Employee Benefits:

(i) The Company's contribution to the Provident Fund is remitted to Recognized Provident Fund established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

(ii) The Company operates defined benefit plans for Gratuity. 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.

(iii) Obligations on Compensated Absences are provided using the projected unit credit method of actuarial valuation made at the end of the year.

(iv) The Company operates Group Death Benefit Scheme. 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.

(c) Remeasurements:

(i) Re-measurements comprising of actuarial gains and losses in respect of post-employment benefits, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(ii) Remeasurements comprising of actuarial gains and losses for Other Long Term Employee Benefits are charged to Statement of Profit and Loss.

12. Taxation

(a) Current Tax

Provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of Income Tax Act, 1961.

(b) Deferred Tax

- Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
- The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
- Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).
- Deferred tax assets and deferred tax liabilities are offset if a legally enforceable

right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

13. Pre Project Expenditure

The expenses on pre-feasibility study reports, market survey reports, techno-economic feasibility reports etc., on new projects is allocated to the fixed assets on completion of the projects. Where the projects are proved infructuous they are charged off in the year in which the decision is taken to scrap the same by the Competent Authority.

14. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability 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. They are subsequently measured at cost less accumulated depreciation/ amortization and impairment losses.

Right-of-use assets are depreciated/ amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right of use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/ amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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 interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate.

15. Provisions and Contingent Liabilities and Contingent Assets (Ind AS-37)

(a) Provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

(b) Contingent Liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

(c) Contingent Assets are not recognized but disclosed in the financial statements.

16. Revenue Recognition in the Event of Uncertainty

Following items are recognized when no significant uncertainty exists with regard to the amount to be realized and ultimate collection thereof:

(a) Claims for

(i) Shortage/Damages on movement of fertilizers;

(ii) Under-charges on freight paid to Railways;

(iii) Rebate on freight from Railways;

(iv) Interest on overdue payments;

(v) Insurance claims;

(vi) Refund of Purchase Tax, Sales Tax, Turnover Tax, Customs, Excise and Electricity Duties excess charged.

(b) Penalties and Compensation

17. Non-Current Assets held for Sale

Non-Current Assets held for Sale are measured at lower of the carrying amount and fair value less costs to sell. Property, Plant and Equipment once classified as held for sale are not depreciated.

C. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of Non-Financial Asset

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined benefit plans

The cost of the defined benefit gratuity plan and other long term employment benefits and the present value of the gratuity obligation and other long term employment benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the country.

Fair value measurement of financial instruments

The Financial Instruments have been derived based on active trading prices for the investments in bonds. The Derivative Instruments have been measured based on derived price provided by the bank. The investment in Equity Shares have been valued based on the condition of loan attached. The Shares will be redeemed at par at the closure of limits and hence have been carried at par value.

NOTES TO THE FINANCIAL STATEMENTS

2. PROPERTY, PLANT & EQUIPMENT

(₹ in Lakh)

Particulars	Land-Lease hold (ROU)	Land-Free-hold	Factory Build-ings	Non Factory Building	Plant & Equipments	Furni-ture & Fixtures	Ve-hicles	Com-puter	Office Equip-ments	Total
Carrying value										
As at April 01, 2021	**8,754.27**	**36.00**	**2,170.73**	**2,512.24**	**1,11,551.57**	**102.66**	**104.65**	**183.98**	**204.01**	**1,25,620.11**
Additions	-	23.35	213.20	34.51	20,040.32	24.05	60.95	38.69	15.74	20,450.81
Disposals/ Deductions	-	-	-	5.26	2,556.43	1.29	-	13.93	5.12	2,582.03
As at March 31, 2022	8,754.27	59.35	2,383.93	2,541.49	1,29,035.46	125.42	165.60	208.74	214.63	1,43,488.89
As at April 01, 2020	8,754.27	-	2,170.73	2,508.97	1,10,595.43	95.25	85.45	133.41	178.55	1,24,522.06
Additions	-	36.00	-	3.27	1,573.03	7.41	19.20	50.57	26.50	1,715.98
Disposals/ Deductions	-	-	-	-	616.89	-	-	-	1.04	617.93
As at March 31, 2021	**8,754.27**	**36.00**	**2,170.73**	**2,512.24**	**1,11,551.57**	**102.66**	**104.65**	**183.98**	**204.01**	**1,25,620.11**
Depreciation/Amortization										
As at April 01, 2021	**796.50**	**-**	**701.05**	**450.39**	**44,331.79**	**75.26**	**48.83**	**110.75**	**87.39**	**46,601.96**
Charge for the year	135.15	-	104.75	51.41	7,627.30	7.47	16.34	31.26	27.37	8,001.05
Disposals/ Deductions	-	-	-	1.32	1,247.22	1.25	-	13.93	5.03	1,268.75
As at March 31, 2022	931.65	-	805.80	500.48	50,711.87	81.48	65.17	128.08	109.73	53,334.26
As at April 01, 2020	661.35	-	596.82	395.57	37,054.34	64.18	37.21	85.44	60.42	38,955.33
Charge for the year	135.15	-	104.23	54.82	7,661.95	11.08	11.62	25.31	28.01	8,032.17
Disposals/ Deductions	-	-	-	-	384.50	-	-	-	1.04	385.54
As at March 31, 2021	**796.50**	**-**	**701.05**	**450.39**	**44,331.79**	**75.26**	**48.83**	**110.75**	**87.39**	**46,601.96**
Net Carrying Value										
As at March 31, 2022	**7,822.62**	**59.35**	**1,578.13**	**2,041.01**	**78,323.59**	**43.94**	**100.43**	**80.66**	**104.90**	**90,154.63**
As at March 31, 2021	**7,957.77**	**36.00**	**1,469.68**	**2,061.85**	**67,219.78**	**27.40**	**55.82**	**73.23**	**116.62**	**79,018.15**

Notes:

i) Refer Note 16-for Pledge/ Hypothecation of Property, Plant & Equipment against borrowings.

ii) Refer Note 33-regarding disclosure relating to Capital Commitments for Property, Plant & Equipment.

3. CAPITAL WORK IN PROGRESS

(₹ in Lakh)

Particulars	Factory Buildings	Non Factory Building	Plant & Equipments	Railway Siding	Others	Total
As at April 01, 2021	**-**	**4.49**	**14,423.37**	**10,672.54**	**-**	**25,100.40**
Additions	226.21	21.06	7,643.53	8,414.65	100.39	16,405.84
Amount transferred to PPE	213.20	34.51	19,723.82	23.35	96.24	20,091.12
Other Adjustments	-	-9.07	22.64	-	-	13.57
As at March 31, 2022	**13.01**	**0.11**	**2,320.44**	**19,063.84**	**4.15**	**21,401.55**

(₹ in Lakh)

Particulars	Factory Buildings	Non Factory Building	Plant & Equipments	Railway Siding	Others	Total
As at April 01, 2020	**1.84**	**60.76**	**9,158.70**	**745.23**	**-**	**9,966.53**
Additions	-	6.71	6,570.35	9,881.48	57.89	16,516.43
Amount transferred to PPE	-	3.27	1,256.08	-	57.89	1,317.24
Other Adjustments	1.84	59.71	49.60	-45.83	-	65.32
As at March 31, 2021	**-**	**4.49**	**14,423.37**	**10,672.54**	**-**	**25,100.40**

Notes:

i) Refer Note 16-for Pledge/ Hypothecation of Capital Work in Progress against borrowings.
ii) Refer Note 33-regarding disclosure relating to Capital Commitments.
iii) Amount of Borrowing Cost capitalized during the year is ₹1,363.82 lakh (Previous Year ₹1,506.02 lakh).
iv) Refer Note (h)(6)-relating to additional disclosures with respect to CWIP.

4. INTANGIBLE ASSETS

(₹ in Lakh)

Particulars	Computer Software	Others	Total
As at April 01, 2021	**154.62**	**2,110.48**	**2,265.10**
Additions	1.61	-	1.61
As at March 31, 2022	**156.23**	**2,110.48**	**2,266.71**
As at April 01, 2020	**149.07**	**2,110.48**	**2,259.55**
Additions	5.55	-	5.55
As at March 31, 2021	**154.62**	**2,110.48**	**2,265.10**
Amortization			
As at April 01, 2021	**127.72**	**801.43**	**929.15**
Charge for the year	11.10	133.57	144.67
As at March 31, 2022	**138.82**	**935.00**	**1,073.82**
As at April 01, 2020	**117.04**	**667.86**	**784.90**
Charge for the year	10.68	133.57	144.25
As at March 31, 2021	**127.72**	**801.43**	**929.15**
Net Carrying Value			
As at March 31, 2022	**17.41**	**1,175.48**	**1,192.89**
As at March 31, 2021	26.90	1,309.05	1,335.95

Notes:

1) Other intangible asset represent Gas Price Right, Locational Benefits in terms of present/future products etc. as identified by the independent valuer M/s. Projects Developments of India Ltd. (PDIL), a Government of India undertaking, in terms of its valuation report for the purpose of determining fair value of individual assets taken over while acquiring the 8.64 lakhs MTs Urea Plant at Shahjahanpur, Uttar Pradesh.

2) Refer Note 16-for Pledge/ Hypothecation of Intangible Assets against borrowings.

5. INVESTMENTS

(₹ in Lakh)

	Particulars	Non- Current		Current	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Unquoted, Non Trade				
(A)	**Investment in Equity instruments**				
	Carried at Fair value through OCI				
	2500 equity share @ 10/- each fully paid up of Saraswat Cooperative Bank Limited	**0.25**	0.25	**-**	-
	TOTAL	**0.25**	0.25	**-**	**-**
	Aggregate amount of unquoted investments	**0.25**	0.25	**-**	-

6. LOANS

Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured, considered good unless otherwise stated				
Loans and advances to Employees	**24.20**	24.81	**27.79**	26.91
TOTAL	**24.20**	24.81	**27.79**	26.91

7. OTHER ASSETS

Particulars	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured, considered good, unless otherwise stated				
Capital Advances	**5,435.43**	4697.04	**-**	-
Balance with Revenue authorities	**-**	-	**497.17**	2,108.16
Prepaid Expenses	**-**	-	**472.92**	144.74
Deferred Cost	**2.87**	2.45	**2.51**	7.31
Advance to Suppliers	**-**	-	**41.68**	63.13
Stamp Duty Paid under Protest	**-**	-	**5,770.43**	5,770.43
Advance tax & TDS (Net)	**166.33**	100.91	**-**	-
TOTAL	**5,604.63**	4,800.40	**6,784.71**	8,093.77

8. INVENTORIES

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Stock in Process	**85.25**	48.65
Finished Goods	**2,991.39**	2,601.57
Finished Goods in transit	**3,335.50**	860.98
Packing Material	**192.32**	86.25
Catalyst in Use	**358.51**	906.78
Chemicals & Catalyst	**211.13**	223.71
Loose Tools	**10.39**	3.55
Stores and spares	**4,303.97**	4,446.98
Less: Provision for Obsolete, Surplus and Non moving items	**154.42**	58.40
TOTAL	**11,334.04**	9,120.07

Notes:

i) Refer Note 16-for Pledge/Hypothecation of Current Assets against borrowings.

ii) Refer Note 1.9 For Accounting Policy for Valuation of Inventories.

9. TRADE RECEIVABLES

From Related Parties	**40.98**	29.46
From Others	**82,409.41**	41,588.50
TOTAL	**82,450.39**	41,617.96
Breakup for Security details		
Unsecured considered good*	**82,450.39**	41,617.96
TOTAL	**82,450.39**	41,617.96

*The above trade receivables includes ₹ 22.71 lakh (P.Y. ₹ 22.71 lakh) from M/s. B.S. Trading Co. Uttarakhand against whom a legal suit for recovery has been filed by the Company under Negotiable Instruments Act, 1881. A civil suit has also been filed against M/s B.S.Trading Co., for recovery of the outstanding with interest. The suit was admitted and has been decided in favour of the Company and M/s B. S. Trading Co., has been asked to deposit ₹ 30.00 lakh with the Company towards compensation.

Notes:

i) Refer Note 16-for Pledge/ Hypothecation of Current Assets against borrowings.
ii) Refer Note (h)(12)-for additional disclosure relating to ageing of trade receivables.

10. CASH AND CASH EQUIVALENTS

CASH & CASH EQUIVALENTS		
- Balance with banks:		
in Current Accounts	**1,719.69**	379.11
Fixed Deposits	**12,757.88**	-
- Cash on hand	**0.59**	0.97
TOTAL	**14,478.16**	380.08

11. OTHER BANK BALANCES

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Fixed deposits	**0.07**	0.07
TOTAL	**0.07**	0.07

Note:

Fixed Deposits are not available for use as these are deposited as securities with Government/Other Departments

12. OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	Non-Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Unsecured, considered good, unless otherwise stated				
Derivative Contracts at Fair Value	**-**	-	**297.75**	206.44
Security Deposits	**-**	-	**27.69**	23.25
Other Receivables	**-**	-	**17,214.84**	2,420.31
TOTAL	**-**	-	**17,540.28**	2,650.00

Note:

Other receivables mainly represent provisional amount due from Gas (Pool) Fund ₹ 17,210.46 lakh (Previous Year ₹ 2,420.07 lakh)

13. NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Non Current Assets held for Sale (Plant & Equipment)	**702.91**	7.45
TOTAL	**702.91**	7.45

14. EQUITY SHARE CAPITAL

Authorised		
100,00,00,000 (P.Y. 100,00,00,000) Equity Shares of Rs.10/- each	**1,00,000.00**	1,00,000.00
Issued, subscribed and fully paid up		
47,99,39,243 (P.Y. 47,99,39,243) Equity Shares of Rs.10/- each Fully Paid up	**47,993.92**	47,993.92
TOTAL	**47,993.92**	47,993.92

Notes:

1. During the period of five financial years immediately preceeding the Balance Sheet date, the Company has not:
   (i) allotted any fully paidup equity shares by way of bonus shares;
   (ii) allotted any equity shares pursuant to any contract without payment being received in cash;
   (iii) brought back any equity shares.
2. The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

(A) Reconciliation of the number of shares:

Particulars	March 31, 2022	March 31, 2021
Equity Shares		
Share outstanding as at the begining of the year	**47,99,39,243**	47,99,39,243
Add: Issued during the year	**-**	-
Balance at the end of the year	**47,99,39,243**	47,99,39,243

(B) Details of Number of Shares held by the Holding Enterprise

Particulars	Number of Equity Shares		% of Holding	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Krishak Bharati Cooperative Limited	**47,99,39,243**	47,99,39,243	**100.00%**	100.00%

(C) Details of Shareholders holding more than 5% shares in the Company

Particulars	Number of Equity Shares		Percentage %	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Krishak Bharati Cooperative Limited	**47,99,39,243**	47,99,39,243	**100.00%**	100.00%
TOTAL	**47,99,39,243**	47,99,39,243	**100.00%**	100.00%

(D) Shareholding of Promoter

Shares held by promoters as at March 31, 2022:

Promoter Name	Number of Shares	% of Total Shares	% Change during the Year
Krishak Bharati Cooperative Limited	47,99,39,243	100.00%	-

15. OTHER EQUITY

(₹ in Lakh)

Particulars	March 31, 2022	March 31,2021
(a) Retained Earnings		
Balance at the beginning of the Financial year	**(2,381.40)**	(3,002.96)
Profit for the year	**8,017.39**	679.31
Other comprehensive income for the year	**(381.70)**	(57.75)
Amount transferred to Debenture Redemption Reserve	**(2,244.74)**	-
Balance at the end of the Financial year	**3,009.55**	(2,381.40)
(b) Debenture Redemption Reserve		
Amount transferred from Retained Earnings	**2,244.74**	-
	2,244.74	-
TOTAL	**5,254.29**	(2,381.40)

Notes:

1. Debenture Redemption Reserve is created out of retained earnings in accordance with provisions of Companies Act, 2013 and same will be transferred to Retained Earnings on redemption of debentures.
2. The Board of Directors have recommended the payment of a final dividend of ₹ 0.50 (31 March 2021: Nil) per equity share for the Financial year 2021-22 amounting to ₹ 2,399.70 lakh. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

16. BORROWINGS

(₹ in Lakh)

	Particulars	Non- Current		Current	
		March 31, 2022	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
	LONG TERM - Term Loans				
i)	**From Banks - Secured**				
	State Bank of India	**-**	2,000.00	**-**	4,042.31
	Bank of Bahrain (Note-1)	**3,333.33**	5,937.48	**1,666.67**	750.00
	First Abu Dhabi Bank (Note-2)	**8,809.20**	13,730.58	**4,950.00**	1,200.00
	Sub-Total	**12,142.53**	21,668.06	**6,616.67**	5,992.31
ii)	**Debentures**				
	Non-Convertible Redeemable Debentures-Secured (Note-3)	**31,884.77**	31,791.59	**-**	-
	Non-Convertible Redeemable Debentures-Unsecured (Note-4)	**16,464.90**	-	**526.00**	-
	Sub-Total	**48,349.67**	31,791.59	**526.00**	-
	TOTAL	**60,492.20**	53,459.65	**7,142.67**	5,992.31

16A LEASE LIABILITIES

ii)	**Unsecured**				
	Long term maturties of Finance lease obligation	**233.09**	231.62	**-**	-
		233.09	231.62	**-**	-

Notes:-

Nature of Securities

a) Secured Loans

i) Securities for Secured Loans

Note 1) Secured loan of ₹ 5000.00 lakh (Previous year ₹ 6687.48 lakh) from Bank of Bahrain is secured by way of First pari-passu charge on the entire movable and immovable, present and future fixed assets of the Company and second pari-passu charge on the entire current assets of the Company and backed by Unconditional and Irrevocable Corporate Guarantee of holding enterprise - Krishak Bharati Cooperative Limited (KRIBHCO).

Note 2) Secured loans ₹ 13800.00 lakh (Amortized Cost- ₹ 13759.20 lakh) (Previous year- ₹ 15000 lakh Amortized Cost- ₹ 14930.58 lakh) from First Abu Dhabi Bank is secured by way of First pari-passu charge over the movable & immovable fixed assets of the Company both present & future and backed by Corporate Guarantee of holding enterprise - Krishak Bharati Cooperative Limited (KRIBHCO).

ii) Terms of Repayment

1) Bank of Bahrain	The loan (₹ 50 crore) amount shall be repaid in 12 equal quarterly installments thereafter starting from the end of 15th month from the date of first disbursement i.e. 28.04.2022.
2) First Abu Dhabi Bank	The loan amount shall be repaid in 11 unequal quarterly installments starting after the moratorium. The first installment was paid on 31.03.2022.

b) Secured Debebtures

Note 3) Details of Non-Convertible Debentures of ₹ 32000.00 lakh (Amortized Cost- ₹ 31884.77 lakh) are as follows:-

S. No.	Particulars	Units	Value Per Unit (₹)	Amount (₹ in lakh)	Date of Allotment	Security	Terms of Repayment
1.	NCD-I (ICICI Bank)	2,000	1,000,000.00	20,000.00	08-05-2020	First pari-passu charge by way of equitable mortgage on leasehold land admeasuring 780.75 acre situated at Piprola village, Shahjahanpur District, Uttar Pradesh, in the name of the Borrower ("Immovable Assets"); and First pari-passu charge by way of hypothecation over whole of the movable properties of the Borrower including its movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future ("Movable Assets"). - Corporate Guarantee KRIBHCO.	Bullet payment at the end of three (3) years from the date of allotment i.e. 08-05-2023. Interest amount is paid at the rate of 7.75% p.a. on a monthly basis.
2.	NCD-II (ICICI Bank)	1,200	1,000,000.00	12,000.00	11-06-2020	First pari-passu charge by way of equitable mortgage on leasehold land admeasuring 780.75 acre situated at Piprola village, Shahjahanpur District, Uttar Pradesh, in the name of the Borrower ("Immovable Assets"); and First pari-passu charge by way of hypothecation over whole of the movable properties of the Borrower including its movable plant and machinery, machinery spares, tools and accessories and other movables, both present and future ("Movable Assets"). - Corporate Guarantee KRIBHCO.	Bullet payment at the end of three (3) years from the date of allotment i.e. 11-06-2023. Interest amount is paid at the rate of 7.60% p.a. on a monthly basis.

c) Unsecured Debebtures

Note 4) Non-Convertible Debentures of ₹ 16500.00 lakh (Amortized Cost- ₹ 16464.90 lakh) are backed by Corporate Guarantee of holding enterprise - Krishak Bharati Cooperative Limited (KRIBHCO) for which details are given below:-

S. No.	Particulars	Units	Value Per Unit (₹)	Amount (₹ in lakh)	Date of Allotment	Security
1.	NCD-III (ICICI Bank)	950	1,000,000.00	9,500.00	17-08-2021	Bullet payment at the end of three (3) years from the date of allotment i.e. 17-08-2024. Interest amount is paid at the rate of 6.95% p.a. annually.
2.	NCD-IV (Axis Bank)	700	1,000,000.00	7,000.00	28-12-2021	Bullet payment at the end of three (3) years from the date of allotment i.e. 28-12-2024. Interest amount is paid at the rate of 6.40% p.a. annually.

d) Current Maturities of Long Term Borrowings include Interest accrued but not due on borrowings which is as under:

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
State Bank of India	**-**	42.31
NCD-3 (ICICI Bank Ltd.)	**410.62**	-
NCD-4 (Axis Bank Ltd.)	**115.38**	-
TOTAL	**526.00**	42.31

16B BORROWINGS-CURRENT

Particulars	March 31, 2022	March 31, 2021
SHORT TERM		
Working Capital Borrowings		
Secured Loans from Banks (Note-1)	**2,796.16**	22,025.20
Unsecured		
From Bank (Note-2)	**65,861.67**	15,680.51
TOTAL	**68,657.83**	37,705.71
Current maturities of long-term borrowings	**6,616.67**	5,950.00
TOTAL	**75,274.50**	43,655.71

Secured Loans:

Note 1. Cash Credit/ WCDL of ₹ 2796.16 lakh (Previous Year ₹ 22025.20 lakh) from Banks is secured by first pari-passu charge on all the current assets of the Company by way of hypothecation of stock, store, book-debts and other current assets of the Company and backed by the Corporate Guarantee of holding enterprise Krishak Bharati Cooperative Limited (KRIBHCO).

Note 2. All the unsecured loans from banks of ₹ 65861.67 lakh (Previous Year ₹ 15680.51 lakh) are backed by Corporate Guarantee of holding enterprise - Krishak Bharati Cooperative Limited (KRIBHCO).

17. PROVISIONS

(₹ in Lakh)

Particulars	Non- Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provision for Employee Benefits				
Gratuity	**2,966.72**	2,460.92	**108.68**	81.55
Leave Encashment	**2,577.08**	2,052.40	**252.31**	178.68
Death Benefit Scheme	**243.28**	231.28	**27.05**	34.72
TOTAL	**5,787.08**	4,744.60	**388.04**	294.95

18. DEFERRED TAX LIABILITIES

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Deferred Tax Assets		
- Unabsorbed depreciation	**9,357.79**	9,678.23
- Provision for Employee Benefits	**1,561.33**	1,278.27
- Other Provisions	**38.86**	14.70
Sub- Total (a)	**10,957.98**	10,971.20
Deferred Tax Liabilities		
- Property, Plant & Equipment	**10,957.98**	10,971.20
Sub- Total (b)	**10,957.98**	10,971.20
Net Deferred Tax Liability (a)-(b)	**-**	-

Note :

Deferred Tax Assets in respect of unabsorbed depreciation are recognized to the extent of net deferred tax liability on the concept of the probability that future taxable profit will be available against which it can be utilized as envisaged in Ind AS 12-Income Taxes.

19. TRADE PAYABLES

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
For Goods & Services		
Total outstanding dues of micro and small enterprises	**24.69**	156.17
Total outstanding dues of creditors other than micro and small enterprises	**44,831.84**	15,269.71
TOTAL	**44,856.53**	15,425.88

Note:

Trade payables are not interest bearing and normally settled within 60 days.

Refer Note (h)(13)-for additional disclosure relating to ageing of trade payables.

20. OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	Non-Current March 31, 2022	Non-Current March 31, 2021	Current March 31, 2022	Current March 31, 2021
Deposit from Contractor/Vendors	**-**	-	**3,136.46**	2,328.27
Interest accrued but not due on secured borrowings	**-**	-	**-**	42.31
Interest accrued but not due on unsecured borrowings	**-**	-	**526.00**	-
Employee/Other Dues Payable	**-**	-	**873.04**	559.82
Payables for Capital Items	**-**	-	**914.71**	1,506.37
Others	**-**	-	**2,417.33**	2,085.25
Total	**-**	-	**7,867.54**	6,522.02

21. OTHER LIABILITIES

(₹ in Lakh)

Particulars	Non-Current March 31, 2022	Non-Current March 31, 2021	Current March 31, 2022	Current March 31, 2021
Advances from customers	**-**	-	**2,778.55**	1,914.39
Statutory dues payable	**-**	-	**770.76**	314.93
TOTAL	**-**	-	**3,549.31**	2,229.32

22. REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Revenue from Operations:		
Sale of products	**74,136.87**	66,615.99
Concession/Price Support from Central Government (net of recovery/adjustments)	**2,45,732.85**	1,49,521.32
TOTAL	**3,19,869.72**	2,16,137.31
Notes		
1) Sales are net of Discounts/Rebates		
2) Disaggregate in Revenue :		
i) Breakup of revenue from sale of products :		
- Urea	**50,653.68**	58,037.00
- Ammonia	**23,222.26**	8,282.75
- Others	**260.93**	296.24
TOTAL	**74,136.87**	66,615.99
ii) Breakup of revenue from Concession/Price Support from Central Government :		
Urea:		
- Price Concession	**2,36,300.86**	1,38,012.52
- Freight Subsidy	**9,431.99**	11,508.80
TOTAL	**2,45,732.85**	1,49,521.32

3) Sales of goods to Customers are made at fixed rates.

4) There are no pending performance obligation for sales made by the Company and accordingly no revenue is to be recognised in the future.

5) The Company classifies the right to consideration on sale of goods as trade receivables.

23. OTHER INCOME

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Interest Income		
- Others	**10.35**	7.79
Rentals/ Compensation of Properties	**110.23**	93.56
Insurance claim received	**372.32**	794.04
Liability no longer required written back	**-**	0.37
Scrap Sales	**313.58**	189.91
Miscellaneous	**105.43**	79.08
Foreign Exchange Fluctuation Gain (Net)	**1.53**	384.26
TOTAL	**913.44**	1,549.01

24. COST OF MATERIALS CONSUMED

Particulars	March 31, 2022	March 31, 2021
Raw Materials - Fertilizers	**1,64,099.63**	93,664.40
Raw Materials - Non-Fertilizers	**289.82**	181.20
Packing Materials	**4,103.55**	3,302.36
Chemicals and Catalysts	**1,586.40**	1,401.29
Power, Fuel & Water	**1,00,601.83**	62,701.78
TOTAL	**2,70,681.23**	1,61,251.03

25. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS

Particulars	March 31, 2022	March 31, 2021
Inventories at the end of the year		
- Finished goods	**6,326.89**	3,462.55
- Stock in Process	**85.25**	48.65
Inventories at the beginning of the year		
- Finished goods	**3,462.55**	12,109.12
- Stock in Process	**48.65**	64.45
Net (Increase) / Decrease	**(2,900.94)**	8,662.37
Details of Inventories		
Finished Goods (Manufactured)		
- Urea	**4,857.11**	3,168.33
- Ammonia	**1,469.78**	294.22
TOTAL	**6,326.89**	3,462.55

(₹ in Lakh)

Particulars		March 31, 2022	March 31, 2021
Stock in Process			
-Urea		**12.59**	6.39
-Ammonia		**72.66**	42.26
	TOTAL	**85.25**	48.65

26. EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus		**10,581.27**	7,777.30
Contribution to Provident & other funds		**489.76**	386.52
Staff welfare expenses		**344.71**	398.23
Others		**3.26**	4.47
	TOTAL	**11,419.00**	8,566.52

Note: Employee benefit expenses are higher mainly on account of implementation of pay revision of employees w.e.f. 01/04/2021

27. FINANCE COSTS

Interest:			
- On Term Loans		**3,657.55**	3,345.69
- On Working Capital		**1,939.61**	6,202.99
Other Borrowing Costs		**182.55**	200.11
On lease obligations		**17.27**	17.16
	TOTAL	**5,796.98**	9,765.95

Note: Interest expenses represent amount calculated using effective interest rate method for financial liabilities classified at Amortised Cost.

28. DEPRECIATION AND AMORTIZATION EXPENSE

Depreciation/Amortisation on Property, Plant & Equipment		**8,001.05**	8,032.17
Amortisation on Intangible Assets		**144.67**	144.25
	TOTAL	**8,145.72**	8,176.42

29. IMPAIRMENT LOSSES

Impairment losses on fair value of Assets held for Sale		122.43	-
	TOTAL	**122.43**	-

30. OTHER EXPENSES

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Repairs & Maintenance		
- Plant and Equipments	**2,190.83**	1,302.99
- Buildings	**399.44**	340.28
Insurance	**749.10**	748.64
Rent	**20.30**	15.00
Rates & Taxes	**15.48**	12.69
Travelling Expenses	**18.07**	10.30
Freight and Forwarding Charges	**13,129.16**	15,328.59
Service Charges	**1,211.02**	1,275.17
Directors' Sitting Fees	**15.60**	12.65
Legal and professional charges	**90.53**	64.69
Auditor's Remuneration		
- for Statutory audit	**8.80**	8.80
- for tax audit	**1.50**	1.50
- for other services	**1.91**	5.95
Printing and Stationery	**2.37**	2.19
Loss on discarding/disposal of PPE (net)	**495.40**	281.14
Bagging Expenses	**267.20**	291.55
Bank charges	**93.95**	75.15
Loss on Derivative Contracts (Net)	**42.43**	263.58
Vehicle Running and Maintenance	**91.22**	77.07
Provision for Non-Moving/ obsolete Items of Inventory	**96.02**	-
Miscellaneous expenses	**561.02**	466.79
TOTAL	**19,501.35**	20,584.72

31. OTHER COMPREHENSIVE INCOME

Items that will not be re-classified to Profit or Loss		
Remeasurement of the Defined Benefit Plans	**381.70**	57.75
TOTAL	**381.70**	57.75

32. EARNING PER SHARE (EPS)

Net Profit for the Year	**8,017.39**	679.31
Weighted Average number of Equity Shares outstanding during the period	**47,99,39,243**	47,99,39,243
Earning Per Share - Basic & Diluted (₹)	**1.67**	0.14
Face Value per share (₹)	**10**	10

33. CONTINGENT LIABILITIES & COMMITMENTS

(₹ in Lakh)

	Particulars	March 31, 2022	March 31, 2021
1.	**Contingent Liabilities:**		
a)	Claim against the company not acknowledged as debts.		
	- Stamp Duty on Mortgage	**19,000.00**	19,000.00
	- Excise/ service tax/ sales tax matters in dispute/ under appeal	**1,225.45**	1,356.56
	- Other Claims	**33.56**	33.56
	- Income Tax Matters	**7.09**	-
	- Disputes relating to Labour matters	**Not ascertainable**	Not ascertainable
	Total	**20,266.10**	20,390.12

b) The Hon'ble High Court of Lucknow had given a judgement on 07.09.2012, wherein the sale of Reliance gas to Fertilizer Companies was decided to be leviable with CST instead of VAT. State of UP filed an SLP before Hon'ble Supreme Court of India against this order of High Court of Lucknow which is admitted by Hon'ble Supreme Court. Matter is yet to be decided by Hon'ble Supreme Court. No effect of the same is given in the accounts pending final outcome of the case.

	Particulars	March 31, 2022	March 31, 2021
2.	**Capital Commitments:**		
	Estimated Amount of Contracts remaining to be executed on capital account (Net of advances)	**9,549.84**	15,611.05

3. Others Commitments:

The Company has issued an undertaking of ₹ 11,184.00 lakh to Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India (GOI) in respect of pending dispute of GOI with Oswal Chemicals & Fertilizers Limited regarding subsidy of ₹ 225.00 lakh on Urea and payment of interest of ₹ 10,959.00 lakh by Oswal Chemicals & Fertilizer Limited. An escrow account under joint operation of the Company and Oswal Chemicals & Fertilizers Limited has been opened for the purpose of meeting the claim of the Department of Fertilizers. The balance in said escrow account adequately covers the amount of undertaking.

34. EMPLOYEE BENEFITS

a) Defined Contribution Plans:-

The Company has recognised an expense of ₹ 489.76 lakh (Previous Year ₹ 386.52 lakh) towards the defined contribution towards Employees Provident Fund & Employee Pension Scheme administered by Government of India.

b) Defined Benefits Plans:-

General Descriptions for Defined Benefit Plans

i) Gratuity

Each employee rendering continous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service.

ii) Death Benefit Scheme

Death Benefit Scheme was formulated & implemented from 01.04.2017 in order to provide monetary support to the family of a deceased employee who died while in service. Under the scheme, in case of unfortunate death of a regular employee, all regular employees of the Company will contribute 1.5 day basic pay for the cause and Company will also making equal matching contribution which is payable to legal nominee of the deceased employee.

c) Other Long Term Benefits-Leave Encashment:-

Each employee is entitled to get 30 earned leaves for each completed year of service. Encashment of earned leaves is allowed during service subject to maximum accumulation of 300 days including sick leaves. In addition, each employee is entitled to get 12 Sick leaves during the year. The accumulation of sick leaves is permitted for encashment only at the time of retirement.

The summarized position of various defined benefit plans & other long term benefits recognized in Statement of Profit & Loss, Other Comprehensive Income & Balance Sheet are as under:

(₹ in Lakh)

	Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
		Gratuity	Long term Compen-sated Absences	Death Benefit Scheme	Gratuity	Long term Compen-sated Absences	Death Benefit Scheme
		Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
I	**Change in present value of obligation during the year**						
	Present value of obligation at the beginning of the year	**2,542.47**	**2,231.08**	**266.00**	2,300.94	1,916.01	184.98
	Add- Amount Recognised in Statement of Profit and Loss:						
	- Current Service Cost	**131.82**	**216.10**	**-**	119.46	225.96	-
	- Interest Cost	**168.20**	**142.14**	**-**	148.20	121.07	-
	- Past Service Cost	**-**	**-**	**-**	-	-	-
	- Actuarial losses/(gains)	**-**	**524.86**	**50.18**		108.90	144.69
	Add- Amount Recognised in Other Comprehensive Income:						
	Actuarial losses/(gains)	**381.70**	**-**	**-**	57.75	-	-
	Less:						
	Benefits Paid	**(148.79)**	**(284.79)**	**(45.85)**	(83.88)	(140.86)	(63.67)
	Present Value of obligation as at year end	**3,075.40**	**2,829.39**	**270.33**	2,542.47	2,231.08	266.00

(₹ in Lakh)

	Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
		Gratuity	Long term Compen-sated Absences	Death Benefit Scheme	Gratuity	Long term Compen-sated Absences	Death Benefit Scheme
		Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
II	**Reconciliation of Present value of Defined Benefit Obligation & Other Long Term Benefits**						
1	Present Value of obligation as at year-end	**3,075.40**	**2,829.39**	**270.33**	2,542.47	2,231.08	266.00
2	Funded status {Surplus/(Deficit)}	**(3,075.40)**	**(2,829.39)**	**(270.33)**	(2,542.47)	(2,231.08)	(266.00)
	Net Asset/(Liability)	**(3,075.40)**	**(2,829.39)**	**(270.33)**	(2,542.47)	(2,231.08)	(266.00)
III	**Expenses recognised in the Statement of Profit and Loss**						
1	Current Service Cost	**131.82**	**216.10**	**-**	119.46	225.96	-
2	Interest Cost	**168.20**	**142.14**	**-**	148.20	121.07	-
3	Past service Cost	**-**	**-**	**-**	-	-	-
4	Actuarial losses/(gains)	**-**	**524.86**	**50.18**	-	108.90	144.69
	Total Expense	**300.02**	**883.10**	**50.18**	267.66	455.93	144.69
IV	**Expenses recognised in the Statement of Other Comprehensive Income**						
1	Net Actuarial (Gain)/Loss	**381.70**	**-**	**-**	57.75	-	-
	Total Expense	**381.70**	**-**	**-**	57.75	-	-
V	**Bifurcation of Defined Benefit Obligation & Other Long Term Benefits at the end of the year**						
1	Current Liability	**108.68**	**252.31**	**27.05**	81.55	178.68	34.72
2	Non-Current Liability	**2,966.72**	**2,577.08**	**243.28**	2,460.92	2,052.40	231.28
	Total	**3,075.40**	**2,829.39**	**270.33**	2,542.47	2,231.08	266.00
VI	**Actuarial Assumptions**						
1	Discount Rate	**7.170%**	**7.170%**	**7.170%**	6.815%	6.805%	6.805%
2	Mortality Table	**IALM (2012-14)**	**IALM (2012-14)**	**IALM (2012-14)**	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
3	Salary Escalation	**5.00%**	**4% first year, 4.5% second year and 5% thereafter**	**4% first year, 4.5% second year and 5% thereafter**	5.75%	5.75%	5.75%

VII Sensitivity Analysis (₹ in Lakh)

Particulars		Year ended March 31, 2022		Year ended March 31, 2021	
		Increase	Decrease	Increase	Decrease
Gratuity					
Discount rate	(1% movement)	**217.61**	**194.70**	178.27	200.53
Future salary growth	(1% movement)	**220.45**	**200.58**	200.67	181.58
Attrition Rate	(25% movement)	**14.18**	**15.11**	6.14	6.58
Long term Compensated Absences					
Discount rate	(1% movement)	**181.75**	**(162.36)**	140.01	157.60
Future salary growth	(1% movement)	**184.14**	**(167.28)**	157.68	142.60
Attrition Rate	(25% movement)	**4.08**	**(3.79)**	4.19	4.51
Death Benefit Scheme					
Discount rate	(1% movement)	**24.04**	**20.50**	20.19	24.78
Future salary growth	(1% movement)	**24.35**	**21.10**	24.80	21.29
Attrition Rate	(25% movement)	**16.21**	**14.39**	14.91	16.98

VIII Maturity Profile of Define plan & long term Benefit (₹ in Lakh)

	31st March, 2022			31st March, 2021		
	Gratuity	Long term Compen-sated Absences	Death Benefit Scheme	Gratuity	Long term Compen-sated Absences	Death Benefit Scheme
	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
Time Period (in years)						
Upto 1	**108.68**	**252.31**	**27.05**	81.55	178.68	21.96
2-5	**1,398.59**	**1,397.82**	**107.28**	964.07	975.11	91.98
6-10	**1,918.46**	**1,506.74**	**120.73**	1,542.62	1,177.32	111.77
11-15	**1,165.20**	**805.04**	**73.30**	1,209.38	807.99	72.55
Above 15	**876.55**	**892.35**	**272.17**	829.00	741.12	278.07
TOTAL	**5,467.48**	**4,854.26**	**600.54**	4,626.62	3,880.22	576.33

35. SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

- ➢ Manufactured Goods
- ➢ Traded Goods

No operating segments have been aggregated to form the above reportable operating segments.

The Chief Operation Decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Whole Operations of the Company are within India only.

A) Segment Information

(₹ in Lakh)

Particulars	Year ended 31st March, 2022			Year ended 31st March, 2021		
	Manufactured Products	Traded Products	Total	Manufactured Products	Traded Products	Total
Revenue:						
External customers	**3,19,869.72**	**-**	**3,19,869.72**	2,16,137.31	-	2,16,137.31
Total Revenue	**3,19,869.72**	**-**	**3,19,869.72**	2,16,137.31	-	2,16,137.31
Income/ (Expenses):						
Depreciation and amortization	**8,145.72**	**-**	**8,145.72**	8,176.42	-	8,176.42
Segment Result:						
Segment Profit	**14,462.75**	**-**	**14,462.75**	10,597.93	-	10,597.93
Total Assets	**2,51,529.42**	**0.50**	**2,51,529.92**	1,72,074.61	0.50	1,72,075.11
Total Liabilities	**62,155.59**	**-**	**62,155.59**	29,406.08	-	29,406.08
Capital Employed	**1,89,373.83**	**0.50**	**1,89,374.33**	1,42,668.53	0.50	1,42,669.03
Capital expenditure	**16,753.57**	**-**	**16,753.57**	16,920.73	-	16,920.73

B) Reconciliation to amounts reflected in the financial statement

(₹ in Lakh)

Particulars	March 31, 2022		March 31, 2021	
i) Reconciliation of profit				
Segment profit		**14,462.75**		10,597.93
Add:				
Finance income	**10.35**		7.79	
Exchange Gain	**1.53**		384.26	
Less:				
Loss on Sale & Disposal of Assets	**(495.40)**		(281.14)	
Loss on derivative contract	**(42.43)**		(263.58)	
Impairment losses	**(122.43)**		-	
Finance Cost	**(5,796.98)**	**(6,445.36)**	(9,765.95)	(9,918.62)
Profit before tax		**8,017.39**		679.31

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
ii) Reconciliation of Assets		
Segment operating assets	**251,529.92**	172,075.11
Investments	**0.25**	0.25
Advance Tax & TDS (Net)	**166.33**	100.91
TOTAL ASSETS	**2,51,696.50**	1,72,176.27
iii) Reconciliation of Liabilities		
Segment operating liabilities	**62,155.59**	29,406.08
Borrowings (Short term and Long Term)	**135,766.70**	97,115.36
Interest Accrued on Borrowings	**526.00**	42.31
TOTAL LIABILITIES	**1,98,448.29**	1,26,563.75
C) Revenue from external customers		
In India	**319,869.72**	216,137.31
Outside India	**-**	-
Total revenue as per statement of profit and loss	**3,19,869.72**	2,16,137.31
D) Non-current operating assets		
In India	**112,749.07**	105,454.50
Outside India	**-**	-
TOTAL	**1,12,749.07**	1,05,454.50
E) Information about revenue from major products which is included in revenue		
Products:		
- Urea	**2,96,386.53**	2,07,558.32
- Ammonia	**23,222.26**	8,282.75
- Others	**260.93**	296.24
TOTAL	**3,19,869.72**	2,16,137.31

36. RELATED PARTY DISCLOSURES

Related party disclosure, as required by Ind AS 24, is as below:

(a)	**List of Related Parties**	
(i)	**Holding Enterprise:**	
	Krishak Bharati Cooperative Limited	
(ii)	**Joint Venture of Associate Company of Holding Enterprise:**	
	Anya Polytech and Fertilisers Private Limited	
(iii)	**Directors and Key Managerial Personnel (KMP):**	
	Dr. Chandrapal Singh Yadav	Non-Executive Director and Chairman
	Mr. Sudhakar Chowdary Vallabhaneni	Non-Executive Director
	Mr. Rajan Chowdhry	Non-Executive Director
	Mr. I. N. Bansal	Non-Executive Director (w.e.f. 20-03-2021)
	Mr. V. P. Kaushik	Non-Executive Director (w.e.f. 20-03-2021)
	Ms. Subha Tampi	Non-Executive Director (w.e.f. 20-03-2021)
	Mr. B. D. Sinha	Non-Executive Director (upto 19-03-2021)
	Mrs. Shilpi Arora	Non-Executive Director (upto 19-03-2021)
	Mr. S. Jaggia	Non-Executive Director (upto 03-05-2020)
	Mr. Sunder Singh Yadav	Non-Executive Director (w.e.f. 25-03-2022)
	Mr. R. K. Chopra	Managing Director
	Mr. M. C. Bansal	Chief Financial Officer
	Mr. Bipin C. Phuloria	Company Secretary
	Mr. Vinod Kumar Singh	Vice President (Works) (w.e.f. 01-02-2022)

(b) The following transactions were carried out with related parties: **(₹ in Lakh)**

Particulars	31.03.2022				31.03.2021			
	(a)(i)	(a)(ii)	(a)(iii)	Total	(a)(i)	(a)(ii)	(a)(iii)	Total
Sale of Goods	**1,095.76**	**-**	**-**	**1,095.76**	940.14	-	-	940.14
Sale of Electricity & others	**-**	**265.93**	**-**	**265.93**	-	324.38	-	324.38
Sale of Scrap	**-**	**0.82**	**-**	**0.82**	-	1.71	-	1.71
Services charges paid/ payable	**1,211.02**	**-**	**-**	**1,211.02**	1,275.17	-	-	1,275.17
Purchase of Bags	**-**	**2,940.16**	**-**	**2,940.16**	-	2,628.11	-	2,628.11
Reimbursement for salary & other expenses	**20.49**	**-**	**-**	**20.49**	5.01	-	-	5.01
Amount paid/payable for Rent, Electricity & Other Services	**32.28**	**-**	**-**	**32.28**	33.99	-	-	33.99
Sitting Fees	**-**	**-**	**15.60**	**15.60**	-	-	12.65	12.65
Managerial Remuneration (KMP)	**-**	**-**	**198.11**	**198.11**	-	-	131.89	131.89

(c) Closing Balances of related parties **(₹ in Lakh)**

Particulars	31.03.2022				31.03.2021			
	(a)(i)	(a)(ii)	(a)(iii)	Total	(a)(i)	(a)(ii)	(a)(iii)	Total
Amount payable - For Goods & Services	**130.44**	**165.36**	**-**	295.80	228.99	17.61	-	246.60
Other Payables	**2.00**	**8.45**	**-**	10.45	0.21	8.45	-	8.66
Amount Recoverable (Security deposit)	**2.66**	**-**	**-**	2.66	2.66	-	-	2.66
Trade Receivable	**18.54**	**22.44**	**-**	40.98	8.79	20.67	-	29.46

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year end are unsecured.

Note for Managerial Remuneration **(₹ in Lakh)**

Particulars	March 31, 2022	March 31, 2021
Short Term Employee Benefits	**192.38**	127.18
Post Employment Employee Benefits	**5.73**	4.71
Total	**198.11**	131.89

As the liability for Post Employee Benefits & Other Long Term Employee Benefits are provided on actuarial basis for the Company as a whole, amounts accrued pertaining to key managerial personnel are not included above as the same is not ascertainable.

37. FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories other than those with carrying amounts that are reasonable approximations of fair values as of March 31, 2022 were as follows:

(₹ in Lakh)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
-Equity	-	-	0.25	0.25	0.25
Total	**-**	**-**	**0.25**	**0.25**	**0.25**

The carrying value and fair value of financial instruments by categories other than those with carrying amounts that are reasonable approximations of fair values as of March 31, 2021 were as follows:

(₹ in Lakh)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments					
-Equity	-	-	0.25	0.25	0.25
Total	**-**	**-**	**0.25**	**0.25**	**0.25**

Notes:

1) The management assessed that Fair Value of Cash & Cash Equivalents, Other Bank Balances, Trade Receivables, Other Current Financial Assets, Trade Payables, Short Term Borrowings, Long Term Floating Rate Loans and Other Current Financial Liabilities approximate their carrying amounts.
2) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

(₹ in Lakh)

Particulars	Carrying Cost As at March 31, 2022	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Assets				
Investments in equity instruments	0.25	-	0.25	-
TOTAL	**0.25**	**-**	0.25	**-**

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

Assets				
Investments in equity instruments	0.25	-	0.25	-
TOTAL	**0.25**	**-**	0.25	**-**

Methods and assumptions

The following methods and assumptions were used to estimate the fair values:

- The investment in Equity Shares have been valued based on the condition of loan attached. The Shares will be redeemed at par at the closure of limits and hence have been carried at par value.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is Interest Rate Risk.

The Company's principal financial liabilities comprise Borrowings, trade and other payables, security deposits, employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, Other Financial Assets and cash/ cash equivalents that derive directly from its operations. The Company also holds investments and enters into derivative transactions.

Company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk relating to interest rate, foreign currency exchange rates. Senior management oversees the management of these risks with appropriate financial risk governance framework for the Company.

i. Market risk

Market risk is the risk where the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2022 and March 31, 2021.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company uses derivative financial instruments such as foreign exchange forward contracts depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations and interest rate.

a) Foreign Currency Risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Company manages its foreign currency risk through hedging. The hedging is mostly undertaken through forward contracts. The following table analyzes **unhedged** foreign currency risk from financial instruments as of March 31, 2022 (this represents procurement of material/ services at plant).

(₹ in Lakh)

Particulars	₹ Equivalent of USD	₹ Equivalent of Euro	Total
Trade payables	(5.33)	(79.58)	(84.91)
Net assets / (liabilities)	**(5.33)**	**(79.58)**	**(84.91)**
The following table analyzes foreign currency risk from financial instruments as of March 31, 2021:			
Trade payables	(0.84)	(109.56)	(110.40)
Net assets / (liabilities)	**(0.84)**	**(109.56)**	**(110.40)**

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

(₹ in Lakh)

Particulars	Impact on Profit & Loss Account	
	March 31, 2022	March 31, 2021
USD Sensitivity absolute impact	**0.27**	0.04
Euro Sensitivity absolute impact	**3.98**	5.48

Note: The Sensitivity has been based taking 5% variation in the value of Foreign Currency.

For the year ended March 31, 2022 and March 31, 2021, every percentage point depreciation/ appreciation in the exchange rate between the Indian rupee and FY currency has affected the Company's Net Profit by approximately 0.01% and 0.17%, respectively.

b) Exposure to Interest Risk

The Company is also exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows of a financial instrument, principally financial debt. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term debt obligations with floating interest rates.

Interest Rate Risk Exposure (₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Borrowings (Floating Rates)	**73,657.83**	50,667.13

Sensitivity (₹ in Lakh)

Particulars	Impact on Profit & Loss Account	
	March 31, 2022	March 31, 2021
Interest Rate Increase by 0.50%	**368.29**	253.34
Interest Rate decrease by 0.50%	**368.29**	253.34

The assumed movement in interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

c) Derivative financial instruments

i) The Company does not hold any derivative financial instruments except Interest Rate Swaps to mitigate interest rate risk for non-convertible debentures. The mark-to-market gain/ loss on the interest rate swaps have been accounted for and net loss of ₹42.43 lakh (PY-NIL) is considered in books of accounts.

ii) Credit risk

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive analysis and outstanding customer receivables are regularly monitored.

Ageing Analysis of Trade Receivables (₹ in Lakh)

Particulars	As 31st March, 2022		As 31st March, 2021	
	Upto Six Months	More than Six Months	Upto Six Months	More than Six Months
Secured	-	-	-	-
Unsecured	**77,573.02**	**4,877.37**	36,626.20	4,991.76
Total	**77,573.02**	**4,877.37**	36,626.20	4,991.76

iii) Liquidity risk

Company monitors its risk of a shortage of funds diligently. The Company seeks to manage its liquidity requirement by maintaining access to both short term and long term debts from banks, money market and debt market. Company has committed credit facilities from banks.

Company's objective is to maintain a balance between continuity of funding and flexibility through the use of Bank overdrafts, Cash Credits, Working Capital Term Loans, Commercial papers, Debentures etc. The Company has access to a sufficient variety of sources of funding.

Approximately 55.52% of the Company's debt will mature in less than one year at 31 March 2022 (31 March 2021: 44.55%) based on the carrying value of borrowings reflected in the financial statements. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2022:

(₹ in Lakh)

Particulars	**Less than 1 year**	**1-2 years**	**2-4 years**	**4-7 years**	**Total**
Borrowings & Lease Liabilities	75,800.50	39,101.44	21,390.77	233.09	1,36,525.80
Trade payables	44,856.53	-	-	-	44,856.53
Other financial liabilities *	7,341.54	-	-	-	7,341.54
Total	**1,27,998.57**	**39,101.44**	**21,390.77**	**233.09**	**1,88,723.87**

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2021:

(₹ in Lakh)

Particulars	**Less than 1 year**	**1-2 years**	**2-4 years**	**4-7 years**	**Total**
Borrowings & Lease Liabilities	43,698.02	8,950.00	43,329.09	1,412.18	97,389.29
Trade payables	15,425.88	-	-	-	15,425.88
Other financial liabilities *	6,479.71	-	-	-	6,479.71
Total	**65,603.61**	**8,950.00**	**43,329.09**	**1,412.18**	**1,19,294.88**

* Excluding interest accrued, which is included in Borrowings

39. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is Long Term Borrowings divided by total Equity plus Long Term Borrowings.

(₹ in Lakh)

Particulars	March 31, 2022	March 31, 2021
Long Term Borrowings (Including Current Maturities of LTD + Interest Accrued)	**67,634.87**	59,451.96
Equity	**53,248.21**	45,612.52
Capital and Long Term Borrowings	**1,20,883.08**	1,05,064.48
Gearing Ratio	**0.56**	0.57

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the period ended 31st March 2022 and 31st March 2021.

40. Disclosure as per Ind AS 116 'Leases'

A) Land

The Company acquires land on leasehold basis for a period of 99 years from the government authorities which can be renewed further based on mutually agreed terms and conditions. The leases are non cancellable. These leases are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Future lease rentals are recognised as 'Lease liablities' at their present values. The Right-of-use land is amortised considering the signifcant accounting policies of the Company.

(i) The following are the carrying amounts of lease liabilities recognised and the movements during the period:

(₹ in Lakh)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Balance	**231.62**	230.26
- Additions in lease liabilities	**-**	-
- Interest cost during the year	**17.27**	17.16
- Payment of lease liabilities	**15.80**	15.80
Closing Balance	**233.09**	231.62
Current	**-**	-
Non Current	**233.09**	231.62

(ii) Maturity Analysis of the lease liabilities: **(₹ in Lakh)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contractual undiscounted cash flows		
3 months or less	**15.80**	15.80
3-12 Months	**-**	-
1-2 Years	**15.80**	15.80
2-5 Years	**47.40**	47.40
More than 5 Years	**1,311.27**	1,327.06
Lease liabilities as at 31 March 2022	**1,390.27**	1,406.06

(iii) The following are the amounts recognised in the Statement of profit & loss: **(₹ in Lakh)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation expense for right-of-use assets	**135.15**	135.15
Interest expense on lease liabilities	**17.27**	17.16
Expense relating to short-term leases	**-**	-

(iv) The following are the amounts disclosed in the cash flow statement: **(₹ in Lakh)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Outlow from leases	**15.80**	15.80

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	**15.80**	15.80
Between one and two years	**15.80**	15.80
Between two and three years	**15.80**	15.80
Between three and four years	**15.80**	15.80
Between four and five years	**15.80**	15.80
More than five years	**1,311.27**	1,327.06
Total	**1,390.27**	1,406.06

B) Other Leases (As Lessee)

The Company's significant leasing arrangements are in respect of operating lease of premises for the office of the Company. This leasing agreement is usually renewable on mutually agreed terms but is cancellable. These payments are shown as "Rent" in Note No. 30 of "Other Expenses".

41. OTHER NOTES

a) Stamp Duty

Collector Stamps/District Magistrate, Shahjahanpur passed an order dated 13/08/2008 observing that the deed of mortgage executed on 31/01/2006 between M/s Oswal Chemicals & Fertilizers Limited, UTI Bank Limited (Security Trustee) and the Company, will attract stamp duty of ₹ 190 crore (the amount revised from ₹ 190 lakh to ₹ 190 crore upon rectification application and subsequent order by Collector of Stamps) and also served an order for recovery on the Company. Aggrieved by the order, the Company has preferred an appeal before the Chief Controlling Revenue Authority, Uttar Pradesh and filed stay petition before the Hon'ble High Court of Allahabad. In response, the Hon'ble High Court of Allahabad granted stay on recovery proceedings. The Chief Controlling Revenue Authority (CCRA) pronounced the judgment against the Company. The Company had filed a writ petition before the Allahabad High Court against the judgment of CCRA. The writ petition was admitted wherein it was decided that till the next date of listing, the operation of the order passed by the Collector Stamp, Shahjahanpur and that of the CCRA shall remain stayed. The matter is pending as on balance sheet date.

Pending final award, based on legal opinion by an expert obtained by the Company, the Company has not made any provision in respect of aforesaid demand, and however, the same has been disclosed as contingent liability.

b) Claim Pending Settlement

During the year 2006-07, the Company had paid stamp duty of ₹ 190.80 crore on transfer/registration of Assets acquired from M/s Oswal Chemicals & Fertilizers Limited vide sale agreement dated 31st March 2006. The Company had paid the amount of stamp duty as finalized by Additional District Magistrate (F&R) (ADM)(F&R), Collector of Stamps, Shahjahanpur on total sale consideration of ₹ 1908 crore. The Company has filed an appeal before the Board of Revenue, Uttar Pradesh for refund of total Development Tax amounting to ₹ 38.16 crore paid at the rate of 2% in respect of all assets and stamp duty amounting to ₹ 19.54 crores paid on Leasehold Land, Site Development, intangible Assets/benefits and Current Assets, challenging the levy of the same. Upon dismissal of appeal by Board of Revenue, UP, the Company has filed a writ petition before the Hon'ble High Court, Allahabad challenging the order passed by Board of Revenue.

Hon'ble High Court has allowed the writ petition in part and the orders of ADM (F&R), Shahjahanpur and Chief Controlling Revenue Authority have been set aside. The matter has been remanded back to ADM (F&R), Shahjahanpur to decide the case afresh in the light of the observations made in the order of the Hon'ble High Court after giving opportunity of hearing to the Company.

Pending final outcome, the sum of ₹ 57.70 crore paid by the Company (based on actual computation) has been disclosed as "Stamp Duty paid under protest" under the head "Other Current Assets" of the financial Statement. However, for the purpose of Income Tax, based on the advice received from Tax Consultant, the Company has claimed the depreciation on the same in the Income Tax Return filed for the assessment years 2006-07 (revised), 2007-08 and thereafter.

c) Information in respect of Micro, Small and Medium Enterprises as required by The Micro, Small and Medium Enterprises Development Act, 2006 as at:

(₹ in Lakh)

Sr. No.	Particulars	2021-22	2020-21
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
	(i) Principal Amount Due	**24.69**	156.17
	(ii) Interest due thereon	**Nil**	Nil
2	The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year as announced by any dispute resolution council/authority	**Nil**	Nil
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act:	**Nil**	Nil
	(i) Payment made to supplier (Other than interest) beyond the appointed day during the year	**Nil**	Nil
	(ii) Interest paid to supplier on principal amount paid beyond the appointed day during the year	**Nil**	Nil
	(iii) Interest due and payable to supplier on principal amount paid beyond the appointed day during the year	**Nil**	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	**Nil**	Nil
5	The amount of 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.	**Nil**	Nil

The above information has been provided to the extent such parties have been identified on the basis of information available with the Company.

d) Balances of some of the Contractors/ Customers/ Suppliers/ Receivables/ Payable and deposits with others are subject to confirmation/ reconciliation and consequential adjustments, if any, which in the opinion of management would not be material.

e) All the Financial Assets and Liabilities are carried at amortized cost except for following:

1) Equity Instruments in Saraswat Bank Fair Value through Other Comprehensive Income.

2) Derivative Instruments (Forward Contract) / Interest Rate Swaps at Fair Value through Profit or Loss Account.

f) There are no significant subsequent events that would require adjustments or disclosures in the Financial Statements as on the Balance Sheet date.

g) Corporate social responsibilities are not applicable to the Company considering the average net profit for the last three preceding financial years.

h) **Additional disclosures as required under schedule III of the Companies Act 2013.**

1. Title deeds of all immovable properties are held in name of the Company as at 31st March 2022.

2. The Company does not hold any Investment Property in its books of accounts, so fair valuation of investment property is not applicable.

3. The Company has not revalued any of its Property, Plant & Equipment in the current year & last year.

4. The Company has not revalued any of its Intangible assets in the current year & last year.

5. The Company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.

6. Disclosures related to Capital Work-in-Progress

(i) Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31st March 2022 **(₹ in Lakh)**

Capital-Work-in Progress (CWIP)	Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31st March 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	10,477.12	10,083.01	413.69	427.73	21,401.55
Projects temporarily suspended	-	-	-	-	-

(ii) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31st March 2021 **(₹ in Lakh)**

Capital-Work-in Progress (CWIP)	Capital-Work-in Progress (CWIP) - Ageing Schedule as at 31st March 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	16,220.03	8,062.29	222.38	595.70	25,100.40
Projects temporarily suspended	-	-	-	-	-

(iii) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31st March 2022 **(₹ in Lakh)**

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Up to 31 March 2023	1 April 2023 to 31 March 2024	1April 2024 to 31 March 2025	Beyond 1 April 2025	
Railway Siding Project	19,063.83	-	-	-	19,063.83
Ammonia Storage Tank	1,742.09	-	-	-	1,742.09

(iv) Capital-Work-in Progress (CWIP) - Completion schedule for projects overdue or cost overruns as compared to original plan as on 31st March 2021 **(₹ in Lakh)**

Capital-Work-in Progress (CWIP)	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Up to 31 March 2022	1 April 2022 to 31 March 2023	1April 2023 to 31 March 2024	Beyond 1 April 2025	
Railway Siding Project	-	10,672.55	-	-	10,672.55
Ammonia Storage Tank	-	59.83	-	-	59.83

7. Company is not having any transaction with the Companies struck off under the Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956.

8. There are no charges or satisfaction which are to be registered with ROC beyond statutory period.

9. There is no material difference in the Quarterly returns and statement of current assets filed by the Company with bankers with regard to working capital limits.

10. The Company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.

11. Ratios as required under schedule III of Companies Act.

Ratio	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	1.01	0.91	11%	
Debt-equity ratio	Paid-up debt capital (Long term borrowings+Short term borrowings)	Shareholder's Equity (Total Equity)	2.55	2.13	20%	
Debt service coverage ratio	(Profit After Tax + Interest + Depreciation + Loss/(Gain) on Sale of Property Plant & Equipment)	Finance Costs + lease payments + Scheduled principal repayments of long term borrowings	1.91	0.67	185.87%	The EBIDTA is improved due to increase in efficeincy, lesser finance cost and lower scheduled principal repayments.
Return on equity ratio	Profit for the year	Average Shareholder's Equity	16.22%	1.50%	982%	The ratio is increased significantly due to the significant improvement Key Performance Indicators & finance cost of the Company.
Inventory turnover ratio	Revenue from operations	Average Inventory	31.28	15.91	97%	The higher inventory turnover ratio shows the efficiency of Company to liquidate stock and convert it into sale.
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.16	2.21	133%	The higher ratio indicates efficiency of Company to make better realisation from debtors and allow lower credit period.
Trade payables turnover ratio	Total Purchases (for Material Consumed) + Other Expenses (excluding non-cash item) +Closing Inventory*- Opening Inventory*) *(Inventory excluding Finished Goods & Stock in Process)	Closing Trade Payables	6.44	11.73	-45%	The lower trade payable turnover ratio due to higher credit period offered for by creditors.

Net capital turnover ratio	Revenue from operations	Working Capital + current maturities of long term borrowings	43.84	##	-227%	On account of better cash profit earned during the year.
Net profit ratio	Profit for the year	Revenue from operations	2.51%	0.31%	697%	The ratio is increased significantly due to the significant improvement Key Performance Indicators & finance cost of the Company.
Return on capital employed	Earning before interest and taxes	Capital Employed	7.31%	7.32%	-0.13%	

Being net working capital negative

12. Trade Receivable Ageing

(a) Trade Receivables ageing schedule as at 31st March 2022: **(₹ In Lakh)**

Particulars	**Unbilled**	**Not Due**	**Outstanding for following periods from due date of payment**					**Total**
			Less than 6 month	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
(i) Undisputed Trade receivables – considered good	70,510.57	338.24	5,455.16	-	0.04	5.16	6.14	76,315.31
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	1,254.45	-	-	12.60	1.99	-	4,866.01	6,135.05
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**71,765.02**	**338.24**	**5,455.16**	**12.60**	**2.04**	**5.16**	**4,872.15**	**82,450.38**

(b) Trade Receivable as at 31st March 2021: (₹ In Lakh)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	34,633.07	548.79	64.15	-	115.10	-	10.64	35,371.76
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	1,380.19	-	-	-	-	-	4,866.01	6,246.20
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**36,013.26**	**548.79**	**64.15**	**-**	**115.10**	**-**	**4,876.66**	**41,617.96**

13. Trade Payable Ageing

(a) Trade Receivables ageing schedule as at 31st March 2022: (₹ In Lakh)

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	24.69	-	-	-	-	24.69
(ii) Others	456.46	44,343.11	32.27	-	-	-	44,831.84
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**456.46**	**44,367.80**	**32.27**	**-**	**-**	**-**	**44,856.53**

(b) Trade Payables ageing schedule as at 31st March 2021 (₹ In Lakh)

Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	156.17	-	-	-	-	156.17
(ii) Others	1,287.02	13,934.36	48.34	-	-	-	15,269.72
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**1,287.02**	**14,090.53**	**48.34**	**-**	**-**	**-**	**15,425.88**

i) Disclosure as per Ind AS 8-Accounting Policies, Changes in Accounting Estimates & Errors.

Standards/ Amendments but not yet effective

Ministry of Corporate Affairs (MCA) vide notification dated 23/3/2022 has notified Companies (Indian Accounting Standards) Amendment Rules, 2022, wherein certain accounting standards are amended w.e.f 01/04/2022 such as Ind AS 16 – Property, Plant & Equipment, Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, Ind AS 103 – Business Combinations, Ind AS 109 – Financials Instruments & Ind AS 101 – First Time Adoption.

These amendments have no material impact on the Company.

j) Previous year's figures have been regrouped/ rearranged wherever considered necessary for comparative purpose.

FOR S. K. MEHTA & CO.
Chartered Accountants
[Firm Reg. No. 000478 N]

FOR AND ON BEHALF OF BOARD OF DIRECTORS

ROHIT MEHTA Partner Membership No.: 091382	**RAJAN CHOWDHRY** Director	**R. K. CHOPRA** Managing Director
Place : Noida Date : 09.05.2022	**M. C. BANSAL** Chief Financial Officer	**BIPIN C. PHULORIA** Company Secretary