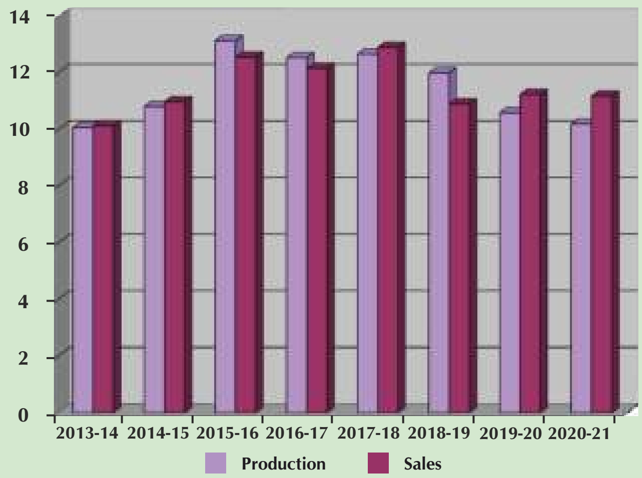
39TH Annual Report 2020-2021

JAI KISAAN

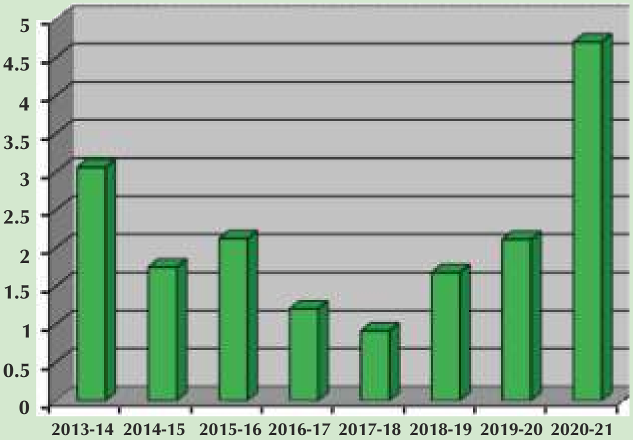
NAVRATNA

PARADEEP PHOSPHATES LIMITED

Production and Sales of Manufactured Fertilizers (MT in Lacs)

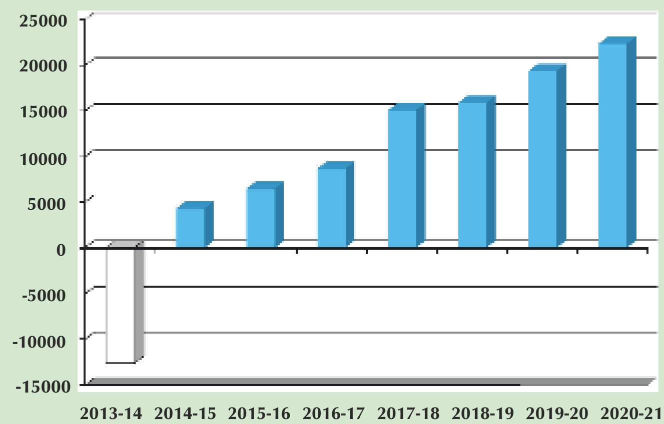


Sales of Traded Fertilizers (MT in Lacs)

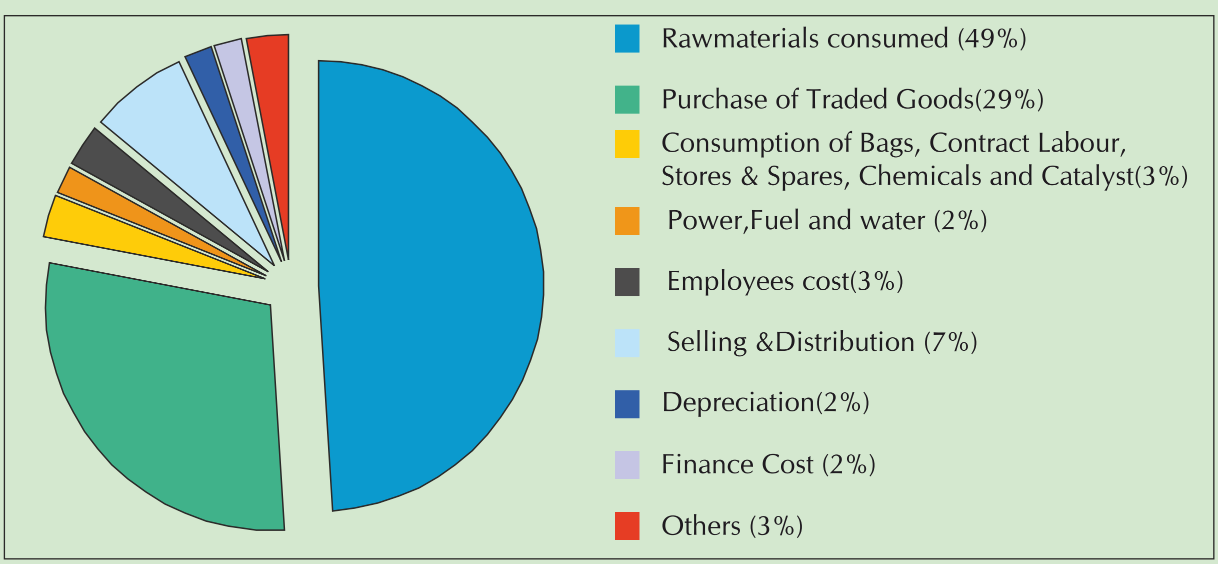


Revenue from Operations (₹ in lacs)

Profit after Tax (₹ in lacs)



Distribution of Expenses (%)



PARADEEP PHOSPHATES LIMITED

39th Annual Report
2020 - 21

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Corporate Information

BOARD OF DIRECTORS	: Mr. S. K. Poddar, Chairman
	: Mr. N. Suresh Krishnan, Managing Director
	: Ms. Kiran Dhingra, Independent Director
	: Mr. Marco Wadia, Independent Director
	: Mr. Mohamed Soual, Director
	: Mr. Satyananda Mishra, Independent Director
	: Mr. Dipankar Chatterji, Independent Director
SENIOR EXECUTIVES	: Mr. Ranjit Singh Chugh, Chief Operating Officer (Manufacturing, Projects, Unit HR)
	: Mr. Sabaleel Nandy, President & Chief Operating Officer (Strategy, Supply Chain & Commercial)
	: Mr. Harshdeep Singh, Vice President (Sales & Marketing)
	: Mr. Pranab Bhattacharyya, Chief Manufacturing Officer
	: Mr. Alok Saxena, Head of Corporate Finance
COMPANY SECRETARY	: Mr. Sachin Patil
AUDITORS	: M/s. BSR & Co. LLP Chartered Accountants Godrej Waterside, Unit No. 603, 6th Floor, Tower1, Sector V, Salt Lake, Kolkata, West Bengal- 700091, India
BANKERS	: State Bank of India
	: Canara Bank
	: Punjab National Bank
	: HDFC Bank
	: ICICI Bank
	: Axis Bank
	: DBS Bank India Limited
	: Bank of India
REGISTERED OFFICE	: 5th Floor, Bayan Bhavan, Pandit Jawaharlal Nehru Marg Bhubaneswar - 751 001, Odisha
PLANT SITE	: PPL Township Paradeep - 754 145 Dist. - Jagatsinghpur, Odisha

TEN YEARS' PERFORMANCE PROFILE

	Particulars	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21
A.	**PRODUCTION & SALES (in '000 MT)**										
	Production										
	DAP and Complex	1022	941	1008	1083	1315	1254	1267	1201	1061	1022
	% of capacity utilisation	142	131	140	150	183	174	176	167	147	142
	Sales : Manufactured Fertilisers										
	DAP and Complex	1026	914	1015	1100	1257	1217	1291	1093	1126	1120
	Sales : Traded Fertilisers										
	DAP and Complex	353	529	233	42	125	65	44	82	125	268
	UREA	-	11	-	-	-	-	-	-	-	-
	MOP	89	58	73	133	87	55	47	86	86	202
B.	**BALANCE SHEET (₹ in Lacs)**										
	Equity & Liabilities										
	Authorised share capital	100000	100000	100000	100000	100000	100000	100000	100000	100000	100000
	Paid-up Capital	57545	57545	57545	57545	57545	57545	57545	57545	57545	57545
	Reserve & Surplus	46271	56630	44041	50956	58162	67082	81999	90735	102862	125293
	Liabilities (Current & Non Current)	189131	331237	254123	252093	365868	326753	266368	405796	330407	249289
	Provisions (Current & Non Current)	10616	8620	5681	5544	6542	7109	7238	8699	10272	10277
	Total	**303563**	**454032**	**361390**	**366138**	**488117**	**458489**	**413150**	**562775**	**501086**	**442404**
	Assets										
	Non Current :										
	Fixed Assets (Tangible & Intangible)	23984	29735	34575	36836	95499	93231	100789	102434	121403	122621
	Capital Work in Progress (2)	5469	8991	32980	51874	15043	24341	21458	25481	14904	22006
	Deferred Tax Assets	2756	(639)	-	3349	4918	3357	788	-	-	-
	Other Assets	-	-	-	4307	6067	5291	5428	3322	4257	3934
	Current :										
	Inventories	67533	68476	54183	76402	70889	72447	65970	142182	107854	89905
	Investments	-	-	-	-	-	-	-	-	-	12204
	Trade Receivables	155059	276551	176983	135867	233310	223249	191547	234215	214890	115559
	Cash & Bank Balances	349	10560	4400	4848	3554	1512	2983	2012	582	9320
	Other Assets (Current & Non Current)	48413	60358	58269	52655	58837	35061	24187	53129	37196	66855
	Total	**303563**	**454032**	**361390**	**366138**	**488117**	**458489**	**413150**	**562775**	**501086**	**442404**
C.	**NET WORTH (₹ in Lacs)**	**103816**	**114175**	**101586**	**108501**	**115707**	**124627**	**139544**	**148280**	**160407**	**182838**
D.	**PROFIT & LOSS (₹ in Lacs)**										
	Revenue from Operations (Net)	472608	527261	423107	415875	479836	369671	379657	435791	419287	516473
	Other income	4593	6330	5820	5407	3917	5264	2013	3930	3491	1921
	Total	**477201**	**533591**	**428927**	**421282**	**483753**	**374935**	**381669**	**439721**	**422778**	**518394**
	Expenses:										
	Cost of Sales excluding Depreciation & Amortisation and Finance Cost	444703	503511	419982	400829	455624	331788	337212	391637	373312	462249
	Earning before depreciation and amortisation, finance cost and tax	**32498**	**30080**	**8945**	**20453**	**28129**	**43147**	**44457**	**48084**	**49466**	**56145**
	Depreciation and amortisation expenses	2445	2605	2474	3369	2897	5830	6182	7010	7248	8333
	Finance cost (Net)	4127	14301	19881	13090	19256	24200	15923	15926	19179	11143
	Tax including Deferred Tax	8155	6518	(639)	-	(225)	4426	7385	9082	3812	14337
	Taxation expenses credited	-	(3703)	(182)	(339)	(308)	-	(91)	161	(178)	(13)
	Net Profit/(Loss)	**17771**	**10359**	**(12589)**	**4333**	**6509**	**8691**	**15058**	**15905**	**19405**	**22346**
	Other comprehensive income net of tax	-	-	-	-	698	228	(141)	(231)	(341)	85
	Total comprehensive income for the year	-	-	-	-	7207	8919	14917	15674	19064	22431

Notes :
1. Relevant Previous Years' figures have been re-arranged /regrouped, wherever necessary, to make them comparable with the Current Years' figures.
2. Includes Pre-operative and Trial run expenses (pending allocation).

BOARD'S REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021
Under Section 134(3) of the Companies Act, 2013

To
The Members,
Paradeep Phosphates Ltd.

Your Directors have pleasure in presenting the 39th Annual Report on the business and operations of the Company together with the Audited Financial Statements and Auditors' Report for the financial year ended 31st March 2021 containing the matters as required under Section 134(3) of the Companies Act, 2013 (the Act) and Companies (Accounts) Rules, 2014 (the Rules).

1. Highlights of the Physical and Financial performance during the year :

During the year under review, the highlights of the performance of your Company were as under-:

A. Physical performance : (in MT)

Description		2020-21	2019-20
Production:	DAP and NPK	**1021892**	1060730
	Phosphoric Acid	**290520**	262830
	Sulphuric Acid	**1058240**	1008115
	Captive Power Plant (MWH)	**180639**	183431
Sales :	DAP and NPK	**1120089**	1126371
	Sulphuric Acid (OWN + Purchased)	**176744**	90552
	Imported Fertilisers and other Traded Goods	**591418**	275387
	Gypsum incl. Neutralised Phospho Gypsum(NPG)	**1205347**	914422

B. Financial performance : (₹ in Crore)

Description	2020-21	2019-20
Total Income	**5183.94**	4,227.78
Profit / (Loss) before Finance Cost, Depreciation and Tax (EBITDA)	**561.46**	494.66
Less : Finance Cost	**(111.43)**	(191.79)
Less : Depreciation	**(83.33)**	(72.48)
Profit / (Loss) Before Tax	**366.70**	230.39
Less : Provision for Tax / including Deferred Tax	**(143.24)**	(36.34)
Add: Other Comprehensive Income	**(0.85)**	(3.41)
Total Comprehensive Income for the year	**224.31**	190.64

Review of Operations:

The total revenue for the year ended 31st March, 2021 was Rs. 5183.94 crores as compared to Rs. 4227.78 Crores for the previous year ended 31st March, 2020. The profit before tax for the year ended 31st March, 2021 was Rs. 366.70 crores as compared to Rs. 230.39 Crores for the previous year ended 31st March, 2020.

During the year with a view to (i) increase the size of Company, with a product portfolio comprising both Phosphatic and Nitrogenous fertilizers; and (ii) accessing the markets serviced and products and brand offered by Zuari Agro Chemicals Limited (ZACL), on March 1, 2021, Your Company entered into a Business Transfer Agreement ("BTA") with ZACL for the purchase of its fertilizer plant in Goa as a going concern on a slump sale basis, for a total consideration equal to the Enterprise Value of INR equivalent of US$ 280.00 million, subject to necessary adjustments as specified in the BTA and further subject to regulatory and statutory approvals and customary conditions precedent. Upon the completion of the Goa Transaction, our Company will acquire the business of developing, manufacturing and trading of urea and NPK products carried out at the Goa Facility.

Impact of the On-going COVID-19 pandemic on our Business and Operations

On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown announced on March 24, 2020. Since the onset of COVID-19, we have recorded positive cases within our business, including for some of our management team, as well as cases within our supply chains. This second wave has also resulted in additional lockdowns throughout India.

Impacts that we have observed to our business and operations since the beginning of the COVID-19 pandemic include:

- **Plant operations** – precautions relating to movement and social distancing imposed by district authorities has limited the total workforce we can accommodate within certain parts of our plant operations. We are currently limited to approximately 75% of our typical workforce because of such precautions.
- **Supply chain** – we have experienced a shortage of labor at many "rake points" (i.e., the destination point for rail cargo) and at all "godowns" (or warehouses) which slowed or temporarily halted our operations.
- **Sales and marketing** – certain state borders were closed by state governments and the closure of the Agricultural Produce Market Committee, as well as bazaars, shops and mandis (agricultural markets) for periods during lockdowns resulted in a significant reduction in the daily direct face-to-face contact of our field force with dealers/retailers/farmers. Such closures also resulted in less fertilizer movement which led to

a reduction in PoS sales and the generation of fresh primary sales

In response to the COVID-19 pandemic, we initiated a response team consisting of personnel from our human resources, administration, security, management and communications teams, as well as medical advisors to monitor, track, trace and assist employees with COVID-19 matters. We have also facilitated COVID-19 testing, initiated fever clinics, distributed sanitizer machines within our operations, are providing free vaccinations to our employees,. We also initiated arrangements for parts of our workforce to remain within the plant premises so that certain operational activity could continue and be optimized during COVID-19 restrictions. In doing so, we also provide personal protective equipment during this time, such as masks and sanitizers.

2. State of the Company's Affairs at the end of the year:

(₹ in Crore)

Description	2020-21	2019-20
EQUITY & LIABILITIES		
Shareholders' Fund :		
- Share Capital	**575.45**	575.45
- Reserves & Surplus	**1,252.93**	1,028.62
- Non-current Liabilities	**226.27**	188.51
- Current Liabilities	**2,369.38**	3,218.28
TOTAL EQUITY & LIABILITIES	**4,424.04**	**5,010.86**
ASSETS		
- Non-current Assets	**1,485.61**	1,405.65
- Current Assets	**2,938.43**	3,605.21
TOTAL ASSETS	**4,424.04**	**5,010.86**

3. Change in the nature of business of the Company:

There was no change in the nature of business of the Company during the year.

4. Material Changes Or Commitments:

There were no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statement relates and the date of this report.

5. Further issue of shares by Initial Public Offer (IPO):

Your Company was actively considering raising of funds for financing expansion / acquisition of business / assets for pursuing a dual strategy of organic and inorganic growth, the proposal for further issue of shares through an IPO, and consequent listing of the Company on the stock exchanges was considered and approved by Board of Directors.

Further the Board at its meeting held on 4th November 2020 approved reclassification of Authorised capital of the company and also the subdivision of face value of share of the company from existing Rs. 1000/- per equity shares to Rs. 10/- per equity shares, subject to the approval of the shareholders at the Extra ordinary General Meeting of the Company.

6. Amount which the Company proposes to carry to any reserves:

Board of Directors has not proposed to carry any amount to any reserve account during the year.

7. Amount which the Company recommends for payment by way of dividend:

Your Directors do not recommend any dividend for the financial year 2021.

8. Particulars of Loans, Guarantees or Investments under Section 186 of the Act:

The details of Loans given, Corporate Guarantees provided and Investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 are given in Note No. 46 of the financial statements.

9. Particulars of contracts or arrangements with Related Parties:

Transactions entered by the Company with its related parties were on an arm's length basis and/or ordinary course of business. Suitable disclosures as required under Ind AS-24 have been made in Note No. 31 to the Financial Statements. The Company had not entered into any arrangement/ transaction with related parties which is material in nature and accordingly the disclosure of Related Party Transactions in Form AOC-2 is not applicable.

10. Details relating to the Deposits covered under Chapter-V of the Act:

The Company has not accepted deposits, covered under Chapter-V of the Act, in the past or during the year.

11. Details of Directors appointed / resigned during the year:

Mr. S. K. Poddar, Ms. Ghislane Guedira, Mr. Mohamed Soual, Mr. N. Suresh Krishnan are the nominees of Zuari Maroc Phosphates Pvt. Ltd., Mr. Prabhas Kumar and Mr. Vinay Kumar Pandey are the nominees of the Government of India on the Board of the Company. Mr. Marco Wadia, Ms. Kiran Dhingra and Mr. Satyananda Mishra are on the Board of the Company as Independent Directors.

During the year Mr. Mohamed Belhoussain ceased to be Director on the Board with effect from 21st January 2021. Mr. Satyananda Mishra has been appointed as additional / Independent Director for a period of 3 years w.e.f. 4th November, 2020.

Under the provisions of Section 152(6) of the Act, Mr. Mohamed Soual is liable to retire by rotation at the ensuing Annual General Meeting and are eligible for reappointment.

12. Details of Key Managerial Personnel during the year:

Pursuance of Section 203 of the Act, the details of Key Managerial Personnel during the years given below:

Mr. Sisir K Mishra, Ceased to be a Company Secretary and Key Managerial Personnel w.e.f. 31 August 2020. Mr. Sachin Patil has been appointed as a Company Secretary and Key Managerial Personnel w.e.f. 04th November 2020.

Mr. N. Suresh Krishnan, Managing Director, Mr. Sailesh Pati - Chief Financial Officer and Mr. Sachin Patil, Company Secretary have been designated as Key Managerial Personnel in accordance with provisions of Section 203 (1) of the Companies Act, 2013.

13. Statement on declaration given by the Independent Directors under Section 149(6) of the Act

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as specified in Section 149(6) of the Act and shall abide by the Code for Independent Directors as specified in Schedule- IV of the Act.

14. Board Meeting held during the year:

In compliance of the provisions in Section 173 of the Act, four Meetings of the Board of Directors of the Company were held during the year on 18th June 2020, 7th August 2020, 4th November 2020 and 11th February 2021.

The composition of the Board of Directors and their attendance at the Board Meetings held during the year is given below:

Name of the Director	No. of Board Meeting attended
Mr. S. K. Poddar, Chairman	4
Mr. N. Suresh Krishnan, Managing Director	4
Ms. Ghislane Guedira, Director	4
Ms. Kiran Dhingra, Independent Director	4
Mr. Marco Wadia, Independent Director	4
Mr. Mohamed Belhoussain, Director*	3
Mr. Mohamed Soual, Director	4
Mr. Prabhas Kumar, Director	4
Mr. Vinay Kumar Pandey, Director	4
Mr. Satyananda Mishra, Independent Director #	2

* Cease to be Director w.e.f. 21st January, 2021

appointed as Additional Director w.e.f. 4th Nov, 2020

15. Company's Policy on Directors' Appointment and Remuneration:

The Nomination & Remuneration Committee of the Board was constituted with effect from 5th March 2015 in compliance of the requirements under Section 178 of the Act. Based on the recommendation of the Committee, the Board, at its Meeting held on 4th February 2016 had formulated a Nomination & Remuneration Policy containing the criteria for appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management Personnel in addition to other matters as provided under Section 178 of the Act.

16. Committees of the Board:

(a) Audit Committee

The Audit Committee was constituted in accordance with the provisions of Section 177 of the Act 2013. The Audit Committee consisting of the following Directors:

Mr. Marco Wadia - Chairman
Ms. Ghislane Guedira - Member
Ms. Kiran Dhingra - Member

The Committee acts in accordance with the terms of reference specified by the Board. Four Audit Committee Meetings were held during the year on 18th June 2020, 7th August 2020, 04th November 2020 and 11th February 2021. During the year under review, all the recommondations made by the Audit committee were accepted by the Board.

(b) Corporate Social Responsibility (CSR) Committee

The CSR committee presently consists of the following Directors:

Mr. Marco Wadia - Chairman
Ms. Kiran Dhingra - Member
Mr. N. Suresh Krishnan - Member

The Committee acts in accordance with the provisions in Section 135 of the Act and the Rules made thereunder. During the year under review, 1 meeting of the Committee was held on 18th June 2020.

(c) Nomination & Remuneration Committee of the Board

Nomination & Remuneration Committee, constituted in accordance with the provisions of Section 178 of the Act, consists of the following Directors:

Mr. Marco Wadia - Chairman
Mr. S. K. Poddar - Member
Ms. Kiran Dhingra - Member
Mr. Mohamed Soual - Member

The Committee acts in accordance with the provisions in Section 178 of the Act. Three Nomination & Remuneration Committee Meetings were held during the year on 18th June 2020, 22nd September 2020 and 04th November 2020

17. Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors hereby confirm that:

(i) in the preparation of the annual accounts for the financial year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) 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 a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

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

(iv) the Directors had prepared the annual accounts on a going concern basis, and

(v) 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.

18. Performance evaluation of the Board, its Committees and Individual Directors:

Pursuant to the provisions of the Companies Act, 2013 the Nomination & Remuneration Committee and the Board of Directors have formulated a policy for evaluation of its own performance, of its various Committees and the individual Directors. The Board carries out evaluation in accordance with this Policy.

The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly, the evaluation of Directors was carried out on the basis of questionnaire containing criteria such as level of participation by individual directors, independent judgement by the director, understanding of the Company's business, etc.

The performance evaluation of the Board and the Committees, viz. Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee was done by all the Directors. The performance evaluation of the Independent Directors was carried out by the Board excluding the Director being evaluated. The performance evaluation of the Chairman, Executive Director, and Non-Executive Directors was carried out by all the Independent Directors. The Directors expressed their satisfaction over the entire evaluation process.

19. Auditors:

Under Section 139 of the Act and Rules made thereunder, M/s. BSR & Co. LLP, Chartered Accountants were appointed as Auditors of the Company for a period of five years commencing from the financial year 2017-18 upto 2021-22 who hold office from the conclusion of the 35th Annual General Meeting (AGM) of the Company until the conclusion of the 40th AGM. The Auditors' Report for the year 2020-21 does not contain any qualifications, reservations, adverse remark or disclaimer by the Auditors and hence do not call for any explanation or comments by the Board under Section 134(3)(f) of the Act.

During the year under review, there were no frauds reported by the Auditors to the Audit Committee or the Board under Section 143 (12) of the Companies Act, 2013.

20. Secretarial Auditors:

As required under Section 204 of the Act, the Company had appointed M/s. B. C. Debata & Associates, Practicing Company Secretaries, Bhubaneswar as Secretarial Auditor for the year 2020-21, who have submitted their Report which is annexed hereto as **Annexure-D** and forms part of this Report. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remark or disclaimer, hence do not call for any explanation or comments by the Board.

21. Cost Auditors:

Under Section 148 of the Act, M/s. S. S. Sonthalia & Co., Cost Accountants, Bhubaneswar were reappointed as Cost Auditors of the Company for the financial year 2020-21. The Cost Audit Report for the last financial year ended 31st March 2020 was filed with the Ministry of Corporate Affairs on 07th July 2020. The Company has made and maintained its accounts and cost records as specified by the Central Government under Section 148 of the Companies Act, 2013.

22. Internal Auditor:

Under Section 138 of the Act M/s. PriceWaterHouseCoopers were appointed as the external auditor for Internal Audit functions for the year to work in conjunction with the Company's own Internal Audit Wing.

23. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The information in accordance with the provisions of Section 134(3)(m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules 2014, regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo etc. is annexed hereto as **Annexure-A** and forms part of this Report.

24. Risk Management Policy for the Company:

The Board has developed and implemented a Risk Management Policy for the Company. The Policy includes, inter alia, the elements of risks which, in the opinion of the Board, may threaten the existence of the Company and their mitigation plans. The implementation of the Policy is being monitored by the Board from time to time.

25. Development and Implementation of Corporate Social Responsibility initiatives:

In accordance with the provisions of Section 135 of the Act and Companies CSR (Policy) Rules, 2014, your Company has constituted a CSR Committee of the Board. Based on the recommendation of the Committee, the Board has formulated a CSR Policy for the Company indicating the CSR activities, modalities of execution, implementation schedule, and amount of expenditure and monitor the Policy from time to time.

A detailed Report on CSR activities undertaken by the Company during the year, containing the information in the prescribed format, is annexed hereto as **Annexure-C** and forms part of this Report. The Company has spent a sum of Rs.502.86 lakhs, which includes carried forward balance of Rs.32.59 lakhs and Rs. 470.27 lakhs minimum amount required to be spent under Section 135(5) of the Companies Act, 2013.

26. Adequacy of internal financial controls with reference to the Financial Statements:

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

27. Annual Return:

Annual Return referred to in Section 92(3) of the Companies Act, 2013 will be available on the website of the Company at **www.paradeepphosphates.com**

28. Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future:

There are no significant material orders passed by the Courts/Regulators or Tribunals impacting the going concern status and Company's operations in future.

29. Name of the companies which became / ceased to be the Company's subsidiary, associate or joint venture and their Performance and financial position:

"Zuari Yoma Agri Solutions Limited", Myanmar continued as a 50:50 joint venture with Yoma Strategic Holdings Ltd. Statement containing salient features of the financial statement of the joint venture under Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed hereto as **Annexure - B.**

30. Establishment of Vigil Mechanism:

In compliance of the requirements under Section 177(9) of the Act, the Company has formulated a Vigil Mechanism which was in operation during the year.

31. New Projects:

Status of new projects during the year:

- Engineering work for 4th Evaporator of capacity 350 TPD is being taken up by Simon India Limited. Expected mechanical completion of project is July 2021.
- It was decided to put up 400 TPD Phosphoric acid plant by using Prayon Technology. Contract awarded to M/s Thyssenkrupp Industrial Solution India Pvt Limited/ Prayon (Belgium). Basic engineering is completed. Civil works is in process.
- One train of the DAP Plants was revamped based on engineering by M/s Jacobs, Lakeland (USA) & Detailed engineering and procurement assistance contract by M/s Jacobs, Mumbai. The train started back in November 2020. The second train is under revamp & is expected to start in May 2021.
- The Company has also carried out several infrastructure and improvement projects in Company's plant and township for providing better amenities to the employees.

32. Safety, Health and Environment:

Energy Management System ISO 50001 and The Integrated Management System (QMS, EMS & OHSAS) and 5S are implemented. The following actions undertaken during the year to improve safety, health and environment in the Plant:

(a) Safety Management:

- Product Stewards Excellence Certificate received which is valid up to Dec-2022 by International Fertilizer Association (IFA) for ensuring quality of its products, maintaining occupational health and safety at workplace and protecting the environment.
- 19th Annual Greentech Safety Award 2020 received for outstanding achievement in the category of "Industry Sector Safety Excellence".
- Kalinga Safety Excellence Award under Gold Category received under chemical & fertilizer sector for the performance year 2019 in recognition of exemplary efforts in maintaining best safety practices in our factory

(b) Environment Management:

- Granted & received Consent to Establish from OSPCB for installation of 3000 KVA DG set at PPL.
- Our company has received Environment Protection Award from The Fertiliser Association of India (FAI)

(c) Health and Hygiene:

The Company accords high priority to health and hygiene monitoring at work place. Employees' health assessment and occupational disease monitoring is done through periodical medical check-up. A well-equipped hospital in the campus at Paradeep works round the clock to provide health services to the employees and their families. Necessary training is imparted to employees and workers to enhance their awareness towards health related matters.

Covid-19

As per the Govt. directives, a 20 bedded COVID Care Centre was operational till Feb'21. However, looking into the second wave of Covid-19, again the Covid Care Centre is operational since 12th April, 2021. A dedicated Medical Staff is engaged for the purpose.

The company hospital has received permission for Covid vaccination as a Private Covid Vaccination Centre (PCVC) on payment basis as per the Govt. of India guidelines and the vaccination has been started from 1st April 2021 on daily basis.

Our company has successfully managed the Covid spread in our premises with the support of both Contract workers and Employees unio/ns without hampering the business during 2020-21.

33. Awards & Recognitions:

The Company won the following awards during the year 2020-21

- **FAI Award** to PPL for Environmental Protection Award in NP/NPK fertilizer plants with captive acids category in the year 2019-20. Due to Pandemic Covid-19, the programme was held through virtual platform from 7 to 9 Dec 2020 at Delhi.

- **PPL received Best Brand-Platinum Award in Corporate Excellence Award - 2021 (Category - Large Industries) - Best effort in Covid Management.**

  Mr. Ranjit Singh Chugh, Chief Operating Officer received the award from Mr. Dharmendra Pradhan, Union Minister of Petroleum & Natural Gas and Steel at a Glittering function in Bhubaneswar on 15th January '21. Mr. Naveen Patnaik, Chief Minister, Odisha was present virtually.
- **PPL received the Kalinga Safety Excellence Award 2019** under Gold Category in the Odisha State Safety Conclave 2020 held on 12.3.21.
- **PPL HR Team won the 3rd Prize in CII Industry Carnival** State Level Best Practice in Industrial Relationship Award Focus for Covid-19.
- **PPL won the 19th Annual Greentech Safety Award 2020** for outstanding achievement in the category of "Industry Sector Safety Excellence".
- Received Certificate of Appreciation in the month of Nov'2020 in favour of Mr. Nihar Kranti Rout, JGM (F&S) for making outstanding contribution to improving safety & Health at the workplace through his own as well as collective initiatives & leadership over the years from National Safety Council of India in Safety Awards 2019 towards Best Performing Safety Officer.

34. Industrial Relations

The Company undertakes a plethora of HR initiatives starting from talent acquisition, development and retention for longer period. The Company is declared as a Public Utility Service under the provisions of Industrial Dispute Act. The Employee Engagement Initiatives are customized to engage the employees in a positive and constructive way to get maximum satisfaction at the work place. QC/ Kaizen Team have been increased from 8 to 18 nos. as a part of Employee Engagement Initiative. Training calendar is designed to fill the identified Competency gaps of the employees. Skill gap is accessed taking into account of the direct input by employees on the basis of challenges in his function as depicted by him. The change in approach is to listen to the voice of employees with respect to his functional requirement. Succession planning and Leadership coaching are conducted for the high performers. Balance Score Card, the latest and best form of PMS, is adopted to appraise the performance of employees in effective and efficient manner.

In the last Financial Year, during the Pandemic Covid'19, the Plant was fully operational without any man days lost and the IR situation was normal with Industrial Peace & Harmony maintained at Plant Site.

PPL Hospital is declared as authorized Private Covid Vaccination Centre by the Govt. of Odisha and till date, we have vaccinated to the Employees as well as their family members, Contract workers and the people of nearby locality around 2000 members of the age group 45 years & above.

35. Prevention of Sexual Harassment:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and all the employees are covered under this Policy. Awareness program on Legislations and remedies related to sexual harassment of women at workplace has been conducted. No sexual harassment complaint was received during the year. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under this Act.

36. Statement of the Employees covered under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

The Statement of the Employees in receipt of remuneration beyond the limit prescribed under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto **Annexure-E** and forms part of this Report.

37. Compliance of Secretarial Standards:

The Company has complied with all applicable mandatory Board Secretarial Standards issued by the Institute of Company Secretaries of India.

38. General

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

(a) Issue of equity shares with differential rights as to dividend, voting or otherwise.

(b) Neither the Managing Director nor the Whole Time Director of the Company receives any remuneration or commission from any of its subsidiaries.

(c) No revision of the financial statements pertaining to previous financial periods during the financial year under review;

39. Acknowledgement:

Your Board of Directors take this opportunity to acknowledge the continued support and co-operation extended by the Shareholders. The Board wishes to place on record their appreciation of the continued support and co-operation extended by the Consortium of Bankers, East Coast Railway, Paradeep Port Trust, Government Departments both at the Centre and the States, Suppliers, Dealers and above all, Farmers. The Board also wishes to place on record their deep appreciation of the excellent services rendered by the Employees at all levels during the year.

For and on behalf of the Board of Directors

Date: 24th May, 2021

S. K. PODDAR
CHAIRMAN
DIN - 00008654

ANNEXURE 'A' TO THE BOARD'S REPORT
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy

(i) **The steps taken or impact on conservation of energy**

- Phase-wise replacement of conventional lights with LED lights continued in the complex. Approximately 70 % replacement is complete.
- Solar power 255 kW installed in PPL township which result in reduction of power import from captive power generation unit & grid.
- Energy Efficient motors of IE3 grade 19 numbers are being procured for replacement in existing plants.
- Optimization of recovery of steam condensate up to 90% achieved.
- Effluent treatment plant (ETP) effluent load reduced by 50% by recycling & utilization of cooling tower blow down water, boiler blow down water & pump seal water in process.

(ii) The steps taken for utilizing alternate sources of energy

- Power generation from Solar energy is continued in PPL township.

(B) Technology Absorption

(i) The efforts made towards technology absorption and the benefits derived therefrom

- For 400 TPD Phosphoric acid plant, the company has tied up with M/s Prayon Technology. Detail engineering is in progress. It will minimize the import of P2O5.
- Solar power generation and utilization at Township started

(ii) The details of technology imported during the last three years, year of import and status of absorption

The Company has imported the following technologies during the last three years which are under implementation:

- M/s. Jacobs technology was received to increase production by 15 T/H per train, reduce stack losses & improve product quality. DAP-D train was commissioned in 2020 & DAP-C train revamping is in progress.
- The heat recovery system in SAP-B stream was commissioned in the month of September-2018 which is producing additional 22 MT/ hr LP steam from acid heat. This results in significant reduction in carbon footprint as the power import from grid is reduced presently.
- M/s Prayon technology is under implementation to produce 400 TPD phosphoric acid.

(iii) The expenditure incurred on Research & Development:

The expenditure incurred during the year is Rs. 151.28 lakh including Capital expenditure of Rs. 59.02 lakhs .The following R&D activities were taken up during the year.

- New design of reactor shaft has been completed by IIT-BBSR. The agitator design is submitted and it is under execution.
- Anti-scaling agent development for graphite heat exchanger is completed at IIT-BBSR. Lab scale trials are under progress.
- Biomass Mediated Value Addition to Fertiliser Industries Waste project under waste management technology programme was collaborated with CSIR- IMMT Bhubaneswar in Oct 2020. The pilot plant procurement and site preparation is under progress at CSIR-IMMT facility.

(C) Foreign Exchange Earnings and Outgo

(₹ in crore)

	2020-21	2019-20
Foreign exchange outgo	2859.91	2274.41
Foreign exchange earnings	76.95	129.49

ANNEXURE 'B'

FORM NO. AOC. 1

Statement containing salient features of the financial statement of Joint Ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Not Applicable

Part "B": Joint Ventures/Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Zuari Yoma Agri Solutions Limited
1. Latest un-audited Balance Sheet Date	31st March 2021
2. Shares of Associate / Joint Ventures held by the company on the year end	
• Number .	5,12,500
• Amount of Investment in Joint Venture	$ 5,12,500
• Extend of Holding %	50%
3. Description of how there is significant influence	Based on the percentage of holding in the Joint Venture
4. Reason why the joint venture is not consolidated	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	(1,073,163,097) in KYAT
6. Profit / Loss for the year	
i. Considered in Consolidation	(33,445,323) in KYAT
ii. Not Considered in Consolidation	(33,445,323) in KYAT

1. Names of associates or joint ventures which are yet to commence operations - Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year - Nil.

"ANNEXURE -C
ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.

   CSR Policy of the Company includes the plans as mentioned below :

   (i) Enhancing agricultural productivity and farmers' income through agricultural research, knowledge sharing, farmer education & training and demonstration of innovative techniques;

   (ii) Promoting preventive healthcare, sanitation and making available safe drinking water.

   (iii) Promoting education, including special education and employment, enhancing vocational skills especially among children, women, elderly, the differently abled and livelihood enhancement projects;

   (iv) Promoting gender equality, empowering women, measures for reducing inequalities faced by socially and economically backward groups;

   (v) Promoting environmental sustainability, ecological balance, protection of flora and fauna, agro forestry, conservation.

   (vi) Promoting rural sports and nationally recognized sports;

   (vii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief;

   (viii) Rural development projects.

The contents of the CSR Policy have been displayed on the Company's website.

2.Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Marco P. A. Wadia	Independent Director	1	1
2.	Ms. Kiran Dhingra	Independent Director	1	1
3.	Mr. N. Suresh Krishnan	Managing Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.
   - Weblink to CSR Policy & Composition of CSR committee: **https://www.paradeepphosphates.com/csr**

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

   Not Applicable

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

   - NIL -

6. Average net profit of the company as per section 135(5)- **Rs. 23513 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5)- **Rs. 470.27 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **- NIL -**

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

   (d) Total CSR obligation for the financial year (7a+7b -7c). **Rs. 470.27 Lakhs**

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

Total Amount Spent for the Financial Year. (Rs.In Lakh)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
470.27	NIL	NA	NIL	NIL	NA

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

-1	-2	-3	-4	-5		-6	-7	-8	-9	-10	-11	
Sl. No.	Name of project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the Project (Rs. in Lakhs)	Amount spent in the current financial year (Rs. in Lakhs)	Amount transferred to Unspent CSR Account as per Section 135 (6) in Rs.	Mode of Implementation Direct (Yes/No)	Mode of Implementation	
				State	District						Name	CSR Registration Number
1	Skill Development and Livelihood promotion	5 (i), 5 (iii)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	52.00	51.72	Nil	No	Harsha Trust	CSR00001106
2	Promotion of Healthcare and WASH	5 (ii)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	55.00	65.09	Nil	No	Harsha Trust	CSR00001106
3	Promotion of Quality of Education and Educational Facilities in Villages	5 (iii)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	40.00	41.1	Nil	No	Harsha Trust	CSR00001106
4	Enhance Financial Literacy and Financial Inclusion	5 (iii), 5(iv)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	10.14	8.2	Nil	No	Harsha Trust	CSR00001106
5	Promote Environment and Biodiversity	5 (v)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	22.00	10.85	Nil	No	Harsha Trust	CSR00001106
6	Promotion of Sports at Villages and School Level	5 (vi)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	10.00	10.95	Nil	No	Harsha Trust	CSR00001106
7	Disaster mitigation, Emergency relief support and contingency	5 (viii)	Yes (Rural)	Odisha	Jagatsinghpur	1 Yr.	10.00	12.41	Nil	No	Harsha Trust	CSR00001106
8	Women Empowerment	5 (iii), 5(iv)	Yes (Slum)	Odisha	Jagatsinghpur	1 Yr.	8.00	8.04	Nil	No	Society for Children	CSR00003889
9	Skill Development and Livelihood promotion	5 (iii)	Yes (Slum)	Odisha	Jagatsinghpur	1 Yr.	10.00	14.46	Nil	No	Society for Children	CSR00003889
10	Environment and Promotion of renewable energy	5 (v)	Yes (Slum)	Odisha	Jagatsinghpur	1 Yr.	5.00	6.63	Nil	No	Society for Children	CSR00003889
11	Promotion of Education	5 (iii)	Yes (Slum)	Odisha	Jagatsinghpur	1 Yr.	10.00	11.14	Nil	No	Society for Children	CSR00003889

-1	-2	-3	-4	-5		-6	-7	-8	-9	-10	-11	
Sl. No.	Name of project	Item from the list of activities in Schedule VII to the Act.	Local Area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the Project (Rs. in Lakhs)	Amount spent in the current financial year (Rs. in Lakhs)	Amount transferred to Unspent CSR Account as per Section 135 (6) in Rs.	Mode of Implementation Direct (Yes/No)	Mode of Implementation	
				State	District						Name	CSR Registration Number
12	Healthcare and WASH	5 (ii)	Yes (Slum)	Odisha	Jagatsinghpur	1 Yr.	12.00	13.84	Nil	No	Society for Children	CSR00003889
13	Support to old age, children with no parental care, widows, Girls from economically backward families	5 (iii)	Yes (Slum)	Odisha	Jagatsinghpur	1 Yr.	6.00	5.81	Nil	No	Society for Children	CSR00003889
14	Disaster mitigation, Emergency relief support, contingency fund for COVID-19 Relief & Disease Preventive Measures	5 (ii)	Yes (Rural and Slum)	Odisha	Jagatsinghpur	2 Yr.	54.88	46.97	Nil	No	Society for Children	CSR00003889
	TOTAL						**305.02**	**307.21**				

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

-1	-2	-3	-4	-5		-6	-7	-8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (Rs. in Lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR registration number
1	Contribution to Odisha State Disaster Management Authority (OSDMA) for Combating COVID19	5 (viii)	No	Odisha		150.00	No	OSDMA	NA

(d) Amount spent in Administrative Overheads = **Rs. 13.06 Lakh**

(e) Amount spent on Impact Assessment, if applicable **- NIL -**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) = **Rs. 470.27 Lakh**

(g) Excess amount for set off, if any **- NIL -**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

- Nil -

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (Rs in Lakh.)	Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	2019-20	Nil	32.59	--	--	--	Nil
	TOTAL						

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

- Nil -

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	No. Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed/ Ongoing

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

(a) Date of creation or acquisition of the capital asset(s). **None**

(b) Amount of CSR spent for creation or acquisition of capital asset. **- NIL -**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. **- Nil -**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). **- Nil -**

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

Date: 24th May, 2021

N. Suresh Krishnan
(Managing Director)

Marco Wadia
(Chairman CSR Committee)

ANNEXURE- D

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

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

To,
The Members
Paradeep Phosphates Ltd.
5th Floor, Orissa State Handloom Weavers' Co-Operative Building, Pandit J.N Marg
Bhubaneswar, Odisha-751001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PARADEEP PHOSPHATES LIMITED (hereinafter called 'the Company')bearing CIN U24129OR1981PLC001020. Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on, 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, 2021 according to the provisions of:

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

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

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

(iv) The Company has complied with the applicable provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of **Overseas Direct Investment**. There are no External Commercial Borrowings and Foreign Direct Investment during the year under review;

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable during the period under review.**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 - **Not applicable during the period under review.**

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable during the period under review.**

d) The Securities and Exchange Board of India (Employee Stock Option and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not applicable during the period under review.**

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable during the period under review.**

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;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -**Not applicable during the period under review.**

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable during the period under review.**

And

(vi) Following industry specific laws specifically applicable to the Company.

1) The Fertilisers (Control) Order, 1985;
2) The Fertiliser (Movement Control) Order, 1973;
3) The Fertilizer (Control) (Organic, Inorganic and Mixed) Order, 1985
4) The Environment Protection Act, 1986
5) Hazardous Waste (Management & Trans-boundary Movement) Rules, 2008
6) Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989.
7) Legal Metrology Act, 2009.
8) Insecticides Act, 1968
9) Essential Commodities Act
10) Indian Boilers Act

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 Company being an Unlisted Public Limited Company has not entered into any Listing Agreement and hence not commented upon;

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

1 We have been informed by the company that steps are being taken to regularise the beneficial interest holding by the GOI nominees by filing Form MGT-6 to comply with provisions of section 89(6) of the Companies Act 2013. Consequently the Register of members will stand updated.

2 The internal auditors for the FY 2020-21 have been appointed in the Board meeting held on the 4th November, 2020. The mca filing relating the same needs to be completed.

We report that, on examination of the relevant documents and records, and based on the Company's Management representation, the Company has been regular in complying with the provisions of the Act, Rules, and Regulations etc., relating the other industry specific laws and has adequate systems to monitor and ensure its compliance.

Based on the information provided by the Company and its officers during the conduct of the audit, and also on the review of compliance reports by respective department heads and the Managing Director, duly taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanisms exist in the Company to monitor and ensure compliance with applicable other general laws.

The compliance by the Company of applicable financial laws, such as direct and indirect tax laws has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

All decisions at the General Meetings, Board Meetings and Committee Meetings were recorded in the minutes of the respective meetings.

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.

I further report that during the audit period:

1. The Board in its meeting held on 11th February, 2021, has passed resolution to obtain consent of shareholders to purchase the Goa plant and associated businesses of Zuari Agro Chemical Limited (ZACL) as a going concern, on a slump sale basis for an agreed valuation of USD 280 million, subject to the fulfillment of the terms and conditions as may be agreed by the Board of Directors of the Company and ZACL by way of a business transfer agreement (BTA) to be entered into between the Company and ZACL subject to various statutory approvals including that from GOI. .
2. The Board has considered a proposal for further issue of shares by IPO during 2021 subject to approval of the GOI, consent of shareholders and Competition Commission of India.

For B.C. DEBATA & ASSOCIATES
Company Secretaries

B.C. DEBATA
Proprietor

Place: Bhubaneswar
Date: 24th May, 2021
ICAI UDIN: F004902C000364272

FCS No: 4902
CP No:12574

This report is to be read with our letter of evenrdeete which is annexed as 'Annexture-A' and forms an integral pant of this report.

ANNEXURE 'A'

To,
The Members
Paradeep Phosphates Ltd.
5th Floor, Orissa State Handloom Weavers'
Co-Operative Building, Pandit J.N Marg
Bhubaneswar, Odisha-751001.

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. We have conducted the audit based on the documents, information and clarifications received digitally online from the company, due to the Covid19 lockdown restrictions in place during the period of audit. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For B.C. DEBATA & ASSOCIATES
Company Secretaries

B.C. DEBATA
Proprietor

Place: Bhubaneswar
Date: 24th May, 2021

FCS No: 4902
CP No:12574

Annexure- E to the Board's Report

Statement of the Employees covered under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

(a) Employed throughout the financial year 2020-21 and in receipt of remuneration aggregating Rs.1,02,00,000/- or more

Sl. No.	Name of the employee	Personnel No.	Designation	Remuneration received (Rs. in lakh)	Qualifications	Experience (years)	Date of commencement of employment	Age (years)	Last employment held	
									Employer's name	Post held
1	Mr. N. Suresh Krishnan	2796	Managing Director	227.21	BE (Hons.), MSc	34	16.02.2020	57	Zuari Global Limited	Managing Director
2	Mr. Ranjit Singh Chugh	2734	Chief Operating Officer	172.33	B.Tech (Chem.)	41	22.10.2018	62	Zuari Agro Chemicals Ltd.	COO

(b) Employed for a part of the financial year 2020-21 and in receipt of remuneration aggregating Rs. 8,50,000/- per month or more

Sl. No.	Name of the employee	Personnel No.	Designation	Remuneration received (Rs. in lakh)	Qualifications	Experience (years)	Date of commencement of employment	Age (years)	Last employment held	
									Employer's name	Post held
1	Mr. Sabaleel Nandy	2810	PRESIDENT (STRATEGY AND COM. OPERATION-AGRI BUSINESS)	69.12	B. Tech. & PGDM	18	01.08.2020	45	Zuari Agro Chemicals Ltd	Joint President Strategy and Technical

(1) In accordance with the clarification given by the Ministry of Corporate Affairs, remuneration has been computed on the basis of the actual expenditure incurred by the Company.

(2) None of the above employees was a relative of any Director or Manager of the Company.

(3) None of the above employees was in receipt of remuneration during the year which, in the aggregate, was in excess of that drawn by the Managing Director or Whole-Time Director and holds by himself or along with his spouse and dependent children, not less 2% of the equity shares of the Company.

For and on behalf of the Board of Directors

(S. K. PODDAR)
CHAIRMAN

INDEPENDENT AUDITORS' REPORT

To
The Members of
Paradeep Phosphates Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Paradeep Phosphates Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board of Directors' report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors 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 Standalone Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 26 to the standalone financial statements;
   ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 14 to the standalone financial statements;
   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757
ICAI UDIN: 21055757AAAABP6721

Place: Kolkata
Date: 24th May, 2021

Annexure A to the Independent Auditors' Report – 31 March 2021
(Referred to our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification by which fixed assets are physically verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) In our opinion and according to information and explanations given to us by the management and on the basis of examinations of records of the Company, the title deeds of immovable properties are held in the name of the Company except for following amounts which are not held in the name of the company:

Particulars	Freehold Land
Gross block as at 31st March 2021	27.94 Lacs
Net block as at 31st March 2021	27.94 Lacs
Area	178.06 Acres

(ii) The inventory (excluding stock with third parties and goods in transit) has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods in transit, subsequent goods receipt has been verified. In respect of inventories lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to the book records were not material.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not given any loans, investments, guarantees and security during the year that would attract provisions of Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year in terms of the provisions of Sections 73 to Section 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Goods and Service tax, duty of Customs, Cess and other material statutory dues have generally been regularly deposited during the year with the appropriate authorities except for slight delays in few cases of income tax. As explained to us by the management, the Company did not have any dues on account of Sales-tax, Service tax, duty of excise and Value added tax.

(b) According to the information and explanations given to us and on the basis of our examination of records of the company, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service tax, Cess and other material statutory dues were in arrears as at the 31 March 2021, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of Income-tax, Goods and Services tax, Sales-tax, Service tax, duty of Custom, duty of Excise and Value added tax which have not been deposited by the Company on account of any dispute, except for the following:

Name of the statute	Nature of dues	Demand Amount (Rs in lacs)	Amount deposited in dispute (Rs in lacs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income tax demand	66.39	Nil	2010-11	Commissioner of Income-tax (Appeals)
Central Goods and Services Tax Act, 2017	Goods and Services Tax Demand	1,999.90	Nil	July 2017 to January 2018	Orrisa High Court
Central Sales Tax Act, 1956	CST demand on branch transfers and disallowance of export sales	10,420.51	2,000.00	2005-06	Sales Tax Appellate Tribunal
Central Sales Tax Act, 1956	CST Demand on Branch Transfers	2.44	Nil	2003-04	Joint Commissioner, Sales Tax Appeals
The Orissa Value Added Tax Act, 2004	Disallowance of Input tax credit	51.96	4.16	April 2016 – June 2017	Additional Commissioner (Appeals)
Maharashtra Value Added Tax Act, 2002	Disallowance of Input tax credit	1.02	0.05	2016-17	Deputy Commissioner Sales Tax (Appeals)
Central Sales Tax Act, 1956	Demand of Central Sales Tax	51.48	36.04	2013-14	Sales Tax Appellate Tribunal
Central Sales Tax Act, 1956	Demand of Central Sales Tax	26.67	9.87	2013-14	Deputy Commissioner Sales Tax (Appeals)
Custom Act, 1962	Demand of CVD and SAD on Sulphur which is not used in manufacture of fertilizer	123.42	10.00	2007-12	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Demand	50.02	5.01	2009-10, 2012-13, 2014-15 and 2015-16	Customs Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	234.14	17.56	2010-11	Customs Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax Demand	88.80	6.67	April 2016 to June 2017	Commissioner Appeals (Central Excise, Customs & Service Tax)

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowings to financial institutions and banks. The Company does not have any loans or borrowings from government or debenture holders during the year.

(ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments).The term loan taken by the Company during the year has been applied for the purpose for which it was obtained.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers and employees has been noticed or reported during the year.

(xi) According to the information and explanations given by the management and based on our examination of records of the Company, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to information and explanation given to us, the Company is not a nidhi company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause 3(xiv) of the order are not applicable to the Company.

(xv) According to the information and explanations given by the management and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757
ICAI UDIN: 21055757AAAABP6721

Place: Kolkata
Date: 24th May 2021

Annexure B to the Independent Auditors' report on the standalone financial statements of Paradeep Phosphates Limited for the period ended March 31, 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Paradeep Phosphates Limited ("the Company") as of March 31, 2021in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

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 and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and whether such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757
ICAI UDIN: 21055757AAAABP6721

Place: Kolkata
Date: 24th May, 2021

STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	1,22,510.42	1,21,267.37
(b) Capital work-in-progress	4.1	22,005.97	14,904.45
(c) Intangible assets	4.2	110.55	135.80
(d) Investment in associate	46	365.61	365.61
(e) Other non-current assets	6	2,321.36	1,740.66
(f) Other income tax assets		1,246.99	2,150.64
Total non-current assets		1,48,560.90	1,40,564.53
(2) Current assets			
(a) Inventories	7	89,905.36	1,07,853.81
(b) Financial assets			
(i) Investments	5a	12,204.00	-
(ii) Trade receivables	8	1,15,559.36	2,14,890.06
(iii) Cash and cash equivalents	9a	9,152.45	408.55
(iv) Bank balances other than (iii) above	9b	167.32	173.17
(v) Other financial assets	5b	19,591.90	14,365.18
(c) Other current assets	6	47,238.04	22,805.87
(d) Assets classified as held for sale	9c	24.32	24.58
Total current assets		2,93,842.75	3,60,521.22
Total assets		4,42,403.65	5,01,085.75
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	57,545.00	57,545.00
(b) Other equity	11	1,25,293.06	1,02,861.69
Total equity		1,82,838.06	1,60,406.69

STANDALONE BALANCE SHEET AS AT 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	**12a**	**11,341.13**	13,942.24
(ii) Other financial liabilities	**14**	**10.05**	15.07
(b) Provisions	**16**	**1,974.99**	2,707.26
(c) Deferred tax	**17**	**9,301.23**	2,186.65
Total non-current liabilities		**22,627.40**	**18,851.22**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	**12b**	**1,06,167.14**	2,07,907.08
(ii) Trade payables	**13**		
- total outstanding dues of micro enterprises and small enterprises		**625.56**	172.14
- total outstanding dues of creditors other than micro enterprises and small enterprises		**93,327.61**	80,442.36
(iii) Other financial liabilities	**14**	**15,854.62**	14,037.57
(b) Other current liabilities	**15**	**12,638.96**	10,319.40
(c) Provisions	**16**	**8,301.55**	7,564.81
(d) Current tax liabilities		**22.75**	1,384.48
Total current liabilities		**2,36,938.19**	3,21,827.84
Total equity and liabilities		**4,42,403.65**	5,01,085.75

Significant accounting policies **2**

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Kolkata

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
REVENUE			
I. Revenue from operations	18	**5,16,473.35**	4,19,286.45
II. Other income	19	**1,920.60**	3,491.14
III. Total Income (I+II)		**5,18,393.95**	4,22,777.59
IV. EXPENSES			
Cost of raw materials consumed	20	**2,26,512.43**	2,21,014.06
Purchase of traded goods		**1,38,020.07**	47,540.83
Decrease in inventories of finished goods, stock-in-trade and work in progress	21	**22,583.41**	25,857.41
Employee benefits expense	22	**13,919.00**	13,192.79
Finance costs	23	**11,142.53**	19,179.06
Depreciation and amortization expense	24	**8,332.81**	7,247.59
Other expenses	25	**61,213.90**	65,706.88
Total expenses (IV)		**4,81,724.15**	3,99,738.62
V Profit before tax (III-IV)		**36,669.80**	23,038.97
VI Tax expense		**(14,323.48)**	(3,634.22)
(1) Current tax	17	**(7,267.94)**	(4,084.22)
(2) Deferred tax (charge)/credit	17	**(7,068.90)**	271.61
(3) Income tax credit for earlier years (net)		**13.36**	178.39
VII Profit for the year (V+VI)		**22,346.32**	19,404.75
VIII Other comprehensive income		**85.05**	(340.97)
A Items that will be reclassified to profit or loss		**-**	-
B Items that will not be reclassified to profit or loss		**85.05**	(340.97)
Re-measurement gains/(losses) on defined benefit plans		**130.74**	(524.11)
Income tax effect	17	**(45.69)**	183.14

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
IX "Total comprehensive income for the year (VII + VIII)"		**22,431.37**	19,063.78
X Earnings per equity share:			
- Basic and diluted	**30**	**388.33**	337.21
Significant accounting policies	**2**		

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Kolkata

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Profit before taxes	**36,669.80**	23,038.97
Adjustments for:		
Depreciation and amortisation expense	**8,332.81**	7,247.59
Finance costs	**10,158.34**	18,264.61
Interest income	**(55.86)**	(902.75)
Loss on sale / discard of property, plant and equipment (net)	**689.90**	815.05
Profit on sale of current investments	**(23.43)**	-
Gain on fair valuation of investments measured at fair value through profit or loss	**(3.99)**	-
Loss allowance	**764.91**	740.52
Bad debts, claims and advances written off	-	10.10
Unspent liabilities/provision no longer required written back	**(359.88)**	(347.19)
Foreign exchange fluctuation loss/(gain) unrealized (net)	**2,400.17**	3,191.89
Operating cash flow before working capital changes	**58,572.77**	52,058.79
Adjustments for:		
Decrease in inventories	**17,948.45**	34,328.42
Decrease in trade receivables, loans and advances and other current assets	**98,565.79**	18,573.85
(Increase) / decrease in financial and other assets	**(33,083.24)**	20,118.54
Increase in trade payables, other current liabilities and provisions	**15,688.45**	3,743.74
Increase in provisions	**135.21**	1,049.53
Cash generated from operating activities	**1,57,827.43**	1,29,872.87
Income taxes paid (net of refunds)	**(7,712.66)**	(2,899.27)
Net cash generated from operating activities (A)	**1,50,114.77**	1,26,973.60
B. Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	**11.04**	9.42
Acquisition of property, plant and equipment, including capital work in progress, capital advances and capital creditors	**(16,883.28)**	(13,904.81)
Investments in associate	-	(356.60)
Investments in current investments - mutual funds	**(76,004.00)**	-
Proceeds from sale of current investments - mutual funds	**63,827.42**	-
Interest received	**58.52**	144.45
Proceeds from/(investment in) deposits with maturity of more than three months	**57.87**	(208.75)
Net cash used in investing activities (B)	**(28,932.43)**	(14,316.29)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
C. Cash flows from financing activities		
Proceeds from non-current borrowings	**6,878.77**	-
Repayment of non-current borrowings	**(9,878.77)**	(6,922.83)
Proceeds from current borrowings	**6,27,200.75**	8,47,792.06
Repayment of current borrowings	**(7,24,825.60)**	(9,27,178.30)
Dividend paid	-	(6,937.35)
Interest paid	**(11,813.59)**	(20,876.30)
Net cash used in financing activities (c)	**(1,12,438.44)**	(1,14,122.72)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**8,743.90**	-1,465.41
Cash and cash equivalents at the beginning of the year #	**408.55**	1,873.96
Cash and cash equivalents at the end of the year #	**9,152.45**	408.55

As disclosed in Note 9(a).

The above standalone statement of cash flows has ben prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)

Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)

Place: Kolkata

SACHIN PATIL
Company Secretary

Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer

Place: Bhubaneswar

Standalone Statement of Changes in Equity for the year ended 31 March 2021

(Amount in Rupees lakhs, unless otherwise stated)

(a) Equity Share Capital

Equity shares of Rs. 1000/- each issued, subscribed and fully paid	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	**57,54,500**	**57,545.00**	57,54,500	57,545.00
Issue of share capital (Note 10)	-	-	-	-
Balance at the end of the year	**57,54,500**	**57,545.00**	57,54,500	57,545.00

(b) Other equity

For the period ended 31 March 2021:

Particulars	Retained earnings (Note 11)	Total
Balance as at 1 April 2020	**1,02,861.69**	**1,02,861.69**
Profit for the year	**22,346.32**	**22,346.32**
Other comprehensive income for the year (net of tax) *	**85.05**	**85.05**
Balance as at 31 March 2021	**1,25,293.06**	**1,25,293.06**

For the year ended 31 March 2020:

Particulars	Retained earnings (Note 11)	Total
Balance as at 1 April 2019	90,735.26	90,735.26
Profit for the year	19,404.75	19,404.75
Other comprehensive income for the year (net of tax) *	(340.97)	(340.97)
Dividend including corporate dividend tax	(6,937.35)	-(6,937.35)
Balance as at 31 March 2020	**1,02,861.69**	**1,02,861.69**

* Represents remeasurement of defined benefit plans(net of tax)

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Kolkata

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

Notes to Standalone Financial Statements

1. Corporate Information

Paradeep Phosphates Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of Indian Companies Act. The Company is primarily engaged in the manufacture of Di-Ammonium Phosphate (DAP), Complex Fertilizers of NPK grades, and Zypmite (Gypsum based product) having its manufacturing facility at the port town of Paradeep, District Jagatsinghpur, Odisha. The Company is also involved in trading of fertilizers, ammonia, neutralized phospo gypsum, micronutrient and other materials. With its head office at Bhubaneswar and various regional offices across the country, the Company caters to the demands of farmers all over the country through its "Navratna" brand of fertilizers.

These standalone financial statements were approved by the Board of Directors of the Company in their meeting held on 24 May 2021.

2. Significant Accounting Policies

2. (a) Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values notified under the provisions of the Companies Act 2013 ("the Act") to the extent applicable. The Company has prepared these financial statements to comply in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting Standards), Rule, 2015 and relevant amendment rules issued thereafter.

The accounting policies have been consistently applied to all the years except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

The financial statements of the Company are presented in Indian Rupee (Rs.) which is the functional currency of the Company and all values are rounded to the nearest lakhs (Rs. 00,000.00), except when otherwise indicated.

2. (b) Summary of significant Accounting Policies

i. Basis of classification of Current and Non-Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

ii. Property, plant and equipment

Property, plant and equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, freight, duties, taxes, borrowing costs, if recognition criteria are met and any directly attributable cost incurred to bring the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Replaced assets held for disposal are stated at lower of their carrying amount and fair value less costs to sell, and depreciation on such assets ceases and shown under "Assets held for sale".

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of the assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalized. Other indirect expenditure incurred during the construction period which are not related to the construction activity nor are incidental thereto are charged to the statement of profit and loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

iii. Depreciation on property, plant and equipment

a. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used the following useful life to provide depreciation on its property, plant and equipment based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)
Buildings	30 to 60
Roads and culverts	3 to 5
Plants and equipment (Continuous process plant)	25
Plant and equipment (Non continuous process plant)	5 to 20
Furniture, fixtures & fittings	2 to 10
Vehicles	8
Office equipments	3 to 6
Railway siding	15

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. These are estimated by the management supported by independent assessment by professionals.

b. Premium on land held on leasehold basis considered as Right of Use Asset is amortized over the period of lease.

c. The classification of plant and machinery into continuous and non-continuous process is done as per technical certification by the management and depreciation thereon is provided accordingly.

d. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

iv. Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least once at the end of each reporting period. If the expected useful life of the asset is different from previous estimates, the amortization period is changed accordingly. If there has been a change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The following are the acquired intangible assets:

Software

The management of the Company assessed the useful life of software as finite and cost of software is amortized over their estimated useful life of three years on straight line basis.

v. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset (except inventories and deferred tax asset) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

vi. Leases

At inception of the contract, the Company assesses whether a contract is, or contains, a lease. 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:

- The contract involves use of an identified asset, whether specified explicitly or implicitly;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The Company has right to direct the use of the asset by either having right to operate the asset or the Company having designed the asset in a way that predetermines how and for what purpose it will be used.

Accounting as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of lease term. The estimates of useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently measured at amortised cost. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense of straight line basis over the lease term.

vii. Investment in associate

Investments in associates is carried at cost/deemed cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required, immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the Statement of Profit and Loss.

viii. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the

Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rs.), which is Company's functional and presentation currency.

(b) Initial recognition

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date of the transaction.

(c) Conversion

Foreign currency monetary items are translated using the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial recognition.

(d) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

ix. Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. 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 profit and loss.

x. Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

xi. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Trade receivables are measured at transaction price in accordance with Ind AS 115.

Subsequent measurement

Financial assets in the nature of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit and loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent sole payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised 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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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 ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL 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 Company reverts to recognising impairment loss allowance based on 12-month ECL.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability 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 recognised in the statement of profit or loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xii. Cash and Cash equivalents

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

xiii. Inventories

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

ii. The cost is determined as follows:

(a) Raw Materials, Stores, Spare Parts, Chemical, Fuel Oil and Packing Materials: Weighted average method

(b) Intermediaries: Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity

(c) Finished goods (manufactured): Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity

(d) Traded goods: Weighted average method

iii. By-products such as treated gypsum are measured at net realizable value.

iv. Net realizable value is the estimated selling price including applicable subsidy in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

v. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

xiv. Borrowing Costs

Borrowing costs include interest and other ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xv. Revenue Recognition

The Company earns revenue primarily from sale of fertilizers. The following specific criteria must also be met before revenue is recognised:

Sale of goods

At contract inception, Company assess the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods which is usually dispatch/delivery of goods, based on contracts with customers. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (xi) to significant accounting policies on Financial instruments - initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Subsidy income

Subsidy for DAP, Muriate of Potash (MOP) and Complex Fertilizers are recognized as per rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy and other guidelines issued from time to time.

Subsidy on freight charges for DAP, MOP and Complex Fertilizers is recognized based on rates notified by the Government of India with the known policy parameters in this regard and included in subsidy.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Claims receivable on account of interest from dealers on delayed payments and insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established.

Insurance claims

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

xvi. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

xvii. Employee benefits

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined Contribution Plans:

Retirement benefit in the form of contribution to pension fund, superannuation fund and national pension scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to these schemes. The Company recognizes contribution payable to these fund schemes as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plan:

i) Liability for Gratuity and Post Retirement Medical Benefits are provided for on the basis of actuarial valuation carried at the end of each financial year. The gratuity plan and post employment medical benefit plan has been funded by policy taken from Life Insurance Corporation of India.

ii) Liability for Provident fund is provided for on the basis of actuarial valuation carried at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952.

iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gain / (loss) are not reclassified to the statement of profit and loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity.

Other long terms benefits

Liability for accumulated compensated absences are provided for on the basis of actuarial valuation carried at the end of each financial year. The Company measures the expected cost of accumulated compensated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose.

xviii. Income Taxes

Tax expense comprises current income tax and deferred tax. Current income-tax expense is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the liability 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 recognised for all taxable temporary differences, except when the deferred tax liability arises from an asset or liability in a transaction that at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised 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.

Deferred tax include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

xix. Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Chief Operating Decision Maker review the performance of the Company according to the nature of products manufactured, traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

xx. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xxi. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. A contingent liability is also a present obligation that arises from past events but outflow of resources embodying economic benefits is not probable.

xxii. Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

Recent Accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA"), notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3. 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, 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. The changes in estimates are made as the management becomes aware of such changes. The changes in estimates are recognized in the period in which the estimates are revised.

a) Defined benefit plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans 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 defined benefit plans, the management considers the interest rates of government bonds. 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 are based on the expected future inflation rates. Further details about the defined benefit obligations are given in Note No - 29.

b) Useful life of Property, plant and equipment

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date. Refer Note No - 4.

c) Fair value measurement of financial instruments.

Refer Note No - 40 for information about fair value measurement.

d) Revenue recognition

The Company provides various rebates and incentives to the customers. Various estimates are made to recognize the impact of rebates and other incentives on revenue. These estimates are made based on historical experience and business forecast and current market conditions.

4. Property, plant and equipment

₹ in Lakhs

Particulars	Leasehold Land-Right of use asset	Freehold Land *	Buildings	Roads & Culverts	Plant and equipments	Furniture and fittings	Vehicles	Office Equipments	Railway Siding	Total
Cost (gross carrying amount)										
Balance as at 01.04.2019	39.84	584.90	14,795.98	407.62	1,05,301.49	338.37	445.26	847.68	657.92	1,23,419.06
Additions	-	-	20,317.88	71.57	2,302.75	12.33	50.97	170.09	-	22,925.59
Disposals	-	-	(50.30)	-	(948.37)	(2.99)	(29.25)	(177.07)	-	(1,207.98)
Adjustments (Refer note a)	-	-	4,069.35	-	(22.26)	-	-	(10.79)	-	4,036.30
Balance as at 31.03.2020	**39.84**	**584.90**	**39,132.91**	**479.19**	**1,06,633.61**	**347.71**	**466.98**	**829.91**	**657.92**	**1,49,172.97**
Additions	**-**	**-**	**434.98**	**181.58**	**8,742.70**	**54.33**	**24.97**	**106.27**	**-**	**9,544.83**
Disposals	**-**	**-**	**-**	**(0.40)**	**(944.64)**	**(6.32)**	**(19.91)**	**(3.37)**	**-**	**(974.64)**
Adjustments	**-**	**-**	**49.21**	**-**	**649.41**	**-**	**-**	**-**	**-**	**698.62**
Balance as at 31.03.2021	**39.84**	**584.90**	**39,617.10**	**660.37**	**1,15,081.08**	**395.72**	**472.04**	**932.81**	**657.92**	**1,58,441.78**
Accumulated depreciation										
Balance as at 01.04.2019	1.94	-	2,354.82	69.04	17,897.38	137.31	71.08	481.52	67.89	21,080.98
Charge for the year	0.44	-	649.53	46.79	6,298.95	43.42	54.46	88.53	33.94	7,216.06
Deductions	-	-	(17.16)	-	(195.63)	(2.45)	(12.89)	(154.69)	-	(382.82)
Adjustments	-	-	-	-	(0.90)	-	-	(7.72)	-	(8.62)
Balance as at 31.03.2020	**2.38**	**-**	**2,987.19**	**115.83**	**23,999.80**	**178.28**	**112.65**	**407.64**	**101.83**	**27,905.60**
Charge for the year	**0.44**	**-**	**1,361.34**	**71.27**	**6,630.47**	**45.34**	**56.21**	**100.71**	**33.94**	**8,299.72**
Deductions	**-**	**-**	**-**	**-**	**(260.77)**	**(4.75)**	**(6.32)**	**(2.12)**	**-**	**(273.96)**
Adjustments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31.03.2021	**2.82**	**-**	**4,348.53**	**187.10**	**30,369.50**	**218.87**	**162.54**	**506.23**	**135.77**	**35,931.36**
Net carrying amount										
Balance as at 31.03.2021	**37.02**	**584.90**	**35,268.57**	**473.27**	**84,711.58**	**176.85**	**309.50**	**426.58**	**522.15**	**1,22,510.42**
Balance as at 31.03.2020	37.46	584.90	36,145.72	363.36	82,633.81	169.43	354.33	422.27	556.09	1,21,267.37

* Conveyance deed / patta have been executed for 2104.05 acres against possession of 2282.11 acres of land.

a) Adjustments to gross carrying amount include adjustment on account of borrowing costs. The capitalisation rate relating to general borrowings was at 7.74% (31 March 2020: 8.84%).

b) Refer Note 12a and 12b relating to borrowings in respect of property, plant and equipment provided as security against those borrowings.

c) Refer Note 27 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4.1 Capital Work-in-progress

₹ in Lakhs

Particulars	31 March 2021	31 March 2020
Opening balance	**14,904.45**	25,481.43
Add:-Addition during the year	**17,352.81**	16,453.62
Less:- Capitalisation during the year	**10,251.29**	27,030.60
Closing balance	**22,005.97**	**14,904.45**

Closing balance includes other direct capital expenditure (pending allocation) Rs. 1,596.20 (31 March 2020: Rs.1,047.89)

4.2. Intangible Assets

₹ in Lakhs

Particulars	Computer Software	Total
Gross carrying amount		
Balance as at 01.04.2019	**342.46**	342.46
Additions	**68.71**	68.71
Disposals	**(8.44)**	(8.44)
Adjustments	**10.79**	10.79
Balance as at 31.03.2020	**413.52**	**413.52**
Additions	**7.84**	**7.84**
Balance as at 31.03.2021	**421.36**	421.36
Accumulated amortization		
Balance as at 01.04.2019	**246.91**	246.91
Charge for the year	**31.53**	31.53
Deductions	**(8.44)**	(8.44)
Adjustments	**7.72**	7.72
Balance as at 31.03.2020	**277.72**	**277.72**
Charge for the year	**33.09**	**33.09**
Balance as at 31.03.2021	**310.81**	310.81
Net carrying amount		
Balance as at 31.03.2020	**135.80**	135.80
Balance as at 31.03.2021	**110.55**	**110.55**

5a. Investments

(₹ in lakhs)

Particulars	31 March 2021 Units	31 March 2021 Amount	31 March 2020 Units	31 March 2020 Amount
Mutual fund investments at fair value through profit or loss (unquoted)				
Aditya Birla Sun Life Money Manager Regular - Growth	12,28,746.71	3,501.44	-	-
Axis Money Market Fund - Direct Plan	2,07,887.17	2,301.07	-	-
Nippon India Money Market Fund - Direct Growth Plan Growth Option	43,499.36	1,401.00	-	-
Nippon India Money Market Fund - Growth Plan Growth Option	62,588.63	2,000.40	-	-
HDFC Money Market Fund - Regular Plan - Growth	33,945.49	1,499.93	-	-
ICICI Prudential Money Market Fund - Growth	1,70,598.19	499.98	-	-
ICICI Prudential Money Market Fund - Direct Plan - Growth	3,38,721.53	1,000.18	-	-
Total		12,204.00		-

5b. Other financial assets

(₹ in lakhs)

Particulars	Non-current 31 March 2021	Non-current 31 March 2020	Current 31 March 2021	Current 31 March 2020
Derivative instruments at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward contracts	-	-	-	3,421.70
Other financial asset at amortised cost				
Claims receivable:				
Related parties (Refer note no. 31(b))	-	-	16,163.08	6,516.72
Others	209.79	209.79	765.50	1,760.78
Less: Loss allowance	(209.79)	(209.79)	-	-
Interest receivable on deposits, receivables, etc:				
Related parties (Refer note no. 31(b))	-	-	2,556.74	2,556.74
Others	-	-	50.40	53.06
Other receivables:				
Related parties (Refer note no. 31(b))	-	-	56.18	56.18
Total other financial assets	-	-	19,591.90	14,365.18

The carrying amounts of these financial assets are a reasonable approximation of their fair value.

6. Other assets (Unsecured considered good unless otherwise stated)

(₹ in lakhs)

Particulars	Non-Current 31 March 2021	Non-Current 31 March 2020	Current 31 March 2021	Current 31 March 2020
Capital advances :				
Related parties (Refer note no. 31(b))	24.19	24.19	-	-
Others	1,446.85	814.13	-	-
Advance to vendors:				
Related parties (Refer note no. 31(b))	-	-	1.34	2.22
Others	-	-	2,098.39	857.51
Less: Loss allowance	-	-	(32.00)	(32.00)
Claims receivable	218.28	218.28	861.28	745.60
Less: Loss allowance	(218.28)	(218.28)	-	-
Balance with statutory / government authorities	-	-	23,659.01	18,033.49
Prepaid expenses	93.03	145.05	367.35	473.10
Sales tax & entry tax deposits	8.01	8.01	2,596.52	2,596.52
Less: Loss allowance	(8.01)	(8.01)	-	-
Receivable from related party (Refer note no. 31(b))	-	-	17,541.97	-
Other deposits				
Related parties (Refer note no. 31(b))	42.00	42.00	-	1.55
Others*	715.29	715.29	144.18	127.88
Total other assets	2,321.36	1,740.66	47,238.04	22,805.87

* Includes primarily deposits with vendors, service providers.

7. Inventories (valued at lower of cost and net realizable value)

₹ in Lakhs

Particulars	31 March 2021	31 March 2020
Raw materials	37,928.44	34,981.23
Finished goods	13,520.24	35,749.81
Traded goods	13,079.27	12,524.09
Intermediates	7,158.97	6,013.48
Stores, spare parts, chemical and fuel oil	4,449.87	4,773.02
Packing materials	630.50	657.63
By-Products	13,138.07	13,154.55
Total	**89,905.36**	**1,07,853.81**

a) Inventories are pledged against the borrowings as further explained in Note 12a and 12b.

b) The cost of inventories recognised as expense includes Rs 39.29 lakhs (2019-20: Rs.375.23 lakhs) in respect of write down of inventories.

c) Inventories includes inventories in transit as at the balance sheet as under:

Particulars	31 March 2021	31 March 2020
Raw materials	19,643.50	17,229.73
Finished goods	3,468.75	3,302.84
Traded goods	5,927.52	928.54
Stores and spare parts including capital spares	230.47	1,176.85
Total	**29,270.24**	**22,637.96**

8. Trade receivables (at amortised cost)

₹ in Lakhs

Particulars	31 March 2021	31 March 2020
Trade receivables considered good - secured	573.53	457.77
Trade receivables considered good - unsecured	83,261.69	1,81,856.39
From related parties (Refer note no 31(b))		
Trade receivables considered good - unsecured	35,203.15	35,402.48
Total trade receivables	1,19,038.37	2,17,716.64
Less: Provision for impairment	(3,479.01)	(2,826.58)
Net trade receivables *	**1,15,559.36**	**2,14,890.06**

a) *Includes Subsidy receivable from GOI amounting to Rs 51,844.89 lakhs (31 March 2020: Rs 1,17,471.84 lakhs) net of provision of Rs 727.27 lakhs (31 March 2020: Rs 312.54 lakhs)

b) Trade receivables are pledged against the borrowings obtained by the Company as further explained in Note 12a and 12b.

c) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

d) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

e) The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 41.

9a. Cash and cash equivalents

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
a. Balances with banks		
- On current accounts	**247.31**	120.88
- On cash credit accounts	**8,904.97**	287.48
b. Cash on hand	**0.17**	0.19
Total	**9,152.45**	**408.55**

9b. Bank balances other than above

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
In term deposit account*	**167.32**	173.17
Total	**167.32**	**173.17**

*With original maturity of more than 3 months but not greater than 12 months and pledged with Executive Engineer, Mahanadi South Division as security deposit Rs.162.32 lakhs (31 March 2020: Rs150.57 lakhs) ; Nil (31 March 2020: Rs.17.60 Lakhs) against bank guarantee issued in favour of Steel Authority of India Limited : Rs.5.00 lakhs (31 March 2020: Rs. 5.00 lakhs) against bank guarantee issued in favour of Regional Director, ESI Corporation, Bhubaneswar.

9c. Assets held for sale

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Discarded Property, Plant and Equipment	**24.32**	24.58
	24.32	24.58

Assets held for sale represent property, plant and equipment discarded. The Company expects to dispose it off in next one year.

10. Share Capital

₹ in Lakhs

Particulars	31 March, 2021	31 March, 2020
Authorised :		
80,00,000 (31 March 2020: 80,00,000) equity shares of Rs 1000/- each	**80,000.00**	80,000.00
20,00,000 (31 March 2020: 20,00,000) 7% Non-cumulative Redeemable preference shares of Rs 1000/- each	**20,000.00**	20,000.00
Issued, subscribed and fully paid-up shares :	**1,00,000.00**	1,00,000.00
57,54,500 (31 March 2020: 57,54,500) equity shares of Rs.1000/- each fully paid	**57,545.00**	57,545.00
Total	**57,545.00**	57,545.00

a. Reconciliation of Shares Outstanding at the beginning and end of the year

Equity Shares	31 March, 2021		31 March, 2020	
	In Numbers	₹ in lacs	In Numbers	₹ in lacs
At the beginning of the year	57,54,500	57,545.00	57,54,500	57,545.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	**57,54,500**	**57,545.00**	**57,54,500**	**57,545.00**

b. Terms / Rights Attached to Equity Shares

1) The Company has only one class of equity share having par value of Rs.1000 per share. Each holder of equity share is entitled to one vote per share.

2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by the respective shareholders.

3) The shares held by the GOI have the following additional rights :

   a) The GOI is entitled to nominate two directors on the Board of the Company so long as it holds at least 15.5% issued equity shares of the Company.

   b) The presence of at least one GOI nominee director is required to constitute a quorum in a board meeting, failing which the Meeting would be adjourned twice. Thereafter, in the absence of GOI nominee director, the directors present shall constitute the quorum.

   c) The above requirement is also applicable to constitute a quorum in shareholder's meeting.

   d) The resolution for certain important matters cannot be passed in a board meeting / shareholders' meeting without the affirmative vote of at least one GOI nominee director/shareholder.

4) The shares held by Zuari Maroc Phosphates Private Limited (ZMPPL)have the following additional rights :

   a) ZMPPL is entitled to nominate maximum 6 directors on the Board of the Company.

   b) The Chairman and the Managing Director shall be appointed from amongst the directors nominated by ZMPPL.

c. Shares held by its holding company are as below:

Name of Shareholder	31 March, 2021	31 March, 2020
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding company (erst while known as Zuari Maroc Phosphates Limited (ZMPL))	**46,296.10**	46,296.10

d. Details of shareholders holding more than 5% of equity shares in the Company

Name of Shareholder	31 March 2021		31 March 2020	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding company (erst while known as ZMPL)	46,29,610	80	46,29,610	80
President of India - Government of India (GOI)	11,24,890	20	11,24,890	20

As per records of the company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of share.

e. The Company has not issued any bonus shares for consideration other than cash during the five years immediately preceding the reporting date.

11. Other Equity

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Surplus in the statement of profit and loss		
Opening balance	**1,03,089.44**	90,622.04
Net profit for the year	**22,346.32**	19,404.75
Appropriations: dividend (including dividend distribution tax)	**-**	(6,937.35)
Closing balance	**1,25,435.76**	1,03,089.44
Items of other comprehensive income - remeasurement gains/loss on employee benefits		
Opening balance	**(227.75)**	113.22
Adjustment for the year	**85.05**	(340.97)
Closing balance	**(142.70)**	(227.75)
Total reserves and surplus	**1,25,293.06**	1,02,861.69

Surplus in the statement of profit and loss

Surplus in the statement of profit and loss represents the profit generated by the company that are not distributed to the shareholders and are re-invested in the Company.

12a. Long term borrowings (at amortised cost)

(₹ in lakhs)

Particulars	Non-Current		Current Maturities	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
NON CURRENT BORROWINGS				
Secured				
Rupee term loan from banks	11,341.13	13,942.24	7,608.98	6,947.40
Rupee term loan from financial institutions	-	-	-	998.30
Total	11,341.13	13,942.24	7,608.98	7,945.70
Amount disclosed under the head "other financial liabilities" (Refer note 14)	-	-	(7,608.98)	(7,945.70)
Total	11,341.13	13,942.24	-	-

The borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Nature of securities and terms of repayment of each loan and interest rate

Particulars of Loan	Security	Terms of Repayment	Effective Interest Rate
Rupee term loan from - ICICI Bank Ltd.	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties and second pari passu with the charges created in respect of current assets.	Repayable in 20 quarterly instalments commenced from 31 December 2018, of which first 8 instalments are of Rs 500 lakhs, next 4 quarterly instalments of Rs 1000 lakhs, remaining 8 quarterly instalments of Rs 1500 lakhs.	8.55%
Rupee term loan from - Bank of India	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties and second pari passu with the charges created in respect of current assets.	Repayable in 16 quarterly instalments of Rs 1337.50 lakhs to commence from 31st October 2021.	9.70%

12b. Short term borrowings (at amortised cost)

(₹ in lakhs)

Particulars	Current	
	31 March 2021	31 March 2020
From banks		
Secured		
Loans repayable on demand		
Cash credit	-	14,320.77
Other loans		
Working capital demand loan	-	77,800.00
Rupee loan	-	2,724.62
Buyer's credit	-	34,002.17
Supplier's credit	1,06,167.14	64,353.49
Local bills discounted with bank	-	1,706.03
Other loans from bank	-	13,000.00
	1,06,167.14	2,07,907.08

The borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Nature of securities and terms of repayment of each secured & unsecured borrowings

Particulars of Loan	Due date of repayment from the balance sheet date	Interest rate	Amount	Nature of securities
Supplier's credit (secured)/ buyer's credit (secured)	Repayable over a period of 90 to 180 days	6 months LIBOR plus 10 to 75 bps	1,06,167.14	First charge by way of hypothecation on all current assets and second charge on all immovable & movable properties of the Company (other than certain current assets hypothecated / pledged in favour of banks by way of first charge) both present and future on pari-passu basis.

13. Trade payables (at amortized cost)

(₹ in Lakhs)

Particulars	Current	
	31 March 2021	31 March 2020
Acceptances :		
Related parties (Refer note no 31(b))	**38,183.18**	19,557.55
Others	**30,979.35**	42,784.11
Trade payables:		
- Total outstanding dues of micro enterprises and small enterprises	**625.56**	172.14
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
Related parties (Refer note no 31(b))	**8,113.62**	4,909.97
Others	**16,051.46**	13,190.73
TOTAL	**93,953.17**	80,614.50

Trade payables are carried at amortised cost which are a reasonable approximation of their fair value.

Trade payables and acceptances are non-interest bearing and are normally settled on 30 to 180 day terms.

* The amount due to Micro and small enterprises (MSME) as defined under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such suppliers have been identified on the basis of information available with the Company. The details are as under:

Particulars	31 March 2021	31 March 2020
(i) the principal amount and interest thereon remaining unpaid at the end of financial year	**625.56**	172.14
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

14. Other Financial Liabilities

(₹ in Lakhs)

Particulars	Non Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Financial liabilities at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward contracts	-	-	1,591.54	-
Total financial liabilities at fair value through profit or loss	-	-	1,591.54	-
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (Refer note 12a)	-	-	7,608.98	7,945.70
Earnest money/security deposits				
Related Parties (Refer note no 31(b))	-	-	-	0.97
Others	-	-	2,800.27	1,830.42
Employee related dues	10.05	15.07	2,297.74	2,033.18
Creditors for property, plant and equipment				
(including retention money from contractors/suppliers)				
Related parties (Refer note no 31(b))	-	-	42.53	42.53
Others	-	-	1,439.47	1,519.27
Interest accrued but not due on borrowings	-	-	74.09	665.50
Total other financial liabilities at amortised cost	10.05	15.07	14,263.08	14,037.57
Total other financial liabilities	10.05	15.07	15,854.62	14,037.57

The liabilities carried at amortised cost are a reasonable approximation of their fair value.

15. Other Current Liabilities

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Rebate liabilities	3,558.78	1,733.59
Interest on Statutory dues	304.98	248.94
Statutory dues	8,086.18	7,430.54
Advance from customers	689.02	906.33
Total other current liabilities	12,638.96	10,319.40

16. Provisions (Current and Non-Current)

(₹ in Lakhs)

Particulars	Non Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Provision for employee benefits for:*				
Post retirement medical benefits	58.90	73.20	4.15	4.93
Gratuity (Refer note no 29)	1,320.22	2,012.82	160.35	196.62
Leave salary	-	-	4,862.99	4,267.50
Other provisions for:				
Contractors	595.87	621.24	-	-
Others (refer note 'a' below)				
- Capital expenditure	-	-	250.18	250.18
- Others	-	-	3,023.88	2,845.58
Total	1,974.99	2,707.26	8,301.55	7,564.81

* The classification of current/non current for provision for employee benefits has been determined by the actuary of the Company based upon estimated amount of cash outflow during the next 12 months from the balance sheet date.

a) The movement for "Others Provisions" during the year is as follows :-

(₹ in Lakhs)

Particulars	Capital expenditure For the year ended		Others For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Opening Balance	250.18	250.18	2,845.58	2,673.06
Additions during the year	-	-	178.30	172.52
Closing balance **	250.18	250.18	3,023.88	2,845.58

Particulars	Contractors For the year ended	
	31 March 2021	31 March 2020
Opening Balance	621.24	645.40
Amount used during the year	(25.37)	(24.16)
Closing balance	595.87	621.24

** Includes the following provisions

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Ground rent (refer note no. 33)	-	-	2,516.20	2,344.62
Land compensation (including interest) (Refer note no. 35)	250.18	250.18	-	-
Employees' state insurance (refer note no. 36)	-	-	214.24	207.52
Provision for others (freight claims)	-	-	293.44	293.44
Total	250.18	250.18	3,023.88	2,845.58

17. Income Tax

The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:

Profit or loss section

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Current income tax:		
Current income tax charge for continuing operations	(7,267.94)	(4,084.22)
Adjustments in respect of current income tax of earlier years	13.36	(178.39)
Deferred tax:		
Relating to origination and reversal of temporary differences	(7,068.90)	271.61
Income tax expense reported in the statement of profit or loss	(14,323.48)	(3,634.22)

OCI section

Deferred tax related to items recognised in OCI during the year:

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Income tax credited to OCI	(45.69)	183.14

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Accounting profit before tax from continuing operations	36,669.80	23,038.97
Accounting profit before income tax	36,669.80	23,038.97
At India's statutory income tax rate of 34.944%	12,813.89	8,050.74
	12,813.89	8,050.74
Tax effects of amount which are not deductible (taxable) in calculating taxable income-		
CSR expenditure	175.72	156.44
Interest on income tax	68.10	36.96
On account of reassessment of tax expenses	1,158.39	-
On account of change in tax rate	-	(4,324.81)
Impact of claim of health and education cess	(162.35)	(106.83)
Others	283.09	0.11
Effective tax charge	14,336.84	3,812.61
Add: Tax impact for earlier years	(13.36)	(178.39)
Tax expenses as per the Statement of Profit and Loss	14,323.48	3,634.22

Deferred tax

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	Balance as at	
	31 March 2021	31 March 2020
Deferred income tax liabilities		
Property, plant and equipment (including intangible assets)	13,933.52	12,711.78
On account of statutory dues	641.47	891.28
Total deferred income tax liabilities	14,574.99	13,603.06
Deferred income tax assets		
Effect of loss allowance	993.48	847.26
Expenses allowable under income tax on payment basis		
u/s 43B of the Income tax Act, 1961	3,646.95	4,940.72
Provision for other liabilities	633.33	819.31
MAT credit entitlement	-	4,809.12
Total deferred income tax assets	5,273.76	11,416.41
Net deferred tax liabilities	(9,301.23)	(2,186.65)

Reconciliation of deferred tax liabilities (net):

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Opening balance	(6,995.77)	(10,695.48)
Tax (expense)/income during the year recognised in profit or loss	(2,259.77)	(3,516.57)
Tax (expense)/income during the year recognised in OCI	(45.69)	183.14
Subtotal - A	(9,301.23)	(6,995.77)
MAT Credit Entitlement (MAT)		
Opening balance	4,809.12	8,054.08
Less: Adjusted during the year	(4,809.12)	(3,244.96)
Subtotal - B	-	4,809.12
Deferred Tax Total (A) + (B)	(9,301.23)	(2,186.65)

18. Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products		
Finished products	2,32,364.05	2,28,393.62
Traded goods	1,33,563.73	51,211.00
Waste including treated gypsum	5,599.81	4,252.44
	3,71,527.59	2,83,857.06
Subsidy from Government of India on fertilizers	1,44,539.10	1,35,293.23
	5,16,066.69	4,19,150.29
Other operating revenue		
Scrap sales	406.66	136.16
Total revenue from operations*	5,16,473.35	4,19,286.45

* Revenue is net of rebates, discounts and goods and services tax

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Contract price	5,25,133.18	4,29,601.51
Adjustments for:		
Variable consideration - rebates	(8,659.83)	(10,315.06)
Revenue from operations	5,16,473.35	4,19,286.45

Contract balances

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Trade receivables	1,15,559.36	2,14,890.06
Contract liabilities - advance from customers	689.02	906.33

The contract liabilities convert to revenue within one year from the reporting date

Subsidy from Government of India on fertilizers:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
On finished goods [including freight subsidy Rs 15,159.22 lakhs (31 March 2020 Rs 17,082.00 lakhs)]	1,16,722.00	1,19,856.61
On traded goods [including freight subsidy Rs 4,422.06 lakhs (31 March 2020 Rs 2,324.03 lakhs)]	27,817.10	15,436.62
	1,44,539.10	1,35,293.23

19. Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income on		
Bank deposits	**10.50**	11.69
Income tax refund	**149.57**	1,372.02
Others	**45.36**	891.06
Rent income	**267.38**	249.66
Exchange differences (net)	**372.70**	-
Excess provision/unclaimed liabilities/unclaimed balances written back	**359.88**	347.19
Profit on sale of current investments	**23.43**	-
Gain on fair valuation of investments measured at fair value through profit or loss	**3.99**	-
Miscellaneous income	**687.79**	619.52
Total other income	**1,920.60**	3,491.14

Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
In relation to financial assets classified at amortised cost	**55.86**	902.75
Total	**55.86**	902.75

20. Cost of raw materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventory at the beginning of the year	**34,981.23**	44,631.90
Add : Purchases	**2,31,497.67**	2,11,455.43
	2,66,478.90	2,56,087.33
Less: Inventory at the end of the year	**(37,928.44)**	(34,981.23)
Less: traded goods transferred from raw materials	**(2,038.03)**	(104.54)
Add: traded goods transferred to raw materials	-	12.50
Cost of raw materials consumed	**2,26,512.43**	2,21,014.06

21. Decrease in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventories at the end of the year		
Finished goods	**13,520.24**	35,749.81
Traded goods	**13,079.27**	12,524.09
Intermediates	**7,158.97**	6,013.48
Waste including treated gypsum	**13,138.07**	13,154.55
Total (A)	**46,896.55**	67,441.93
Inventories at the beginning of the year		
Finished goods	**35,749.81**	62,629.25
Traded goods	**12,524.09**	23,707.84
Intermediates	**6,013.48**	6,870.21
Waste including treated gypsum	**13,154.55**	-
Total (B)	**67,441.93**	93,207.30
Less:		
Traded goods transferred from raw materials	**(2,038.03)**	(104.54)
Traded goods transferred to raw material consumption	**-**	12.50
Total (C)	**(2,038.03)**	(92.04)
Net (B-A-C)	**22,583.41**	25,857.41

22. Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	**11,256.36**	10,613.38
Contribution to provident and other funds (Refer Note 29)	**871.63**	987.38
Gratuity (Refer Note 29)	**384.46**	337.36
Staff welfare expenses	**1,406.55**	1,254.67
Total employee benefit expense	**13,919.00**	13,192.79

The Code on Social Security, 2020 ("the Code") relating to employee benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect.

23. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense *	**6,741.51**	15,421.26
Exchange difference to the extent considered as an adjustment to borrowing cost	**3,223.49**	2,737.58
Bank charges	**984.19**	914.45
Interest on income tax	**193.34**	105.77
Total finance cost	**11,142.53**	19,179.06

* Net of amount included in the cost of qualifying assets.

Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
In relation to financial liabilities classified at amortised cost	**7,923.56**	17,592.52
Total	**7,923.56**	17,592.52

24. Depreciation and amortization expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	**8,299.28**	7,215.62
Amortisation of intangible assets	**33.09**	31.53
Amortisation of right of use asset	**0.44**	0.44
Total depreciation and amortization expense	**8,332.81**	7,247.59

25. Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
Consumption of stores and spare parts		**3,663.98**		3,079.55
Consumption of packing materials		**3,501.32**		3,462.08
Chemical consumed		**1,635.42**		1,166.94
Catalysts consumed		**202.61**		444.22
Payment to contractors for bagging and other services		**3,156.16**		3,371.30
Power and fuel		**6,258.49**		7,294.03
Water charges		**659.47**		605.73
Rent		**233.38**		249.31
Rates and taxes		**49.68**		68.10
Insurance		**1,352.87**		1,084.41
Repairs and maintenance:				
Plant and machinery	**2,454.44**		2,198.45	
Buildings	**550.02**		636.45	
Others	**474.37**	**3,478.83**	440.48	3,275.38
Selling and distribution expenses:				
Freight and handling	**28,696.27**		27,028.95	
Warehouse rent	**565.67**		1,706.66	
Commission	**1,075.32**		575.18	
Publicity and sales promotion expenses	**713.04**		1,006.13	
Other selling expenses	**394.60**	**31,444.90**	280.66	30,597.58
Travelling and conveyance expenses		**269.08**		675.48
Professional, consultancy and legal expenses		**417.85**		277.49
Corporate social responsibility expenditure (Refer Note no 45)		**502.86**		447.69
Donation *		**11.87**		350.00
Payment to statutory auditors		**115.46**		92.88
Exchange differences (net)		**-**		5,040.12
Bad debts, claims and advances written off	**21.28**		72.03	
Less: Adjusted against provision	**21.28**	**-**	61.93	10.10
Loss allowance		**764.91**		740.52
Loss on sale/discard of property, plant and equipment (net)		**689.90**		815.05
Miscellaneous expenses		**2,804.86**		2,558.92
Total other expenses		**61,213.90**		65,706.88

* Donation includes contribution to political party of Rs.Nil during the year ended 31 March 2021 (Rs.350.00 lakhs during the year ended 31 March 2020)

Payments to statutory auditors as

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
As statutory auditors		
Audit fee	**22.00**	22.00
Tax audit fee	**3.00**	3.00
In other capacity:		
Other services	**86.00**	62.50
Reimbursement of expenses	**4.46**	5.38
Total	**115.46**	92.88

26) Contingent Liabilities not provided for -

(₹ in lakhs)

		Particulars	As at 31 March 2021	As at 31 March 2020
A.		Income Tax Demands against which the Company has filed appeal	**174.13**	286.07
B.		Department of Fertilizer, Government of India withheld the payment of subsidy on Imported DAP in one consignment amounting to Rs. 5,352.12 lakhs, being the subsidy amount including freight subsidy. The amount has been withheld on the basis of samples collected by the Department from Mundra Port which were reported to be deficient on account of water soluble P2O5 content as per Fertilizer Control Order (FCO) but there was no deficiency as regards to the nutrient content. The Company has represented to the Department of Fertilizers to re -examine the case on the following grounds - (a) Failure is on account of water solubility and not on account of nutrient content. The nutrient content on which the Nutrient Based Subsidy is paid meets the FCO specifications (b) Water Solubility is more than 85% of the total P2O5 (c) All precautions were taken at the load port on having an international recognized inspection agency based on which the goods were shipped and dispatched and (d) The intimation on the original sample failure as well as the referee sample failure were received long after materials were dispatched well beyond the dispatch of the material to various destinations. Based on the revised notification from GOI dated February 6, 2017, water soluble P2O5 content of DAP is revised to 39.5% instead of 41%. DAP import for which the amount withheld has water soluble content of 39.53%. Further, vide Notification no 3-9/2008 Fert Law dated 18/11/2011 in which Triple Super Phosphate (TSP) with total P2O5 content of 46% and water soluble content of only 36.8% has been allowed to be imported and paid subsidy for 46% of P2O5 . Based on above, the Company has made a representation that as per revised notification, water soluble content is as per norms and further permitting a product with same total P2O5 and less water soluble P2O5 as standard and declaring a product imported by the Company with 39.53% as non- standard is not fair. The Company is confident to receive a favorable outcome.	**5,352.12**	5,352.12
C.		**Sales Tax and other tax matters under appeal**		
	i)	CST demand for the FY 2005-06 due to rejection of Branch transfers and export sales.	**10,420.51**	10,420.51
	ii)	Demand of entry tax on imported raw materials including interest and penalty.	**2,909.39**	2,909.39
	iii)	Demand under GST Act in respect of erroneous refund of GST for the period July 2017 to January 2018 under inverted structure.	**1,999.90**	1,999.90
	iv)	Countervailing Duty (CVD) paid and refund claimed on MOP and Sulphuric Acid, BCD on discount received and Custom duty on demurrage.	**109.97**	109.97
	v)	Service tax on mediation fees	**45.79**	45.79
	vi)	Central excise demand for March 2011	**234.14**	234.14
	vii)	VAT demand for the year 2005-06 in Bihar region on account of VAT assessment.	**37.69**	37.69
	viii)	CST demand for Telangana for non-submission of declaration forms.	**51.48**	51.48
	ix)	VAT demand for Odisha due to input tax credit mismatch	**51.96**	51.96
	x)	VAT demand for Maharashtra due to input tax credit mismatch	**1.02**	1.96
	xi)	CST demand for Maharashtra for non-submission of declaration forms.	**26.67**	26.67
	xii)	Service Tax Demand on water charges paid to State Government for the period April 16 to June 17	**88.80**	-
	xiii)	Others	**173.75**	173.75

(₹ in lakhs)

		Particulars	As at 31 March 2021	As at 31 March 2020
D.		**Other Claims against the Company not acknowledged as debts**		
	i)	Penal Interest on loan from Government of India, due to delay	**344.43**	344.43
	ii)	Industrial Dispute and Miscellaneous labour cases pending at various forums at different stages of dispute.	**466.23**	452.36
	iii)	Interest on water charges due to delay in payments	**1,769.10**	1,394.93
	iv)	Demand towards contribution to Water Conservation Fund	**2,322.50**	2,322.50
	v)	Others	**62.20**	58.31

Based on discussions with the solicitors / favorable decisions in similar cases / legal opinions taken by the Company, the management believes that the Company has a good chance of success in the above mentioned cases and hence, no provision is considered necessary. The above has been compiled based on the information and records available with the Company.

27) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 14,164.08 lakhs (Previous year Rs. 10,151,74. lakhs).

28) **Segment Reporting**

(a) **Operating Segment :**

The Company's business activity falls within a single primary Operating Segment "Fertilizers and Other Trading Materials", and thus no further disclosures are required in accordance with Indian Accounting Standard (Ind AS)– 108 "Operating Segment".

(b) **Geographical Segment:**

The Company primarily operates in India and therefore no geographical segment information has been provided herein.

29. Disclosure in respect of Post Retirement Employee Benefits

A. Defined contribution plans

The amount provided for defined contribution plans are follows:

(₹ in lakhs)

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Pension Scheme	139.62	143.47
Superannuation Fund	140.82	137.31
National Pension Scheme	74.31	60.09
Total	**354.75**	340.87

B. Gratuity and other post-employment benefit plans:

(₹ in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity Plan - (Liability)	(1,480.57)	(2,209.44)
Provident Fund - Asset *	109.28	227.35
Post retirement medical benefits plan - (Liability)	(63.05)	(78.13)
Total	**(1,434.34)**	(2,060.22)

C. Other long term employee benefit plan:

(₹ in lakhs)

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Leave encashment - charge during the year	866.62	859.79

* Plan asset of Rs. 109.28 lakhs (31 March 2020: Rs. 227.35 lakhs) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

a) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on terms not lower than the amount payable under the Payment of Gratuity Act, 1976. The scheme is funded with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy. The Company undertakes all the risk pertaining to the plan. In particular, the Company is exposed to interest rate risk, adverse salary growth risk, demographic risk and market risk i.e. investment risk."

b) Post Retirement medical benefit plan

The Company has a defined benefit post retirement medical benefit plan, for its employees. The Company provides medical benefit to those employees who leave the services of the Company on retirement. As per the plan, retired employee and the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. In case of death of retired employee, the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. The plan is not funded by the Company."

c) Provident fund

The Company has set up provident fund trust wherein contributions are made. However in accordance with Ind-AS 19, Employee Benefits, provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. During the current year, acturial valuation of Provident Fund was carried out in accordance with the guidance note issued by the Institute of Actuaries.

29. Disclosure in respect of Post Retirement Employee Benefits

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021 : **(₹ in lakhs)**

Particulars	1 April 2020	Current service cost	Past service cost	Net interest expense / income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Subtotal included in OCI	Other adjustments	Contributions by employer	31 March 2021
	Cost charged to statement of profit or loss						Remeasurement gains/(losses) in OCI							
(A) Gratuity plan:														
Defined benefit obligation	(5,461.05)	(233.22)	-	(373.82)	(607.04)	379.37	-	-	(123.40)	231.39	107.99	2.90	-	(5,577.83)
Fair value of plan assets	3,251.61	-		222.58	222.58	(379.37)	2.44	-	-	-	2.44	-	1000.00	4,097.26
Benefit (liability)	**(2,209.44)**				**(384.46)**	**-**					**110.43**	2.90	**1000.00**	**(1,480.57)**

Particulars	1 April 2020	Current service cost	Past service cost	Net interest expense / income	Sub-total included in profit or loss	Benefits paid	Return on plan assets	Actuarial (demographic)	Actuarial (financial)	Experience adjustments	Subtotal included in OCI	Other adjustments	Contributions by employer	31 March 2021
(B) Post retirement medical benefits plan:														
Defined benefit obligation	(78.13)	-		(5.23)	(5.23)	-	-	-	(0.27)	20.58	20.31		-	(63.05)
Benefit (liability)	**(78.13)**				**(5.23)**						**(20.31)**		-	**(63.05)**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020: **(₹ in lakhs)**

Particulars	1 April 2019	Current service cost	Past service cost	Net interest expense / income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Subtotal included in OCI	Other adjustments	Contributions by employer	31 March 2020
	Cost charged to statement of profit or loss						Remeasurement gains/(losses) in OCI							
(A) Gratuity plan:														
Defined benefit obligation	(4,831.80)	(232.75)	-	(375.26)	(608.01)	460.68	-	0.20	(68.12)	(414.00)	(481.92)	-	-	(5,461.05)
Fair value of plan assets	3,484.79	-		270.65	270.65	(460.68)	(43.15)	-	-	-	(43.15)			3,251.61
Benefit (liability)	**(1,347.01)**				**(337.36)**	**-**					**(525.07)**	**-**	**-**	**(2,209.44)**

Particulars	1 April 2019	Current service cost	Past service cost	Net interest expense / income	Sub-total included in profit or loss	Benefits paid	Return on plan assets	Actuarial (demographic)	Actuarial (financial)	Experience adjustments	Subtotal included in OCI	Other adjustments	Contributions by employer	31 March 2020
(B) Post retirement medical benefits plan:														
Defined benefit obligation	(73.39)	-		(5.70)	(5.70)	-	-	(0.39)	(6.67)	8.02	0.96	-	-	(78.13)
Benefit (liability)	**(73.39)**				**(5.70)**						**0.96**	**-**	**-**	**(78.13)**

29. Disclosure in respect of Post Retirement Employee Benefits

Provident Fund:

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021 and 31 March 2020:

(₹ in lakhs)

Particulars	2020 - 2021			2019 - 2020		
	Defined benefit obligation	Fair value of plan assets	Benefit asset	Defined benefit obligation	Fair value of plan assets	Benefit asset
Opening balance	**(19,124.26)**	**19,351.61**	**227.35**	(17,908.40)	18,137.94	229.54
Service cost	(534.34)	-	(534.34)	(664.69)	-	(664.69)
Net interest (expense)/income	(1,670.77)	1,644.89	(25.88)	(1,498.97)	1,568.93	69.96
Benefits paid	1,702.63	(1,702.63)	-	2,604.01	(2,604.01)	-
Return on plan assets (excluding amounts included in net interest expense)	-	20.94	20.94	-	(37.32)	(37.32)
Actuarial changes arising from changes in financial assumptions	-	-	-	-	-	-
Experience adjustments	(113.86)	-	(113.86)	(30.88)	-	(30.88)
Settlement/ transfer in	(647.42)	648.15	(0.73)	(149.33)	145.38	(3.95)
Contributions by plan participant / employees	(1,189.96)	1,189.96	-	(1,476.00)	1,476.00	-
Contributions by employer	-	534.34	534.34	-	664.69	664.69
Closing balance	**(21,577.98)**	**21,687.26**	**109.28**	(19,124.26)	19,351.61	227.35

The Company expects to contribute Rs.292.91 lakhs (31 March 2020 : Rs 288 lakhs) and Rs.596.72 lakhs (31 March 2020 : Rs.718 lakhs) to gratuity trust and provident fund trust respectively in the next financial year.

The principal assumptions used in determining gratuity, provident fund and post-employment medical benefit obligations for the Company's plans are shown below:

Particulars	31 March 2021	31 March 2020
	%	%
Discount rate:		
Gratuity plan	6.65	6.85
Provident Fund	6.65	6.85
Post retirement medical benefits	6.65	6.70
Future salary increase:		
Gratuity plan	8% for first two years and 6.5% thereafter	8% for first two years and 6.5% thereafter

A quantitative sensitivity analysis for significant assumptions as at 31 March 2021 is shown below:

Gratuity plan:

Particulars	31 March 2021		31 March 2020	
Assumption	**Discount rate**		**Future salary increase**	
Sensitivity Level	1% Increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(320.17)	359.07	281.36	(286.48)

Provident Fund

Particulars	31 March 2021	
Assumption	**Interest rate guarantee**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	1,292.48	(209.34)

29. Disclosure in respect of Post Retirement Employee Benefits

Post retirement medical benefits plan:

Particulars	31 March 2021	
Assumption	**Discount rate**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(5.01)	5.77

Sensitivities due to mortality & withdrawals are not material and hence impact of change is not calculated.

A quantitative sensitivity analysis for significant assumptions as at 31 March 2020 is shown below:

Gratuity plan:

Particulars	31 March 2020		31 March 2020	
Assumption	**Discount rate**		**Future salary increase**	
Sensitivity Level	1% Increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(326.91)	366.09	310.63	(308.85)

Provident Fund:

Particulars	31 March 2020	
Assumption	**Interest rate guarantee**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	1,128.33	(95.48)

Post retirement medical benefits plan:

(₹ in lakhs)

Particulars	31 March 2020	
Assumption	**Discount rate**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(6.37)	7.36

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit plan obligation relating to gratuity at the end of the reporting period is 6 years.

Investment pattern in plan assets:

Particulars	Gratuity		Provident fund	
	2020-21	2019-20	**2020-21**	2019-20
Investment with insurers	**100%**	100%	**20.40%**	7.20%
Investment in government securities	-	-	**40.10%**	44.30%
Investment in corporate bonds	-	-	**35.00%**	43.10%
Investment in mutual funds	-	-	**0.40%**	1.20%
Investment in special deposit scheme	-	-	**4.10%**	4.10%
Investment in equity shares	-	-	-	0.10%

Maturity Profile of Defined benefit obligation:

(₹ in lakhs)

31 March 2021	Within next 12 months	Between 2 and 5 years	Between 6 and 10 years	Beyond 10 Years
Gratuity	604.09	2,947.79	3,091.17	2,519.62
Post retirement medical benefits plan	4.14	17.84	24.32	65.21

31 March 2020	Within next 12 months	Between 2 and 5 years	Between 6 and 10 years	Beyond 10 Years
Gratuity	485.98	2,798.95	3,360.61	2,624.70
Post retirement medical benefits plan	4.93	21.37	29.54	84.91

30) Earnings per share (Basic and Diluted)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to the equity shareholders of the Company (Rs. in lakhs)	**22,346.32**	19,404.75
Weighted average number of equity shares - Nominal value of share at Rs. 1000/- per share	**57,54,500**	57,54,500
Earnings per share (Basis and Diluted) (Rs.)	**388.33**	337.21

31) Related party disclosures

a) Name of Related Parties

i) Holding Company
Zuari Maroc Phosphates Private Limited

ii) Joint Venturer of the Holding Company
Zuari Agro Chemicals Limited
OCP S.A, Morocco

iii) Subsidiary of the Joint Venturer of the Holding Company
Mangalore Chemicals and Fertilizers Limited

Zuari FarmHub Limited

iv) Party having significant influence
Indian Furniture Products Limited
Zuari Global Limited

Zuari Management Services Limited
Zuari Insurance Broker Limited
Zuari Infraworld India Limited
Zuari Rotem Speciality Fertilizers Ltd
Simon India Ltd
Phosphates De Boucraa SA
Pakistan Maroc Phosphore
Jorf Fertiliser SA
Adventz Finance Private Limited

v) Joint Venture of Joint Venturer of the Holding Company
Indo Maroc Phosphore SA, Morocco

vi) Associate of the Company
Zuari Yoma Agri Solutions Limited

vii) Key Managerial Personnel

Mr. N. Suresh Krishnan, Managing Director
(w.e.f. 16 February 2020)

Mr. Sunil Sethy, Managing Director
(up to 15 February 2020)

Mr. Sailesh Pati, Chief Financial Officer

Mr. Ranjit Singh Chugh, Chief Operating Officer

Ms. Asheeba Pareira, Asst. Company Secretary
(w.e.f. 5 February 2019 up to 8 August 2019)

Mr. Sisir Kumar Mishra, Company Secretary
(w.e.f. 9 August 2019 up to 31 August 2020)

Mr. Sachin Patil, Company Secretary
(w.e.f 4 November 2020)

viii) Directors
Mr. S. K. Poddar, Chairman

Mrs. Ghislane Guedira, Director

Mr. Harvinder Singh, Director - GOI-
(upto 20 April 2020)

Mr. Mohamed Belhoussain, Director
(upto 21 January 2021)

Mr. Mohamed Soual, Director

Mr. Prabhas Kumar, Director-GOI

Mr. Vinay Kumar Pandey, Director -GOI
(w.e.f. 20 April 2020)

Ms. Kiran Dhingra, Independent Director

Mr. Marco P.A. Wadia, Independent Director

Mr. Satyananda Mishra, Independent Director
(w.e.f. 04 November 2020)

ix) Enterprise where Director is Interested

Lionel India Limited
Texmaco Rail and Engineering Limited

x) Employee benefit trust
PPL Employee's Provident Fund

Note 31(b) Related Party Transactions

(₹ in lakhs)

Sl. No.	Name of Related Party		Nature of transaction	Amount: For the year ended 31 March 2021	Amount: For the year ended 31 March 2020	Outstanding as at: 31 March 2021	Outstanding as at: 31 March 2020
1	Indo Maroc Phosphore S.A. Morocco	a)	Phosphoric acid purchase (net of claims settled & received)	**60,651.18**	16,415.26	**7,879.42 Cr**	3,879.59 Cr
		b)	Claims receivable	**-**	-	**388.72 Dr**	-
		c)	Demurrage Expenses	**168.66**	0.81	**-**	-
		d)	Demurrage Written back	**-**	11.88	**-**	-
		e)	Interest	**30.04**	-	**-**	-
2	OCP S. A, Morocco	a)	Rock phosphate purchase (net of claims settled & received)	**23,031.23**	39,416.84	**22,867.21 Cr**	12,703.42 Cr
		b)	Claims receivable	**-**	-	**7,265.06 Dr**	4,663.61 Dr
		c)	Phosphoric acid purchase (net of claims settled & received)	**33,779.44**	15,470.60	**-**	-
		d)	Imported DAP purchase	**4,739.44**	-	**-**	-
		e)	Demurrage expenses (net of dispatch money)	**26.84**	165.33	**-**	-
		f)	Demurrage Written back	**1.17**	45.94	**-**	-
		g)	Interest	**4.90**	-	**-**	-
		h)	Reimbursement of expenses	**-**	-	**0.76 Dr**	0.76 Dr
3	Pakistan Maroc Phosphore	a)	Phosphuric acid purchase	**-**	-	**8.73 Cr**	4.85 Cr
		b)	Interest	**4.05**	-	**-**	-
4	Phosphates De Boucraa SA	a)	Rock phosphates purchase (net of claims settled & received)	**65,845.93**	46,601.61	**13,953.97 Cr**	6,705.19 Cr
		b)	Demurrage expenses	**74.63**	46.46	**-**	-
		c)	Demurrage Written back	**-**	34.76	**-**	-
		d)	Claims receivable	**-**	-	**7,975.65 Dr**	1,641.03 Dr
		e)	Interest	**15.20**	-	**-**	-
5	Jorf Fertiliser SA	a)	Phosphuric acid purchase (net of claims settled & received)	**2,363.66**	8,186.48	**85.61 Cr**	83.35 Cr
		b)	Imported DAP purchase	**19,658.16**	-	**20.43 Dr**	-
		c)	Demurrage expenses	**20.43**	75.03	**-**	-
		d)	Claims receivable	**-**	-	**239.76 Dr**	212.08 Dr
		e)	Interest	**5.08**	-	**-**	-

(₹ in lakhs)

Sl. No.	Name of Related Party		Nature of transaction	Amount		Outstanding as at	
				For the year ended 31 March 2021	For the year ended 31 March 2020	31 March 2021	31 March 2020
6	Zuari Yoma Agri Solutions Limited	a)	Purchase of ordinary shares	-	356.60	365.60 Dr	365.60 Dr
		b)	Reimbursement of expenses	-	4.15	56.18 Dr	56.18 Dr
7	Zuari Agro Chemicals Limited	a)	Sale of fertilizers	3,365.52	7,496.11	34,524.20 Dr	35,384.12 Dr
		b)	Sales of phosphoric acid and muriate of phosphate	48,148.04	-	17,541.97 Dr	-
		c)	Purchase of stock in trade	30,606.07	9,856.86	629.63 Cr	629.63 Cr
		d)	Demurrage	-	12.56	21.68 Dr	21.68 Dr
		e)	Claims receivable	-	-	1,168.00 Dr	874.11 Dr
		f)	Bank charges(net)	-	-	18.36 Dr	18.36 Dr
		g)	Interest income on overdue receivable	-	758.69	2,549.67 Dr	2,549.67 Dr
		h)	Reimbursement of expenses	17.56	250.44	909.37 Cr	890.81 Cr
		i)	Branding commission	536.24	319.83	1,001.98 Cr	465.74 Cr
		j)	Exchange loss	20.43	-	2.04 Cr	22.47 Cr
		k)	Purchase of fertilizer	-	-	7.67 Dr	7.67 Dr
		l)	Purchase of seeds	-	-	90.45 Dr	90.45 Dr
8	Zuari FarmHub Limited	a)	Sale of fertilizers	-	-	660.59 Dr	-
9	Simon India Limited	a)	Purchase of property, plant and equipment	-	24.19	24.19 Dr	24.19 Dr
		b)	Retention money	-	124.74	42.53 Cr	42.53 Cr
		c)	Reimbursement of expenses	104.65	0.42	15.69 Cr	0.42 Dr
10	Zuari Global Limited	a)	Reimbursement of expenses	215.22	-	-	-
11	Zuari Management Services Limited	a)	Reimbursement of expenses	519.49	482.43	43.50 Cr	-
12	Zuari Infraworld India Limited	a)	Reimbursement of expenses	-	-	1.34 Dr	1.34 Dr
13	Mangalore Chemical & Fertilizers Ltd	a)	Purchase of fertilizer	343.90	463.14	76.49 Dr	9.22 Dr
		b)	Interest income on overdue receivable	6.86	-	7.07 Dr	7.07 Dr
		c)	Reimbursement of expenses	12.54	140.10	12.54 Dr	86.29 Cr
		d)	Other expenses	5.82	-	1.25 Cr	-
14	Lionel India Limited	a)	Travelling expenses	20.87	125.30	2.48 Cr	0.07 Cr
		b)	Security deposit	-	-	-	0.97 Cr
15	Texmaco Rail & Engineering Limited	a)	Reimbursement of expenses	3.95	8.43	-	-
		b)	Security deposit	-	-	-	1.55 Dr
16	Adventz Finance Private Limited	a)	Reimbursement of expenses	61.81	43.83	-	-
		b)	Security deposit	-	42.00	42.00 Dr	42.00 Dr

(₹ in lakhs)

Sl. No.	Name of Related Party		Nature of transaction	Amount		Outstanding as at	
				For the year ended 31 March 2021	For the year ended 31 March 2020	31 March 2021	31 March 2020
17	Zuari Maroc Phosphates Private Ltd	a)	Dividend paid	-	4,629.61	-	-
		b)	Reimbursement of expenses	3.67	-	-	0.46 Dr
18	Mr N Suresh Krishnan	a)	Managerial remuneration	227.21	22.67	39.65 Cr	-
19	Mr Sunil Sethy	a)	Managerial remuneration	26.65	70.99	-	-
20	Mr Ranjit Singh Chugh	a)	Remuneration	172.33	155.03	24.59 Cr	-
21	Mr Sailesh Pati	a)	Remuneration	65.07	59.14	8.24 Cr	-
22	Ms Asheeba Pereira	a)	Remuneration	-	1.94	-	-
23	Mr Sisir Kumar Mishra	a)	Remuneration	13.31	19.99	0.06 Cr	-
24	Mr Sachin Patil	a)	Remuneration	7.53	-	2.36 Cr	-
25	Mr Kiran Dhingra	a)	Director Sitting Fee	3.95	3.50	-	-
26	Mr Marco P.A. Wadia	a)	Director Sitting Fee	3.95	3.50	-	-
27	Mr Satyananda Mishra	a)	Director Sitting Fee	0.80	-	-	-
28	PPL Employee's Provident Fund	a)	Contribution to provident fund	534.34	664.69	46.36 Cr	45.20 Cr

32) (a) Forward contract outstanding as at 31 March 2021 against import of goods is Rs. 123,889.36 lakhs (Previous year Rs.99,208.62 lakhs).

(b) Details of un-hedged foreign currency exposure as on the Balance Sheet date are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	(USD million)	(EURO million)	(Rs. in lakhs)	(USD million)	(EURO million)	(Rs. in lakhs)
Trade Payable and Creditors for Property Plant and Equipment (including acceptance)	**38.46**	**-**	**28,121.66**	38.32	0.49	29,403.31
Claims recoverable	**22.75**	**-**	**16,635.37**	10.93	-	8,269.34
Short term borrowings - Buyers and Suppliers Credit	**26.60**	**-**	**19,448.37**	26.81	-	20,287.68
Other Interest accrued but not due on borrowings	**0.09**	**-**	**67.86**	0.38	-	284.68

33) The Land Policy of Port land has been revised as per the Land Policy Guidelines issued by the Ministry of Shipping, Government of India. Pursuant to the said Policy and pending outcome of negotiation with Paradeep Port Trust, the Company has made provision towards ground rent, interest and taxes amounting to Rs. 2,516.20 lakhs (previous year Rs. 2,344.62 lakhs) against the demand raised by Paradeep Port Trust.

34) a) The Company, in an earlier year, had received an Arbitration Award in its favour in the matter of Cargo Charges Tariff dispute with Paradeep Port Trust (PPT) for the years 1993-1999. PPT in earlier year had appealed with the higher authorities against such award which was confirmed by the Appellate Authority. However, as against the above order, the PPT went into further appeal with the Hon'ble High Court of Odisha and the High Court in its interim order directed the Company not to execute award at this stage. The Company has not recognized this award as income in the Statement of Profit and Loss.

b) Paradeep Port Trust (PPT) proposed a revision in scale of rates applicable to the Company for cargo handling in the captive berth w.e.f. 1 April 1999. The matter was referred to Tariff Authority of Major Ports (TAMP) on mutual consent of the parties under the direction of Hon'ble High Court of Odisha. During the previous year, TAMP had finalized the rates, but PPT had not agreed with the order and proceeded with a writ petition before the Hon'ble High Court of Odisha against the said order. Pending disposal of the case, the Company has not recognized the amount receivable from PPT towards the excess amount paid over the applicable TAMP order.

35) In terms of meeting for amicable settlement of dispute the additional compensation to the land losers, under the chairmanship of the Collector and District Magistrate, Jagatsinghpur, it was decided to pay additional compensation at the rate fixed to the claimants through the Special Land Acquisition Officer (Spl. LAO), Government of Odisha. Since the disbursement process to land losers had started in the financial year 2010-11 through Spl. LAO, the Company had accounted for total estimated liability of Rs. 566.01 lakhs (including interest of Rs. 418.01 lakhs) during the financial year 2010-11. The outstanding liability as on 31 March 2021 stands at Rs. 250.18 lakhs (Previous year Rs. 250.18 lakhs) after making payment to Spl. LAO.

36) Employees' State Insurance Corporation (ESIC) raised various demands against the Company in respect of both contract labourers and employees in earlier years, which were contested by the Company in various Courts and Authorities. The Company is continuing with the provision existing in the books as on 31 March 2021as Rs. 214.24 lakhs (Previous year Rs. 207.52 lakhs)

37) Managerial Remuneration*

(₹ in lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salary	253.86	93.66
	253.86	93.66

* The remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits as these are determined on the basis of actuarial valuation report for the Company as a whole.

38) During the year, a sum of Rs. 151.28 lakhs (Previous year Rs. 100.10 lakhs) including capital expenditure of Rs. 59.02 lakhs (Previous year of Rs. 2.30 lakhs) was spent on research and development (excluding depreciation charge).

39) Fair Values

Set out below, the class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in lakhs)

Particulars	Carrying value		Fair value	
	March 31 2021	March 31 2020	March 31 2021	March 31 2020
Financial assets				
Others:				
Derivative financial asset	-	3,421.70	-	3,421.70
Investments	12,204.00	-	12,204.00	-
Total financial assets	12,204.00	3,421.70	12,204.00	3,421.70
Financial Liabilities				
Borrowings				
Long term borrowing (Floating rate)	18,950.11	21,887.94	18,950.11	21,887.94
Others:				
Derivative financial liabilities	1,591.54	-	1,591.54	-
Employee related dues	10.05	15.07	10.05	15.07
Total financial liabilities	20,551.70	21,903.01	20,551.70	21,903.01

The management assessed that cash and cash equivalents, other bank balance, trade receivables, other current financial assets (except derivative financial assets), trade payables, short term borrowings and other current financial liabilities (except derivative financial liabilities) approximate their fair value largely due to the short-term maturities of these instruments.

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.

40. Fair value measurements

(i) Financial instruments by category

(₹ in lakhs)

	March 31 2021			March 31 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Claims receivable	-	-	**16,928.58**	-	-	8,277.50
Investments	**12,204.00**	-	**-**	-	-	-
Interest receivable on deposits, receivables etc	-	-	**2,607.14**	-	-	2,609.80
Other receivables from related parties	-	-	**56.18**	-	-	56.18
Derivative financial assets	-	-	-	3,421.70	-	-
Trade receivables	-	-	**1,15,559.36**	-	-	2,14,890.06
Cash and cash equivalents	-	-	**9,152.45**	-	-	408.55
Bank balance other than cash and cash equivalents	-	-	**167.32**	-	-	173.17
Total Financial assets	**12,204.00**	**-**	**1,44,471.03**	**3,421.70**	**-**	**2,26,415.26**
Financial liabilities						
Long term borrowings (Floating rate)	-	-	**18,950.11**	-	-	21,887.94
Short term borrowings	-	-	**1,06,167.14**	-	-	2,07,907.08
Trade and other payables	-	-	**97,817.05**	-	-	84,890.05
Derivative financial liabilities	**1,591.54**	-	**-**	-	-	-
Security deposits	-	-	**2,800.27**	-	-	1,831.39
Total Financial liabilities	**1,591.54**	**-**	**2,25,734.57**	**-**	**-**	**3,16,516.46**

(ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2021: (₹ in lakhs)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Assets for which fair values are disclosed					
Investments	**31.03.2021**	**12,204.00**	**-**	**12,204.00**	-
Liabilities measured at fair value					
Liabilities for which fair values are disclosed					
Derivative financial liabilities	**31.03.2021**	**1,591.54**	**-**	**1,591.54**	-

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published NAV statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
2. The fair value of derivatives is determined using quoted forward exchange rates at the reporting date.

There have been no transfers between level 1, level 2 and level 3 during the year.

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2020 : (₹ in lakhs)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value					
Assets for which fair values are disclosed					
Derivative financial liabilities	**31.03.2020**	**3,421.70**	**-**	**3,421.70**	**-**

There have been no transfers between level 1, level 2 and level 3 during the year.

41. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. 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, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative contracts. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in other market variables.

The following assumptions have been made in calculating the sensitivity analysis:-

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

a) Interest rate risk

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. To be updated with company specific exposures and policy of the management to mitigate these risks.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs)

Particulars	Increase / decrease in basis points	Effect on profit before tax (Decrease)/ Increase
31 March 2021		
INR Borrowings	**+50**	**(94.75)**
Foreign Currency Borrowings	**+50**	**(530.84)**
INR Borrowings	**-50**	**94.75**
Foreign Currency Borrowings	**-50**	**530.84**
31 March 2020		
INR Borrowings	+50	(638.58)
Foreign Currency Borrowings	+50	(491.78)
INR Borrowings	-50	638.58
Foreign Currency Borrowings	-50	491.78

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

b) Foreign currency risk

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.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with INR, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

For the year ended March 31, 2021

(₹ in lakhs)

Particulars	Change in foreign currency rate	Effect on profit before tax (Decrease)/Increase
USD	+5%	(1,550.13)
	-5%	1,550.13

For the year ended March 31, 2020

(₹ in lakhs)

Particulars	Change in foreign currency rate	Effect on profit before tax (Decrease)/Increase
USD	+5%	(2,065.16)
	-5%	2,065.16
EURO	+5%	(20.47)
	-5%	20.47

c) Commodity price risk

The Company's operating activities require the ongoing purchase of rock phosphates, phosphoric acid, sulphur and mauratic potash. All being international commodities is subject to price fluctuation on account of the change in the demand supply pattern and exchange rate fluctuations. The Company is not affected by the price volatility of the raw materials as government on a time to time basis, revises the subsidy rates payable to the fertilizer industry based on the market trend.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a) **Trade receivables**

The Company receivables can be classified into two categories, one is from the customers into the market and second one is from the Government in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is nil. For market receivables from the customers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigates the credit risk to some extent.

Reconciliation of loss allowance on trade receivables

Particulars	Amount Rs. In Lakhs
Loss allowance as on 1st April 2019	2167.49
Changes in loss allowance during 2019-20	659.09
Loss allowance as on 31st March 2020	**2826.58**
Changes in loss allowance during 2020-21	652.43
Loss allowance as on 31st March 2021	**3479.01**

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the guidelines framed by the board of directors of the Company. Guidelines broadly covers the selection criterion and over all exposure which the Company can take with a particular financial institution or bank. Further the guideline also covers the limit of overall deposit which the Company can make with a particular bank or financial institution. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

Reconciliation of loss allowance on other financial assets

Particulars	Amount Rs. in Lakhs
Loss allowance as on 01-April 2019	209.79
Changes in loss allowance during 2019-20	-
Loss allowance as on 31 March 2020	**209.79**
Changes in loss allowance during 2020-21	-
Loss allowance as on 31 March 2021	**209.79**

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

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

(₹ in lakhs)

Particulars	Less than1 Year	1-5 Years	> 5 years	Total
Year ended 31 March 2021				
Borrowings	1,13,776.12	11,341.13	-	1,25,117.25
Other financial liabilities	8,255.69	-	-	8,255.69
Trade payables	93,953.17	-	-	93,953.17
	2,15,984.98	**11,341.13**	-	**2,27,326.11**
Year ended 31 March 2020				
Borrowings	2,15,907.08	14,000.00	-	2,29,907.08
Other financial liabilities	6,106.68	-	-	6,106.68
Trade payables	80,614.50	-	-	80,614.50
	3,02,628.26	14,000.00	-	3,16,628.26

42.Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The primary objective of the Comapny'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. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital keeping in view the adequate interest and debt service cover ratio.

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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

43) The Company has taken into account potential impacts of COVID-19 in the preparation of the standalone financial statements. Based on the information currently available there is no material impact on carrying amounts of its property, plant and equipment, inventory, trade receivables, investments and other current assets though management continue to monitor changes in future economic conditions. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements. Further, the Company has also evaluated impact of COVID-19 on internal financial controls over financial statements and concluded that there is no impact of COVID-19 thereon. The Company would continue to monitor and assess the impact of COVID-19.

44) Rent and warehouse rent expense included in Note No. 25 represents expenses incurred in respect of short term leases. The lease agreements are cancellable at the option of both the lessor and lessee.

45) As per section 135 of the Companies Act, 2013, the Company has incurred expenses on corporate social responsibility (CSR) amounting Rs. 502.86 lakhs (Previous year Rs. 447.69 lakhs) for CSR activities for the purposes other than construction/acquisition of any asset. The gross amount required to be spent by the Company as per section 135 was Rs. 480.28 lakhs (Previous year Rs. 404.12 lakhs).

S.No	Particulars	₹ In lakhs
a.	Gross amount required to be spent by the Company during the year.	480.28
b (i).	Amount spent during the year on construction/acquisition of any asset	-
b (ii).	Amount spent during the year on purposes other than construction/acquisition of any asset is as below:	
	– Contribution to OSDMA	150.00
	– Education & health	68.88
	– Water Sanitation, Health & Hygiene	75.65
	– Promotion of Sports at Villages and School level	11.41
	– Skill Development & Livelihood promotion	53.92
	– Livelihood promotion for marginalised houses	20.08
	– Environment & Biodiversity	12.31
	– Old age care / children with no parental care etc	6.06
	– Women empowerment	8.39
	– Emergency Relief support to poor in case of Disaster	80.69
	– Livelihoods promotion for Women & Youth	8.55
	– Support for Household Energy Needs (Renewable Energy)	6.92

46. Disclosure required under Section 186(4) of the Companies Act, 2013

(₹ in lakhs)

Name	Investments made during the year	Closing balance	Purpose
Zuari Yoma Agri Solutions Limited	-	365.61	Strategic investment

During the previous year, the Company had invested in 5,00,000 fully paid up ordinary shares of Zuari Yoma Agri Solutions Limited for a total consideration of US$ 5,00,000 aggregating to Rs. 356.61 lakhs.

47. The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company during the FY-2020-21 provided for income tax at old rates, based on the available outstanding MAT credit entitlement and other exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities

48. Changes in liabilities arising from financing activities

(₹ in lakhs)

Particulars	Period (1 April-31 March)	Opening Balance	Cash flows	Adjustments	Closing Balance
Long term borrowings	**2020-21**	**21,887.94**	**(3,000.00)**	**62.17**	**18,950.11**
(Refer Note 12a)	2019-20	28,810.77	(7,000.00)	77.17	21,887.94
Short term borrowings	**2020-21**	**2,07,907.08**	**(97,624.85)**	**(4,115.09)**	**1,06,167.14**
(Refer Note 12b)	2019-20	2,83,488.89	(79,386.24)	3,804.43	2,07,907.08

Adjustment represent foreign exchange fluctuation and unwinding of interest expense

49) Receivables include Rs. 35,837.01 lakhs (net) due from Zuari Agro Chemicals Limited (ZACL), a related party. ZACL has confirmed the outstanding balance which is in agreement with the books of the Company. The Company's management has discussed a plan for the settlement of these dues with ZACL. Pursuant to the settlement plan, the Company, among other steps, has entered into a business transfer agreement with ZACL on 1st March 2021, as approved by the Board of Directors of the Company as well as ZACL, for acquisition of certain assets of ZACL on slump sale basis. As per the terms of the agreement, the receivable from ZACL would be adjusted against the final purchase consideration payable for the proposed acquisition and accordingly the Company believes that the receivable amount outstanding from ZACL would be fully recovered through such settlement, in due course of time.

50) The disclosure regarding holdings and dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

As per our report of even date
For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Kolkata

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

INDEPENDENT AUDITORS' REPORT

To
The Members of
Paradeep Phosphates Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Paradeep Phosphates Limited (hereinafter referred to as the "Company") and its associate, which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Board of Directors' report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Company and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The Management and Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies is responsible for overseeing the financial reporting process of each company.

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

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

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Company 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.

Other Matters

The consolidated financial statements also include the Company's share of net loss (and other comprehensive loss) of Rs. 23.55 lacs for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of one associate, whose financial information have not been audited by us or by other auditors. These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Company.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on 31 March 2021 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Company and its associate. Refer Note 26 to the consolidated financial statements;

ii. The Company and its associate has made provision as required under applicable law or accounting standards, for material foreseeable losses, if any on long term losses including derivative contracts - Refer Note 14 to the consolidated financial statements;

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757
ICAI UDIN: 21055757AAAABQ7181

Place : Kolkata
Date :24th May, 2021

Annexure A to the Independent Auditors' report on the consolidated financial statements of Paradeep Phosphates Limited for the period ended March 31, 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of Paradeep Phosphates Limited (hereinafter referred to as "the Company") as at March 31, 2021.

In our opinion, the Company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements

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

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.101248W/W-100022

Jayanta Mukhopadhyay
Partner
Membership No. 055757
ICAI UDIN: 21055757AAAABQ7181

Place : Kolkata
Date :24th May, 2021

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	1,22,510.42	1,21,267.37
(b) Capital work-in-progress	4.1	22,005.97	14,904.45
(c) Intangible assets	4.2	110.55	135.80
(d) Equity accounted investment	46	278.52	312.26
(e) Other non-current assets	6	2,321.36	1,740.66
(f) Other income tax assets		1,246.99	2,150.64
Total non-current assets		1,48,473.81	1,40,511.18
(2) Current assets			
(a) Inventories	7	89,905.36	1,07,853.81
(b) Financial assets			
(i) Investments	5a	12,204.00	-
(ii) Trade receivables	8	1,15,559.36	2,14,890.06
(iii) Cash and cash equivalents	9a	9,152.45	408.55
(iv) Bank balances other than (iii) above	9b	167.32	173.17
(v) Other financial assets	5b	19,591.90	14,365.18
(c) Other current assets	6	47,238.04	22,805.87
(d) Assets classified as held for sale	9c	24.32	24.58
Total current assets		2,93,842.75	3,60,521.27
Total assets		4,42,316.56	5,01,032.40
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	10	57,545.00	57,545.00
(b) Other equity	11	1,25,205.97	1,02,808.34
Total equity		1,82,750.97	1,60,353.34

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12a	11,341.13	13,942.24
(ii) Other financial liabilities	14	10.05	15.07
(b) Provisions	16	1,974.99	2,707.26
(c) Deferred tax	17	9,301.23	2,186.65
Total non-current liabilities		22,627.40	18,851.22
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12b	1,06,167.14	2,07,907.08
(ii) Trade payables	13		
- total outstanding dues of micro enterprises and small enterprises		625.56	172.14
- total outstanding dues of creditors other than micro enterprises and small enterprises		93,327.61	80,442.36
(iii) Other financial liabilities	14	15,854.62	14,037.57
(b) Other current liabilities	15	12,638.96	10,319.40
(c) Provisions	16	8,301.55	7,564.81
(d) Current tax liabilities		22.75	1,384.48
Total current liabilities		2,36,938.19	3,21,827.84
Total equity and liabilities		4,42,316.56	5,01,032.40

Significant accounting policies 2

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Dubai

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

	Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
I	**REVENUE**			
I.	Revenue from operations	18	5,16,473.35	4,19,286.45
II.	Other income	19	1,920.60	3,491.14
III.	**Total Income (I+II)**		5,18,393.95	4,22,777.59
IV.	**EXPENSES**			
	Cost of raw materials consumed	20	2,26,512.43	2,21,014.06
	Purchase of traded goods		1,38,020.07	47,540.83
	Changes in inventories of finished goods, stock-in-trade and work in progress	21	22,583.41	25,857.41
	Employee benefits expense	22	13,919.00	13,192.79
	Finance costs	23	11,142.53	19,179.06
	Depreciation and amortization expense	24	8,332.81	7,247.59
	Other expenses	25	61,213.90	65,706.88
	Total expenses (IV)		4,81,724.15	3,99,738.62
V	**Profit before share of loss from associate and tax (III-IV)**		36,669.80	23,038.97
VI	Share of loss from associate		(19.50)	(82.82)
VII	**Profit before tax (V+VI)**		36,650.30	22,956.15
VIII	**Tax expense**		(14,323.48)	(3,634.22)
(1)	Current tax	17	(7,267.94)	(4,084.22)
(2)	Deferred tax (charge)/credit	17	(7,068.90)	271.61
(3)	Income tax (expenses)/credit for the earlier years (net)		(13.36)	178.39
IX	**Profit for the year (VII+VIII)**		22,326.82	19,321.93
X	Other comprehensive income		70.81	(302.49)
	A Items that will be reclassified to profit or loss		(14.24)	38.48
	Exchange differences on translation of foreign operations	46	(14.24)	38.48
	B Items that will not be reclassified to profit or loss		85.05	(340.97)
	Re-measurement gains/(losses) on defined benefit plans		130.74	(524.11)
	Income tax effect	17	(45.69)	183.14

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

	Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
XI	**Total comprehensive income for the year (IX + X)**		**22,397.63**	19,019.44
	Profit for the year attributable to:			
	Equity shareholders of the company		**22,326.82**	19,321.93
	Other comprehensive income attributable to:			
	Equity shareholders of the company		**70.81**	(302.49)
	Total comprehensive income attributable to:			
	Equity shareholders of the company		**22,397.63**	19,019.44
XII	**Earnings per equity share:**			
	- Basic and diluted	**30**	**387.99**	335.77

Significant accounting policies **2**

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)

Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)

Place: Dubai

SACHIN PATIL
Company Secretary

Place: Bhubaneswar
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer

Place: Bhubaneswar

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
A. Cash flow from operating activities		
Profit before taxes	**36,650.30**	22,956.15
Adjustments for:		
Depreciation and amortisation expense	**8,332.81**	7,247.59
Finance costs	**10,158.34**	18,264.61
Interest income	**(55.86)**	(902.75)
Loss on sale / discard of property, plant and equipment (net)	**689.90**	815.05
Profit on sale of current investments	**(23.43)**	-
Gain on fair valuation of investments measured at fair value through profit or loss	**(3.99)**	-
Loss allowance	**764.91**	740.52
Bad debts, claims and advances written off	**-**	10.10
Unspent liabilities/provision no longer required written back	**(359.88)**	(347.19)
Foreign exchange fluctuation loss/(gain) unrealized (net)	**2,400.17**	3,191.89
Share of loss from associate	**19.50**	82.82
Operating cash flow before working capital changes	**58,572.77**	**52,058.79**
Adjustments for:		
Decrease in inventories	**17,948.45**	34,328.42
Decrease in trade receivables, loans and advances and other current assets	**98,565.79**	18,573.85
(Increase) / decrease in financial and other assets	**(33,083.24)**	20,118.54
Increase in trade payables, other current liabilities and provisions	**15,688.45**	3,743.74
Increase in provisions	**135.21**	1,049.53
Cash generated from operating activities	**1,57,827.43**	1,29,872.87
Income taxes paid (net of refunds)	**(7,712.66)**	(2,899.27)
Net cash generated from operating activities (A)	**1,50,114.77**	1,26,973.60
B. Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	**11.04**	9.42
Acquisition of property, plant and equipment, including capital work in progress, capital advances and capital creditors	**(16,883.28)**	(13,904.81)
Investments in associate	-	(356.60)
Investments in current investments - mutual funds	**(76,004.00)**	-
Proceeds from sale of current investments - mutual funds	**63,827.42**	-
Interest received	**58.52**	144.45
Proceeds from/(investment in) deposits with maturity of more than three months	**57.87**	(208.75)
Net cash used in investing activities (B)	**(28,932.43)**	(14,316.29)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
C. Cash flows from financing activities		
Proceeds from non-current borrowings	6,878.77	-
Repayment of non-current borrowings	(9,878.77)	(6,922.83)
Proceeds from current borrowings	6,27,200.75	8,47,792.06
Repayment of current borrowings	(7,24,825.60)	(9,27,178.30)
Dividend paid	-	(6,937.35)
Interest paid	(11,813.59)	(20,876.30)
Net cash used in financing activities (C)	**(1,12,438.44)**	(1,14,122.72)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	8,743.90	(1,465.41)
Cash and cash equivalents at the beginning of the year #	408.55	1,873.96
Cash and cash equivalents at the end of the year #	**9,152.45**	**408.55**

As disclosed in Note 9(a).

The above consolidated statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 Statement of Cash Flows.

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)

Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)

Place: Dubai

SACHIN PATIL
Company Secretary

Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer

Place: Bhubaneswar

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

(Amount in Rupees lakhs, unless otherwise stated)

(a) Equity Share Capital

Equity shares of Rs. 1000/- each issued, subscribed and fully paid	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	**57,54,500**	**57,545.00**	57,54,500	57,545.00
Issue of share capital (Note 10)	-	-	-	-
Balance at the end of the year	**57,54,500**	**57,545.00**	57,54,500	57,545.00

(b) Other equity

For the year ended 31 March 2021:

Particulars	Retained earnings (Note 11)	Foreign currency translation reserve (Note 11)	Total
Balance as at 1 April 2020	**1,02,769.86**	**38.48**	**1,02,808.34**
Profit for the year	**22,326.82**	**-**	**22,326.82**
Other comprehensive income for the year (net of tax)*	**85.05**	**(14.24)**	**70.81**
Balance as at 31 March 2020	**1,25,181.73**	**24.24**	**1,25,205.97**

* Other comprehensive income for the year adjusted in retained earnings pertains to remeasurement of defined benefit plans (net of taxes)

For the year ended 31 March 2020:

Particulars	Retained earnings (Note 11)	Foreign currency translation reserve (Note 11)	Total
Balance as at 1 April 2019	90,726.25	-	90,726.25
Profit for the year	19,321.93	-	19,321.93
Other comprehensive income for the year (net of tax)*	(340.97)	38.48	(302.49)
Dividend including corporate dividend tax	(6,937.35)	-	-(6,937.35)
Balance as at 31 March 2020	**1,02,769.86**	38.48	**1,02,808.34**

* Other comprehensive income for the year adjusted in retained earnings pertains to remeasurement of defined benefit plans (net of taxes)

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached.

For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24th May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Dubai

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24th May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

Notes to Consolidated Financial Statements

1. Corporate Information

Paradeep Phosphates Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of Indian Companies Act. The Company is primarily engaged in the manufacture of Di-Ammonium Phosphate (DAP), Complex Fertilizers of NPK grades, and Zypmite (Gypsum based product) having its manufacturing facility at the port town of Paradeep, District Jagatsinghpur, Odisha. The Company is also involved in trading of fertilizers, ammonia, neutralized phospo gypsum, micronutrient and other materials. With its head office at Bhubaneswar and various regional offices across the country, the Company caters to the demands of farmers all over the country through its "Navratna" brand of fertilizers. The Company has an associate i.e. Zuari Yoma Agri Solutions Limited. The associate is domiciled in Myanmar.

These consolidated financial statements were approved by the Board of Directors of the Company in their meeting held on 24 May 2021.

2. Significant Accounting Policies

2. (a) Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values notified under the provisions of the Companies Act 2013 ("the Act") to the extent applicable. The Company has prepared these financial statements to comply in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 3 of the Companies (Indian Accounting Standards), Rule, 2015 and relevant amendment rules issued thereafter.

The accounting policies have been consistently applied to all the years except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

The financial statements of the Company are presented in Indian Rupee (Rs.) which is the functional currency of the Company and all values are rounded to the nearest lakhs (Rs. 00,000.00), except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its associate as at March 31, 2021. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company i.e. year ended March 31, 2021.

Investment in associate is accounted for using equity method of accounting, after initially being recognized at cost. Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit and loss and the Company's share of other comprehensive income of the investee in other comprehensive income. When the Company's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Company does not recognize further losses, unless it has incurred obligations on behalf of the other entity.

Unrealised gains on transactions between the Company and its associate are eliminated to the extent of the Company's interest in the entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The carrying amount of equity accounted investments are tested for impairment.

The details of associate included in these consolidated financial statements are as under:

Name	Ownership interest		Country of Incorporation
	As at 31 March 2021	As at 31 March 2020	
Zuari Yoma Agri Solutions Limited	50%	50%	Myanmar

2. (b) Summary of significant Accounting Policies

i. Basis of classification of Current and Non-Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

ii. Property, plant and equipment

Property, plant and equipment (PPE) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, freight, duties, taxes, borrowing costs, if recognition criteria are met and any directly attributable cost incurred to bring the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Replaced assets held for disposal are stated at lower of their carrying amount and fair value less costs to sell, and depreciation on such assets ceases and shown under "Assets held for sale".

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of the assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Expenditure on new projects and substantial expansion

Expenditure directly relating to construction activity is capitalized. Other indirect expenditure incurred during the construction period which are not related to the construction activity nor are incidental thereto are charged to the statement of profit and loss. Income earned during construction period, if any, is deducted from the total of the indirect expenditure.

iii. Depreciation on property, plant and equipment

a. Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used the following useful life to provide depreciation on its property, plant and equipment based on technical evaluation done.

Class of Assets	Useful Lives estimated by the management (Years)
Buildings	30 to 60
Roads and culverts	3 to 5
Plants and equipment	
(Continuous process plant)	25
Plant and equipment	
(Non continuous process plant)	5 to 20
Furniture, fixtures & fittings	2 to 10
Vehicles	8
Office equipments	3 to 6
Railway siding	15

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate component of property, plant and equipment. These are estimated by the management supported by independent assessment by professionals.

b. Premium on land held on leasehold basis considered as Right of Use Asset is amortized over the period of lease.

c. The classification of plant and machinery into continuous and non-continuous process is done as per technical certification by the management and depreciation thereon is provided accordingly.

d. The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

iv. Intangible assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least once at the end of each reporting period. If the expected useful life of the asset is different from previous estimates, the amortization period is changed accordingly. If there has been a change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The following are the acquired intangible assets:

Software

The management of the Company assessed the useful life of software as finite and cost of software is amortized over their estimated useful life of three years on straight line basis.

v. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset (except inventories and deferred tax asset) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

vi. Leases

At inception of the contract, the Company assesses whether a contract is, or contains, a lease. 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:

- The contract involves use of an identified asset, whether specified explicitly or implicitly;
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- The Company has right to direct the use of the asset by either having right to operate the asset or the Company having designed the asset in a way that predetermines how and for what purpose it will be used.

Accounting as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of lease term. The estimates of useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is subsequently measured at amortised cost. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense of straight line basis over the lease term.

vii. Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rs.), which is Company's functional and presentation currency.

(b) Initial recognition

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction.

(c) Conversion

Foreign currency monetary items are translated using the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial recognition.

(d) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

(e) Foreign operations

The assets and liabilities of foreign operations are translated into INR at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of transactions. Foreign currency differences are recognised in OCI and accumulated in foreign currency translation reserve (FCTR). When a foreign operation is disposed of in its entirety or partially, the relevant proportion of the cumulative amount in the FCTR related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

Viii.Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. 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 profit and loss.

ix. Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

x. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

All financial assets except trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Trade receivables are measured at transaction price in accordance with Ind AS 115.

Subsequent measurement

Financial assets in the nature of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost;

- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit and loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent sole payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised 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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses (ECL) associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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 ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL 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 Company reverts to recognising impairment loss allowance based on 12-month ECL.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised 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 amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability 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 recognised in the statement of profit or loss.

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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xi. Cash and Cash equivalents

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

xii. Inventories

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

ii. The cost is determined as follows:

(a) Raw Materials, Stores, Spare Parts, Chemical, Fuel Oil and Packing Materials: Weighted average method

(b) Intermediaries: Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity

(c) Finished goods (manufactured): Material cost on weighted average method and appropriate manufacturing overheads based on normal operating capacity

(d) Traded goods: Weighted average method

iii. By-products such as treated gypsum are measured at net realizable value.

iv. Net realizable value is the estimated selling price including applicable subsidy in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

v. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

xiii.Borrowing Costs

Borrowing costs include interest and other ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xiv. Revenue Recognition

The Company earns revenue primarily from sale of fertilizers. The following specific criteria must also be met before revenue is recognised:

Sale of goods

At contract inception, Company assess the goods promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods which is usually dispatch/delivery of goods, based on contracts with customers. There is no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (x) to significant accounting policies on Financial instruments - initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Subsidy income

Subsidy for DAP, Muriate of Potash (MOP) and Complex Fertilizers are recognized as per rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy and other guidelines issued from time to time.

Subsidy on freight charges for DAP, MOP and Complex Fertilizers is recognized based on rates notified by the Government of India with the known policy parameters in this regard and included in subsidy.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Claims receivable on account of interest from dealers on delayed payments and insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established.

Insurance claims

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

xv. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

xvi.Employee benefits

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined Contribution Plans:

Retirement benefit in the form of contribution to pension fund, superannuation fund and national pension scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to these schemes. The Company recognizes contribution payable to these fund schemes as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre- payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plan:

i) Liability for Gratuity and Post Retirement Medical Benefits are provided for on the basis of actuarial valuation carried at the end of each financial year. The gratuity plan and post employment medical benefit plan has been funded by policy taken from Life Insurance Corporation of India.

ii) Liability for Provident fund is provided for on the basis of actuarial valuation carried at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952.

iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gain / (loss) are not reclassified to the statement of profit and loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity.

Other long terms benefits

Liability for accumulated compensated absences are provided for on the basis of actuarial valuation carried at the end of each financial year. The Company measures the expected cost of accumulated compensated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose.

xvii.Income Taxes

Tax expense comprises current income tax and deferred tax. Current income-tax expense is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the liability 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 recognised for all taxable temporary differences, except when the deferred tax liability arises from an asset or liability in a transaction that at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised 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.

Deferred tax include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

xviii.Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Chief Operating Decision Maker review the performance of the Company according to the nature of products manufactured, traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

xix.Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders of the Company by the weighted average number of the equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xx. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. A contingent liability is also a present obligation that arises from past events but outflow of resources embodying economic benefits is not probable.

xxi. Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

Recent Accounting pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs ("MCA"), notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

3. 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, 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. The changes in estimates are made as the management becomes aware of such changes. The changes in estimates are recognized in the period in which the estimates are revised.

a) Defined benefit plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans 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 defined benefit plans, the management considers the interest rates of government bonds. 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 are based on the expected future inflation rates. Further details about the defined benefit obligations are given in Note No - 29.

b) Useful life of Property, plant and equipment

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date. Refer Note No - 4.

c) Fair value measurement of financial instruments.

Refer Note No - 40 for information about fair value measurement.

d) Revenue recognition

The Company provides various rebates and incentives to the customers. Various estimates are made to recognize the impact of rebates and other incentives on revenue. These estimates are made based on historical experience and business forecast and current market conditions.

4. Property, plant and equipment

(₹ in Lakhs)

Particulars	Leasehold Land-Right of use Asset	Freehold Land *	Buildings	Roads & Culverts	Plant and equipments	Furniture and fittings	Vehicles	Office Equipments	Railway Siding	Total
Cost (gross carrying amount)										
Balance as at 01.04.2019	39.84	584.90	14,795.98	407.62	1,05,301.49	338.37	445.26	847.68	657.92	1,23,419.06
Additions	-	-	20,317.88	71.57	2,302.75	12.33	50.97	170.09	-	22,925.59
Disposals	-	-	(50.30)	-	(948.37)	(2.99)	(29.25)	(177.07)	-	(1,207.98)
Adjustments (Refer note a)	-	-	4,069.35	-	(22.26)	-	-	(10.79)	-	4,036.30
Balance as at 31.03.2020	**39.84**	**584.90**	**39,132.91**	**479.19**	**1,06,633.61**	**347.71**	**466.98**	**829.91**	**657.92**	**1,49,172.97**
Additions	**-**	**-**	**434.98**	**181.58**	**8,742.70**	**54.33**	**24.97**	**106.27**	**-**	**9,544.83**
Disposals	**-**	**-**	**-**	**(0.40)**	**(944.64)**	**(6.32)**	**(19.91)**	**(3.37)**	**-**	**(974.64)**
Adjustments	**-**	**-**	**49.21**	**-**	**649.41**	**-**	**-**	**-**	**-**	**698.62**
Balance as at 31.03.2021	**39.84**	**584.90**	**39,617.10**	**660.37**	**1,15,081.08**	**395.72**	**472.04**	**932.81**	**657.92**	**1,58,441.78**
Accumulated depreciation										
Balance as at 01.04.2019	1.94	-	2,354.82	69.04	17,897.38	137.31	71.08	481.52	67.89	21,080.98
Charge for the year	0.44	-	649.53	46.79	6,298.95	43.42	54.46	88.53	33.94	7,216.06
Deductions	-	-	(17.16)	-	(195.63)	(2.45)	(12.89)	(154.69)	-	(382.82)
Adjustments	-	-	-	-	(0.90)	-	-	(7.72)	-	(8.62)
Balance as at 31.03.2020	**2.38**	**-**	**2,987.19**	**115.83**	**23,999.80**	**178.28**	**112.65**	**407.64**	**101.83**	**27,905.60**
Charge for the year	**0.44**	**-**	**1,361.34**	**71.27**	**6,630.47**	**45.34**	**56.21**	**100.71**	**33.94**	**8,299.72**
Deductions	**-**	**-**	**-**	**-**	**(260.77)**	**(4.75)**	**(6.32)**	**(2.12)**	**-**	**(273.96)**
Adjustments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 31.03.2021	**2.82**	**-**	**4,348.53**	**187.10**	**30,369.50**	**218.87**	**162.54**	**506.23**	**135.77**	**35,931.36**
Net carrying amount										
Balance as at 31.03.2021	**37.02**	**584.90**	**35,268.57**	**473.27**	**84,711.58**	**176.85**	**309.50**	**426.58**	**522.15**	**1,22,510.42**
Balance as at 31.03.2020	37.46	584.90	36,145.72	363.36	82,633.81	169.43	354.33	422.27	556.09	1,21,267.37

* Conveyance deed / patta have been executed for 2104.05 acres against possession of 2282.11 acres of land.

a) Adjustments to gross carrying amount include adjustment on account of borrowing costs. The capitalisation rate relating to general borrowings was at 7.74% (31 March 2020: 8.84%).

b) Refer Note 12a and 12b relating to borrowings in respect of property, plant and equipment provided as security against those borrowings.

c) Refer Note 27 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4.1 Capital Work-in-progress (₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Capital Work-in-progress		
Opening balance	**14,904.45**	25,481.43
Add:-Addition during the year	**17,352.81**	16,453.62
Less:- Capitalisation during the year	**10,251.29**	27,030.60
Closing balance	**22,005.97**	14,904.45

Closing balance includes other direct capital expenditure (pending allocation) Rs. 1,569.20 (31 March 2020: Rs.1,047.89)

4.2. Intangible Assets (₹ in Lakhs)

Particulars	Computer Software	Total
Gross carrying amount		
Balance as at 01.04.2019	**342.46**	342.46
Additions	**68.71**	68.71
Disposals	**(8.44)**	(8.44)
Adjustments	**10.79**	10.79
Balance as at 31.03.2020	**413.52**	**413.52**
Additions	**7.84**	**7.84**
Balance as at 31.03.2021	**421.36**	**421.36**
Accumulated amortization		
Balance as at 01.04.2019	**246.91**	246.91
Charge for the year	**31.53**	31.53
Deductions	**(8.44)**	(8.44)
Adjustments	**7.72**	7.72
Balance as at 31.03.2020	**277.72**	**277.72**
Charge for the year	**33.09**	**33.09**
Balance as at 31.03.2021	**310.81**	**310.81**
Net carrying amount		
Balance as at 31.03.2020	**135.80**	**135.80**
Balance as at 31.03.2021	**110.55**	**110.55**

5a. Investments (₹ in Lakhs)

Particulars	31 March 2021		31 March 2020	
	Units	Amount	Units	Amount
Mutual fund investments at fair value through profit or loss (unquoted)				
Aditya Birla Sun Life Money Manager Regular - Growth	**12,28,746.71**	**3,501.44**	-	-
Axis Money Market Fund - Direct Plan	**2,07,887.17**	**2,301.07**	-	-
Nippon India Money Market Fund - Direct Growth Plan Growth Option	**43,499.36**	**1,401.00**	-	-
Nippon India Money Market Fund - Growth Plan Growth Option	**62,588.63**	**2,000.40**	-	-
HDFC Money Market Fund - Regular Plan _ Growth	**33,945.49**	**1,499.93**	-	-
ICICI Prudential Money Market Fund - Growth	**1,70,598.19**	**499.98**	-	-
ICICI Prudential Money Market Fund - Direct Plan - Growth	**3,38,721.53**	**1,000.18**	-	-
Total		**12,204.00**		

5b. Other financial assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Derivative instruments at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward contracts	-	-	-	3,421.70
Other financial asset at amortised cost				
Claims receivable:				
Related parties (Refer note no. 31(b))	-	-	16,163.08	6,516.72
Others	209.79	209.79	765.50	1,760.78
Less: Loss allowance	(209.79)	(209.79)	-	-
Interest receivable on deposits, receivables, etc:				
Related parties (Refer note no. 31(b))	-	-	2,556.74	2,556.74
Others	-	-	50.40	53.06
Other receivables:				
Related parties (Refer note no. 31(b))	-	-	56.18	56.18
Total other financial assets	-	-	19,591.90	14,365.18

The carrying amounts of these financial assets are a reasonable approximation of their fair value.

6. Other assets (Unsecured considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	Non-Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Capital advances :				
Related parties (Refer note no. 31(b))	24.19	24.19	-	-
Others	1,446.85	814.13	-	-
Advance to vendors:				
Related parties (Refer note no. 31(b))	-	-	1.34	2.22
Others	-	-	2,098.39	857.51
Less: Loss allowance	-	-	(32.00)	(32.00)
Claims receivable	218.28	218.28	861.28	745.60
Less: Loss allowance	(218.28)	(218.28)	-	-
Balance with statutory / government authorities	-	-	23,659.01	18,033.49
Prepaid expenses	93.03	145.05	367.35	473.10
Sales tax & entry tax deposits	8.01	8.01	2,596.52	2,596.52
Less: Loss allowance	(8.01)	(8.01)	-	-
Receivable from related party (Refer note no. 31(b))	-	-	17,541.97	-
Other deposits				
Related parties (Refer note no. 31(b))	42.00	42.00	-	1.55
Others*	715.29	715.29	144.18	127.88
Total other assets	2,321.36	1,740.66	47,238.04	22,805.87

* Includes primarily deposits with vendors, service providers.

7. Inventories (valued at lower of cost and net realizable value)

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Raw materials	37,928.44	34,981.23
Finished goods	13,520.24	35,749.81
Traded goods	13,079.27	12,524.09
Intermediates	7,158.97	6,013.48
Stores, spare parts, chemical and fuel oil	4,449.87	4,773.02
Packing materials	630.50	657.63
By-Products	13,138.07	13,154.55
Total	**89,905.36**	**1,07,853.81**

a) Inventories are pledged against the borrowings as further explained in Note 12a and 12b.

b) The cost of inventories recognised as expense includes Rs 39.29 lakhs (2019-20: Rs.375.23 lakhs) in respect of write down of inventories.

c) Inventories includes inventories in transit as at the balance sheet as under:

Particulars	31 March 2021	31 March 2020
Raw materials	19,643.50	17,229.73
Finished goods	3,468.75	3,302.84
Traded goods	5,927.52	928.54
Stores and spare parts including capital spares	230.47	1,176.85
Total	**29,270.24**	**22,637.96**

8. Trade receivables (at amortised cost)

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Trade receivables considered good - secured	573.53	457.77
Trade receivables considered good - unsecured	83,261.69	1,81,856.39
From related parties (Refer note no 31(b))		
Trade receivables considered good - unsecured	35,203.15	35,402.48
Total trade receivables	**1,19,038.37**	2,17,716.64
Less: Provision for impairment	(3,479.01)	(2,826.58)
Net trade receivables *	**1,15,559.36**	**2,14,890.06**

a) *Includes Subsidy receivable from GOI amounting to Rs 51,844.89 lakhs (31 March 2020: Rs 1,17,471.84 lakhs) net of provision of Rs 727.27 lakhs (31 March 2020: Rs 312.54 lakhs)

b) Trade receivables are pledged against the borrowings obtained by the Company as further explained in Note 12a and 12b.

c) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

d) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

e) The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 41.

9a. Cash and cash equivalents

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
a. Balances with banks		
- On current accounts	247.31	120.88
- On cash credit accounts	8,904.97	287.48
b. Cash on hand	0.17	0.19
Total	**9,152.45**	**408.55**

9b. Bank balances other than above

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
In term deposit account*	167.32	173.17
Total	**167.32**	**173.17**

*With original maturity of more than 3 months but not greater than 12 months and pledged with Executive Engineer, Mahanadi South Division as security deposit Rs.162.32 lakhs (31 March 2020: Rs150.57 lakhs) ; Nil (31 March 2020: Rs.17.60 Lakhs) against bank guarantee issued in favour of Steel Authority of India Limited : Rs.5.00 lakhs (31 March 2020: Rs. 5.00 lakhs) against bank guarantee issued in favour of Regional Director, ESI Corporation, Bhubaneswar.

9c. Assets held for sale

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Discarded Property, Plant and Equipment	24.32	24.58
	24.32	24.58

Assets held for sale represent property, plant and equipment discarded. The Company expects to dispose it off in next one year.

10. Share Capital

(₹ in Lakhs)

Particulars	31 March, 2021	31 March, 2020
Authorised :		
80,00,000 (31 March 2020: 80,00,000) equity shares of Rs 1000/- each	80,000.00	80,000.00
20,00,000 (31 March 2020: 20,00,000) 7% Non-cumulative Redeemable preference shares of Rs 1000/- each	20,000.00	20,000.00
Issued, subscribed and fully paid-up shares :	1,00,000.00	1,00,000.00
57,54,500 (31 March 2020: 57,54,500) equity shares of Rs.1000/- each fully paid	57,545.00	57,545.00
Total	57,545.00	57,545.00

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

Equity Shares	31 March, 2021		31 March, 2020	
	In Numbers	₹ in lacs	In Numbers	₹ in lacs
At the beginning of the year	57,54,500	57,545.00	57,54,500	57,545.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	**57,54,500**	**57,545.00**	**57,54,500**	**57,545.00**

b. Terms / Rights attached to equity shares

1) The Company has only one class of equity share having par value of Rs.1000 per share. Each holder of equity share is entitled to one vote per share.

2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion to the number of equity shares held by the respective shareholders.

3) The shares held by the GOI have the following additional rights :

a) The GOI is entitled to nominate two directors on the Board of the Company so long as it holds at least 15.5% issued equity shares of the Company.

b) The presence of at least one GOI nominee director is required to constitute a quorum in a board meeting, failing which the Meeting would be adjourned twice. Thereafter, in the absence of GOI nominee director, the directors present shall constitute the quorum.

c) The above requirement is also applicable to constitute a quorum in shareholder's meeting.

d) The resolution for certain important matters cannot be passed in a board meeting / shareholders' meeting without the affirmative vote of at least one GOI nominee director/shareholder.

4) The shares held by Zuari Maroc Phosphates Private Limited (ZMPPL) have the following additional rights :

a) ZMPPL is entitled to nominate maximum 6 directors on the Board of the Company.

b) The Chairman and the Managing Director shall be appointed from amongst the directors nominated by ZMPPL.

c. Shares held by its holding company are as below:

Name of Shareholder	31 March, 2021	31 March, 2020
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding company (erst while known as Zuari Maroc Phosphates Limited (ZMPL))	46,296.10	46,296.10

d. Details of shareholders holding more than 5% of equity shares in the Company

(₹ in lakhs)

Name of Shareholder	31 March 2021		31 March 2020	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Zuari Maroc Phosphates Private Limited (ZMPPL), the holding company (erst while known as ZMPL)	46,29,610	80	46,29,610	80
President of India - Government of India (GOI)	11,24,890	20	11,24,890	20

As per records of the company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of share.

e. The Company has not issued any bonus shares for consideration other than cash during the five years immediately preceding the reporting date.

11. Other Equity

(₹ in lakhs)

Particulars	31 March 2021	31 March 2020
Surplus in the statement of profit and loss		
Opening balance	**1,02,997.61**	90,613.03
Net profit for the year	**22,326.82**	19,321.93
Appropriations: dividend (including dividend distribution tax)	**-**	(6,937.35)
Closing balance	**1,25,324.43**	1,02,997.61
Items of other comprehensive income - remeasurement gains/loss on employee benefits		
Opening balance	**(227.75)**	113.22
Adjustment for the year	**85.05**	(340.97)
Closing balance	**(142.70)**	(227.75)
Foreign currency translation reserve		
Opening balance	**38.48**	-
Changes during the year	**(14.24)**	38.48
Closing balance	**24.24**	38.48
Total reserves and surplus	**1,25,205.97**	**1,02,808.34**

Surplus in the statement of profit and loss

Surplus in the statement of profit and loss represents the profit generated by the company that are not distributed to the shareholders and are re-invested in the Company.

Foreign currency translation reserve

Exchange difference arising on translation of foreign operation are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

12a. Long term borrowings (at amortised cost)

(₹ in lakhs)

Particulars	Non-Current		Current Maturities	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
NON CURRENT BORROWINGS				
Secured				
Rupee term loan from banks	**11,341.13**	13,942.24	**7,608.98**	6,947.40
Rupee term loan from financial institution	-	-	-	998.30
Total	**11,341.13**	13,942.24	**7,608.98**	7,945.70
Amount disclosed under the head "other financial liabilities" (Refer note 14)	-	-	**(7,608.98)**	(7,945.70)
Total	**11,341.13**	13,942.24	-	-

The borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Nature of securities and terms of repayment of each loan and interest rate

Particulars of Loan	Security	Terms of Repayment	Effective Interest Rate
Rupee term loan from - ICICI Bank Ltd.	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties and second pari passu with the charges created in respect of current assets.	Repayable in 20 quarterly instalments commenced from 31 December 2018, of which first 8 instalments are of Rs 500 lakhs, next 4 quarterly instalments of Rs 1000 lakhs, remaining 8 quarterly instalments of Rs 1500 lakhs.	8.55%
Rupee term loan from - Bank of India	First pari passu with the mortgages and charges created in respect of immovable properties and movable properties and second pari passu with the charges created in respect of current assets.	Repayable in 16 quarterly instalments of Rs 1337.50 lakhs to commence from 31st October 2021.	9.70%

12b. Short term borrowings (at amortised cost)

(₹ in lakhs)

Particulars	Current	
	31 March 2021	31 March 2020
From banks		
Secured		
Loans repayable on demand		
Cash credit	-	14,320.77
Other loans		
Working capital demand loan	-	77,800.00
Rupee loan	-	2,724.62
Buyer's credit	-	34,002.17
Supplier's credit	**1,06,167.14**	64,353.49
Local bills discounted with bank	-	1,706.03
Other loans from bank	-	13,000.00
	1,06,167.14	2,07,907.08

The borrowings are carried at amortised cost which are a reasonable approximation of their fair value.

Nature of securities and terms of repayment of each secured & unsecured borrowings

Particulars of Loan	Due date of repayment from the balance sheet date	Interest rate	Amount	Nature of securities
Supplier's credit (secured)/ buyer's credit (secured)	Repayable over a period of 90 to 180 days	6 months LIBOR plus 10 to 75 bps	1,06,167.14	First charge by way of hypothecation on all current assets and second charge on all immovable & movable properties of the Company (other than certain current assets hypothecated / pledged in favour of banks by way of first charge) both present and future on pari-passu basis.

13. Trade payables (at amortized cost)

(₹ in Lakhs)

Particulars	Current	
	31 March 2021	31 March 2020
Acceptances :		
Related parties (Refer note no 31(b))	**38,183.18**	19,557.55
Others	**30,979.35**	42,784.11
Trade payables:		
- Total outstanding dues of micro enterprises and small enterprises	**625.56**	172.14
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
Related parties (Refer note no 31(b))	**8,113.62**	4,909.97
Others	**16,051.46**	13,190.73
TOTAL	**93,953.17**	80,614.50

Trade payables are carried at amortised cost which are a reasonable approximation of their fair value.

Trade payables and acceptances are non-interest bearing and are normally settled on 30 to 180 day terms.

* The amount due to Micro and small enterprises (MSME) as defined under Micro Small and Medium Enterprise Development Act, 2006 has been determined to the extent such suppliers have been identified on the basis of information available with the Company. The details are as under:

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
(i) the principal amount and interest thereon remaining unpaid at the end of financial year	**625.56**	172.14
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

14. Other Financial Liabilities

(₹ in Lakhs)

Particulars	Non Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Financial liabilities at fair value through profit or loss				
Derivatives not designated as hedges				
Foreign-exchange forward contracts	-	-	1,591.54	-
Total financial liabilities at fair value through profit or loss	-	-	1,591.54	-
Other financial liabilities at amortised cost				
Current maturities of long-term borrowings (Refer note 12a)	-	-	7,608.98	7,945.70
Earnest money/security deposits				
Related Parties (Refer note no 31(b))	-	-	-	0.97
Others	-	-	2,800.27	1,830.42
Employee related dues	10.05	15.07	2,297.74	2,033.18
Creditors for property, plant and equipment (including retention money from contractors/suppliers)				
Related parties (Refer note no 31(b))	-	-	42.53	42.53
Others	-	-	1,439.47	1,519.27
Interest accrued but not due on borrowings	-	-	74.09	665.50
Total other financial liabilities at amortised cost	10.05	15.07	14,263.08	14,037.57
Total other financial liabilities	10.05	15.07	15,854.62	14,037.57

The liabilities carried at amortised cost are a reasonable approximation of their fair value.

15. Other Current Liabilities

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Rebate liabilities	3,558.78	1,733.59
Interest on Statutory dues	304.98	248.94
Statutory dues	8,086.18	7,430.54
Advance from customers	689.02	906.33
Total other current liabilities	12,638.96	10,319.40

16. Provisions (Current and Non-Current)

(₹ in Lakhs)

Particulars	Non Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Provision for employee benefits for:*				
Post retirement medical benefits	58.90	73.20	4.15	4.93
Gratuity (Refer note no 29)	1,320.22	2,012.82	160.35	196.62
Leave salary	-	-	4,862.99	4,267.50
Other provisions for:				
Contractors	595.87	621.24	-	-
Others (refer note 'a' below)				
- Capital expenditure	-	-	250.18	250.18
- Others	-	-	3,023.88	2,845.58
Total	1,974.99	2,707.26	8,301.55	7,564.81

* The classification of current/non current for provision for employee benefits has been determined by the actuary of the Company based upon estimated amount of cash outflow during the next 12 months from the balance sheet date.

a) The movement for "Other Provisions" during the year is as follows :-

(₹ in Lakhs)

Particulars	Capital expenditure For the year ended		Others For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Opening Balance	250.18	250.18	2,845.58	2,673.06
Additions during the year	-	-	178.30	172.52
Closing balance **	250.18	250.18	3,023.88	2,845.58

Particulars	Contractors For the year ended	
	31 March 2021	31 March 2020
Opening Balance	621.24	645.40
Amount used during the year	(25.37)	(24.16)
Closing balance	595.87	621.24

** Includes the following provisions

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Ground rent (refer note no. 33)	-	-	2,516.20	2,344.62
Land compensation (including interest) (Refer note no. 35)	250.18	250.18	-	-
Employees' state insurance (refer note no. 36)	-	-	214.24	207.52
Provision for others (freight claims)	-	-	293.44	293.44
Total	250.18	250.18	3,023.88	2,845.58

17. Income Tax

The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are:

Profit or loss section

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Current income tax:		
Current income tax charge for continuing operations	(7,267.94)	(4,084.22)
Adjustments in respect of current income tax of earlier years	13.36	(178.39)
Deferred tax:		
Relating to origination and reversal of temporary differences	(7,068.90)	271.61
Income tax expense reported in the statement of profit or loss	(14,323.48)	(3,634.22)

OCI section

Deferred tax related to items recognised in OCI during the year:

₹ in Lakhs

Particulars	31 March 2021	31 March 2020
Income tax credited to OCI	(45.69)	183.14

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Accounting profit before tax from continuing operations	**36,650.30**	22,956.15
Share of loss from associate	**19.50**	82.82
Accounting profit before income tax	**36,669.80**	23,038.97
At India's statutory income tax rate of 34.944%	**12,813.89**	8,050.74
	12,813.89	8,050.74
Tax effects of amount which are not deductible (taxable)		
in calculating taxable income-		
CSR expenditure	**175.72**	156.44
Interest on income tax	**68.10**	36.96
On account of reassessment of tax expenses	**1,158.39**	-
On account of change in tax rate	**-**	(4,324.81)
Impact of claim of health and education cess	**(162.35)**	(106.83)
Others	**283.09**	0.11
Effective tax charge	**14,336.84**	3,812.61
Add: Tax impact for earlier years	**(13.36)**	(178.39)
Tax expenses as per the Statement of Profit and Loss	**14,323.48**	3,634.22

Deferred tax

Deferred tax relates to the following:

(₹ in Lakhs)

Particulars	Balance as at	
	31 March 2021	31 March 2020
Deferred income tax liabilities		
Property, plant and equipment (including intangible assets)	**13,933.52**	12,711.78
On account of statutory dues	**641.47**	891.28
Total deferred income tax liabilities	**14,574.99**	13,603.06
Deferred income tax assets		
Effect of loss allowance	**993.48**	847.26
Expenses allowable under income tax on payment basis		
u/s 43B of the Income tax Act, 1961	**3,646.95**	4,940.72
Provision for other liabilities	**633.33**	819.31
MAT credit entitlement	**-**	4,809.12
Total deferred income tax assets	**5,273.76**	11,416.41
Net deferred tax liabilities	**(9,301.23)**	(2,186.65)

Reconciliation of deferred tax liabilities (net):

(₹ in Lakhs)

Particulars	31 March 2021	31 March 2020
Opening balance	(6,995.77)	(10,695.48)
Tax (expense)/income during the year recognised in profit or loss	(2,259.77)	3,516.57
Tax (expense)/income during the year recognised in OCI	(45.69)	183.14
Subtotal - A	(9,301.23)	(6,995.77)
MAT Credit Entitlement (MAT)		
Opening balance	4,809.12	8,054.08
Less: Adjusted during the year	(4,809.12)	(3,244.96)
Subtotal - B	-	4,809.12
Deferred Tax Total (A) + (B)	(9,301.23)	(2,186.65)

18. Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products		
Finished products	2,32,364.05	2,28,393.62
Traded goods	1,33,563.73	51,211.00
Waste including treated gypsum	5,599.81	4,252.44
	3,71,527.59	2,83,857.06
Subsidy from Government of India on fertilizers	1,44,539.10	1,35,293.23
	5,16,066.69	4,19,150.29
Other operating revenue		
Scrap sales	406.66	136.16
Total revenue from operations*	5,16,473.35	4,19,286.45

* Revenue is net of rebates, discounts and goods and services tax

Reconciliation of revenue recognised with contract price:

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Contract price	5,25,133.18	4,29,601.51
Adjustments for:		
Variable consideration - rebates	(8,659.83)	**(10,315.06)**
Revenue from operations	5,16,473.35	4,19,286.45

Contract balances

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Trade receivables	1,15,559.36	2,14,890.06
Contract liabilities - advance from customers	689.02	906.33

The contract liabilities convert to revenue within one year from the reporting date

Subsidy from Government of India on fertilizers:

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
On finished goods [including freight subsidy Rs 15,159.22 lakhs (31 March 2020 Rs 17,082.00 lakhs)]	1,16,722.00	1,19,856.61
On traded goods [including freight subsidy Rs 4,422.06 lakhs (31 March 2020 Rs 2,324.03 lakhs)]	27,817.10	15,436.62
	1,44,539.10	1,35,293.23

19. Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income on		
Bank deposits	10.50	11.69
Income tax refund	149.57	1,372.02
Others	45.36	891.06
Rent income	267.38	249.66
Exchange differences (net)	372.70	-
Excess provision/unclaimed liabilities/unclaimed balances written back	359.88	347.19
Profit on sale of current investments	23.43	-
Gain on fair valuation of investments measured at fair value through profit or loss	3.99	-
Miscellaneous income	687.79	619.52
Total other income	1,920.60	3,491.14

Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
In relation to financial assets classified at amortised cost	55.86	902.75
Total	55.86	902.75

20. Cost of raw materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventory at the beginning of the year	34,981.23	44,631.90
Add : Purchases	2,31,497.67	2,11,455.43
	2,66,478.90	2,56,087.33
Less: Inventory at the end of the year	(37,928.44)	(34,981.23)
Less: traded goods transferred from raw materials	(2,038.03)	(104.54)
Add: traded goods transferred to raw materials	-	12.50
Cost of raw materials consumed	2,26,512.43	2,21,014.06

21. Decrease in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Inventories at the end of the year		
Finished goods	**13,520.24**	35,749.81
Traded goods	**13,079.27**	12,524.09
Intermediates	**7,158.97**	6,013.48
Waste including treated gypsum	**13,138.07**	13,154.55
Total (A)	**46,896.55**	67,441.93
Inventories at the beginning of the year		
Finished goods	**35,749.81**	62,629.25
Traded goods	**12,524.09**	23,707.84
Intermediates	**6,013.48**	6,870.21
Waste including treated gypsum	**13,154.55**	-
Total (B)	**67,441.93**	93,207.30
Less:		
Traded goods transferred from raw materials	**(2,038.03)**	(104.54)
Traded goods transferred to raw material consumption	**-**	12.50
Total (C)	**(2,038.03)**	(92.04)
Net (B-A-C)	**22,583.41**	25,857.41

22. Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries, wages and bonus	**11,256.36**	10,613.38
Contribution to provident and other funds (Refer Note 29)	**871.63**	987.38
Gratuity (Refer Note 29)	**384.46**	337.36
Staff welfare expenses	**1,406.55**	1,254.67
Total employee benefit expense	**13,919.00**	13,192.79

The Code on Social Security, 2020 ("the Code") relating to employee benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect.

23. Finance Costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense *	6,741.51	15,421.26
Exchange difference to the extent considered as an adjustment to borrowing cost	3,223.49	2,737.58
Bank charges	984.19	914.45
Interest on income tax	193.34	105.77
Total finance cost	**11,142.53**	19,179.06

* Net of amount included in the cost of qualifying assets.

Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
In relation to financial liabilities classified at amortised cost	7,923.56	17,592.52
Total	**7,923.56**	17,592.52

24. Depreciation and amortization expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment	8,299.28	7,215.62
Amortisation of intangible assets	33.09	31.53
Amortisation of right of use asset	0.44	0.44
Total depreciation and amortization expense	**8,332.81**	7,247.59

25. Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021		For the year ended 31 March 2020	
Consumption of stores and spare parts		**3,663.98**		3,079.55
Consumption of packing materials		**3,501.32**		3,462.08
Chemical consumed		**1,635.42**		1,166.94
Catalysts consumed		**202.61**		444.22
Payment to contractors for bagging and other services		**3,156.16**		3,371.30
Power and fuel		**6,258.49**		7,294.03
Water charges		**659.47**		605.73
Rent		**233.38**		249.31
Rates and taxes		**49.68**		68.10
Insurance		**1,352.87**		1,084.41
Repairs and maintenance:				
Plant and machinery	**2,454.44**		2,198.45	
Buildings	**550.02**		636.45	
Others	**474.37**	**3,478.83**	440.48	3,275.38
Selling and distribution expenses:				
Freight and handling	**28,696.27**		27,028.95	
Warehouse rent	**565.67**		1,706.66	
Commission	**1,075.32**		575.18	
Publicity and sales promotion expenses	**713.04**		1,006.13	
Other selling expenses	**394.60**	**31,444.90**	280.66	30,597.58
Travelling and conveyance expenses		**269.08**		675.48
Professional, consultancy and legal expenses		**417.85**		277.49
Corporate social responsibility expenditure (Refer Note no 45)		**502.86**		447.69
Donation *		**11.87**		350.00
Payment to statutory auditors		**115.46**		92.88
Exchange differences (net)		**-**		5,040.12
Bad debts, claims and advances written off	**21.28**		72.03	
Less: Adjusted against provision	**21.28**	**-**	61.93	10.10
Loss allowance		**764.91**		740.52
Loss on sale/discard of property, plant and equipment (net)		**689.90**		815.05
Miscellaneous expenses		**2,804.86**		2,558.92
Total other expenses		**61,213.90**		65,706.88

* Donation includes contribution to political party of Rs.Nil during the year ended 31 March 2021 (Rs.350.00 lakhs during the year ended 31 March 2020)

Payments to statutory auditors as

(₹ in Lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
As statutory auditors		
Audit fee	**22.00**	22.00
Tax audit fee	**3.00**	3.00
In other capacity:		
Other services	**86.00**	62.50
Reimbursement of expenses	**4.46**	5.38
Total	**115.46**	92.88

26) Contingent Liabilities not provided for -

(₹ in lakhs)

	Particulars		As at 31 March 2021	As at 31 March 2020
A.	Income Tax Demands for the AY 2009-10, 2010-11, 2011-12, 2017-18 against which the Company has filed appeal		**174.13**	286.07
B.	Department of Fertilizer, Government of India withheld the payment of subsidy on Imported DAP in one consignment amounting to Rs. 5,352.12 lakhs, being the subsidy amount including freight subsidy. The amount has been withheld on the basis of samples collected by the Department from Mundra Port which were reported to be deficient on account of water soluble P2O5 content as per Fertilizer Control Order (FCO) but there was no deficiency as regards to the nutrient content. The Company has represented to the Department of Fertilizers to re -examine the case on the following grounds - (a) Failure is on account of water solubility and not on account of nutrient content. The nutrient content on which the Nutrient Based Subsidy is paid meets the FCO specifications (b) Water Solubility is more than 85% of the total P2O5 (c) All precautions were taken at the load port on having an international recognized inspection agency based on which the goods were shipped and dispatched and (d) The intimation on the original sample failure as well as the referee sample failure were received long after materials were dispatched well beyond the dispatch of the material to various destinations. Based on the revised notification from GOI dated February 6, 2017, water soluble P2O5 content of DAP is revised to 39.5% instead of 41%. DAP import for which the amount withheld has water soluble content of 39.53%. Further, vide Notification no 3-9/2008 Fert Law dated 18/11/2011 in which Triple Super Phosphate (TSP) with total P2O5 content of 46% and water soluble content of only 36.8% has been allowed to be imported and paid subsidy for 46% of P2O5 . Based on above, the Company has made a representation that as per revised notification, water soluble content is as per norms and further permitting a product with same total P2O5 and less water soluble P2O5 as standard and declaring a product imported by the Company with 39.53% as non- standard is not fair. The Company is confident to receive a favorable outcome.		**5,352.12**	5,352.12
C.	**Sales Tax and other tax matters under appeal**			
	i)	CST demand for the FY 2005-06 due to rejection of Branch transfers and export sales.	**10,420.51**	10,420.51
	ii)	Demand of entry tax on imported raw materials including interest and penalty.	**2,909.39**	2,909.39
	iii)	Demand under GST Act in respect of erroneous refund of GST for the period July 2017 to January 2018 under inverted structure.	**1,999.90**	1,999.90
	iv)	Countervailing Duty (CVD) paid and refund claimed on MOP and Sulphuric Acid, BCD on discount received and Custom duty on demurrage.	**109.97**	109.97
	v)	Service tax on mediation fees	**45.79**	45.79
	vi)	Central excise demand for March 2011	**234.14**	234.14
	vii)	VAT demand for the year 2005-06 in Bihar region on account of VAT assessment.	**37.69**	37.69
	viii)	CST demand for Telangana for non-submission of declaration forms.	**51.48**	51.48
	ix)	VAT demand for Odisha due to input tax credit mismatch	**51.96**	51.96
	x)	VAT demand for Maharashtra due to input tax credit mismatch	**1.02**	1.96
	xi)	CST demand for Maharashtra for non-submission of declaration forms.	**26.67**	26.67
	xii)	Service Tax Demand on water charges paid to State Government for the period April 16 to June 17	**88.80**	-
	xiii)	Others	**173.75**	173.75

(₹ in lacs)

	Particulars		As at 31 March 2021	As at 31 March 2020
D.	**Other Claims against the Company not acknowledged as debts**			
	i)	Penal interest on loan from Government of India, due to delay	**344.43**	344.43
	ii)	Industrial dispute and miscellaneous labour cases pending at various forums at different stages of dispute.	**466.23**	452.36
	iii)	Interest on water charges due to delay in payments	**1769.10**	1394.93
	iv)	Demand towards contribution to Water Conservation Fund	**2322.50**	2322.50
	v)	Others	**62.20**	58.31

Based on discussions with the solicitors / favorable decisions in similar cases / legal opinions taken by the Company, the management believes that the Company has a good chance of success in the above mentioned cases and hence, no provision is considered necessary. The above has been compiled based on the information and records available with the Company.

27) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 14,164.08 lakhs (Previous year Rs. 10,151.74 lakhs).

28) Segment Reporting

(a) Operating Segment:

The Company's business activity falls within a single primary Operating Segment "Fertilizers and Other Trading Materials", and thus no further disclosures are required in accordance with Indian Accounting Standard (Ind AS)- 108 "Operating Segment".

(b) Geographical Segment:

The Company primarily operates in India and therefore no geographical segment information has been provided herein.

29. Disclosure in respect of Post Retirement Employee Benefits

A. Defined contribution plans

The amount provided for defined contribution plans are follows:

(₹ in lakhs)

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Pension Scheme	139.62	143.47
Superannuation Fund	140.82	137.31
National Pension Scheme	74.31	60.09
Total	**354.75**	340.87

B. Gratuity and other post-employment benefit plans:

(₹ in lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020
Gratuity Plan - (Liability)	(1,480.57)	(2,209.44)
Provident Fund - Asset *	109.28	227.35
Post retirement medical benefits plan - (Liability)	(63.05)	(78.13)
Total	**(1,434.34)**	(2,060.22)

C. Other long term employee benefit plan:

(₹ in lakhs)

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Leave encashment - charge during the year	866.62	859.79

* Plan asset of Rs. 109.28 lakhs (31 March 2020: Rs. 227.35 lakhs) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

a) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on terms not lower than the amount payable under the Payment of Gratuity Act, 1976. The scheme is funded with Life Insurance Corporation of India (LIC) in the form of qualifying insurance policy. The Company undertakes all the risk pertaining to the plan. In particular, the Company is exposed to interest rate risk, adverse salary growth risk, demographic risk and market risk i.e. investment risk.

b) Post Retirement medical benefit plan

The Company has a defined benefit post retirement medical benefit plan, for its employees. The Company provides medical benefit to those employees who leave the services of the Company on retirement. As per the plan, retired employee and the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. In case of death of retired employee, the spouse will be covered till the age of 85 years and the dependent children till they attain the age of 25 years. The plan is not funded by the Company.

c) Provident fund

The Company has set up provident fund trust wherein contributions are made. However in accordance with Ind-AS 19, Employee Benefits, provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. During the current year, acturial valuation of Provident Fund was carried out in accordance with the guidance note issued by the Institute of Actuaries.

29. Disclosure in respect of Post Retirement Employee Benefits

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021 :

(₹ in lakhs)

Particulars	1 April 2020	Current service cost	Past service cost	Net interest expense / income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Subtotal included in OCI	Other adjustments	Contributions by employer	31 March 2021
	Cost charged to statement of profit or loss						Remeasurement gains/(losses) in OCI							
(A) Gratuity plan:														
Defined benefit obligation	(5,461.05)	(233.22)	-	(373.82)	(607.04)	379.37	-	-	(123.40)	231.39	107.99	2.90	-	(5,577.83)
Fair value of plan assets	3,251.61	-		222.58	222.58	(379.37)	2.44	-	-	-	2.44	-	1,000.00	4,097.26
Benefit (liability)	**(2,209.44)**				**(384.46)**	**-**					**110.43**	**2.90**	**1,000.00**	**(1,480.57)**

(B) Post retirement medical benefits plan:														
Defined benefit obligation	(78.13)	-		(5.23)	(5.23)	-	-	-	(0.27)	20.58	20.31		-	(63.05)
Benefit (liability)	**(78.13)**				**(5.23)**						**20.31**		-	**(63.08)**

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020:

(₹ in lakhs)

Particulars	1 April 2019	Current service cost	Past service cost	Net interest expense / income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Subtotal included in OCI	Other adjustments	Contributions by employer	31 March 2020
	Cost charged to statement of profit or loss						Remeasurement gains/(losses) in OCI							
(A) Gratuity plan:														
Defined benefit obligation	(4,831.80)	(232.75)	-	(375.26)	(608.01)	460.68	-	0.20	(68.12)	(414.00)	(481.92)	-	-	(5,461.05)
Fair value of plan assets	3,484.79	-		270.65	270.65	(460.68)	(43.15)	-	-	-	(43.15)			3,251.61
Benefit (liability)	**(1,347.01)**				**(337.36)**	**-**					**(525.07)**	**-**	**-**	**(2,209.44)**

(B) Post retirement medical benefits plan:														
Defined benefit obligation	(73.39)	-		(5.70)	(5.70)	-	-	(0.39)	(6.67)	8.02	0.96	-	-	(78.13)
Benefit (liability)	**(73.39)**				**(5.70)**						**0.96**	**-**	**-**	**(78.13)**

Provident Fund:

Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2021 and March 31 2020:

(₹ in lakhs)

Particulars	2020 - 2021			2019 - 2020		
	Defined benefit obligation	Fair value of plan assets	Benefit asset	Defined benefit obligation	Fair value of plan assets	Benefit asset
Opening balance	**(19,124.26)**	**19,351.61**	**227.35**	(17,908.40)	18,137.94	229.54
Service cost	(534.34)	-	(534.34)	(664.69)	-	(664.69)
Net interest (expense)/income	(1,670.77)	1,644.89	(25.88)	(1,498.97)	1,568.93	69.96
Benefits paid	1,702.63	(1,702.63)	-	2,604.01	(2,604.01)	-
Return on plan assets (excluding amounts included in net interest expense)	-	20.94	20.94	-	(37.32)	(37.32)
Actuarial changes arising from changes in financial assumptions	-	-	-	-	-	-
Experience adjustments	(113.86)	-	(113.86)	(30.88)	-	(30.88)
Settlement/ transfer in	(647.42)	648.15	(0.73)	(149.33)	145.38	(3.95)
Contributions by plan participant / employees	(1,189.96)	1,189.96	-	(1,476.00)	1,476.00	-
Contributions by employer	-	534.34	534.34	-	664.69	664.69
Closing balance	**(21,577.98)**	**21,687.26**	**109.28**	(19,124.26)	19,351.61	227.35

The Company expects to contribute Rs.292.91 lakhs (31 March 2020 : Rs 288 lakhs) and Rs.596.72 lakhs (31 March 2020 : Rs.718 lakhs) to gratuity trust and provident fund trust respectively in the next financial year.

The principal assumptions used in determining gratuity, provident fund and post-employment medical benefit obligations for the Company's plans are shown below:

Particulars	31 March 2021	31 March 2020
	%	%
Discount rate:		
Gratuity plan	6.65	6.85
Provident Fund	6.65	6.85
Post retirement medical benefits	6.65	6.70
Future salary increase:		
Gratuity plan	8% for first two years and 6.5% thereafter	8% for first two years and 6.5% thereafter

A quantitative sensitivity analysis for significant assumptions as at 31 March 2021 is shown below:

Gratuity plan:

Particulars	31 March 2021		31 March 2021	
Assumption	**Discount rate**		**Future salary increase**	
Sensitivity Level	1% Increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(320.17)	359.07	281.36	(286.48)

Provident Fund:

Particulars	31 March 2021	
Assumption	**Interest rate guarantee**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	1,292.48	(209.34)

Post retirement medical benefits plan:

Particulars	31 March 2021	
Assumption	**Discount rate**	
Sensitivity Level	**1% increase**	**1% decrease**
Impact on defined benefit obligation (Rs. in lakhs)	**(5.01)**	5.77

Sensitivities due to mortality & withdrawals are not material and hence impact of change is not calculated.

A quantitative sensitivity analysis for significant assumptions as at 31 March 2020 is shown below:

Gratuity plan:

Particulars	31 March 2020		31 March 2020	
Assumption	**Discount rate**		**Future salary increase**	
Sensitivity Level	1% Increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(326.91)	366.09	310.63	(308.85)

Provident Fund:

Particulars	31 March 2020	
Assumption	**Interest rate guarantee**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	1,128.33	(95.48)

Post retirement medical benefits plan:

(₹ in lakhs)

Particulars	31 March 2020	
Assumption	**Discount rate**	
Sensitivity Level	1% increase	1% decrease
Impact on defined benefit obligation (Rs. in lakhs)	(6.37)	7.36

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit plan obligation relating to gratuity at the end of the reporting period is 6 years.

Investment pattern in plan assets:

Particulars	Gratuity		Provident fund	
	2020-21	2019-20	**2020-21**	2019-20
Investment with insurers	**100%**	100%	**20.40%**	7.20%
Investment in government securities	-	-	**40.10%**	44.30%
Investment in corporate bonds	-	-	**35.00%**	43.10%
Investment in mutual funds	-	-	**0.40%**	1.20%
Investment in special deposit scheme	-	-	**4.10%**	4.10%
Investment in equity shares	-	-	-	0.10%

Maturity Profile of Defined benefit obligation:

(₹ in lakhs)

31 March 2021	Within next 12 months	Between 2 and 5 years	Between 6 and 10 years	Beyond 10 Years
Gratuity	604.09	2,947.79	3,091.17	2,519.62
Post retirement medical benefits plan	4.14	17.84	24.32	65.21

31 March 2020	Within next 12 months	Between 2 and 5 years	Between 6 and 10 years	Beyond 10 Years
Gratuity	485.98	2,798.95	3,360.61	2,624.70
Post retirement medical benefits plan	4.93	21.37	29.54	84.91

30) Earnings per share (Basic and Diluted)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit attributable to the equity shareholders of the Company (Rs. in lakhs)	**22,326.82**	19,321.93
Weighted average number of equity shares - Nominal value of share at Rs. 1000/- per share	**57,54,500**	57,54,500
Earnings per share (Basic and Diluted) (Rs.)	**387.99**	335.77

31) Related party disclosures

a) Name of Related Parties

i) Holding Company

Zuari Maroc Phosphates Private Limited

ii) Joint Venturer of the Holding Company

Zuari Agro Chemicals Limited

OCP S.A, Morocco

iii) Subsidiary of the Joint Venturer of the Holding Company

Mangalore Chemicals and Fertilizers Ltd

Zuari FarmHub Limited

iv) Party having significant influence

Indian Furniture Products Limited

Zuari Global Limited

Zuari Management Services Limited

Zuari Insurance Broker Limited

Zuari Infraworld India Limited

Zuari Rotem Speciality Fertilizers Ltd

Simon India Ltd

Phosphates De Boucraa SA

Pakistan Maroc Phosphore

Jorf Fertiliser SA

Adventz Finance Private Limited

v) Joint Venture of Joint Venturer of the Holding Company

Indo Maroc Phosphore SA, Morocco

vi) Associate of the Company

Zuari Yoma Agri Solutions Limited

vii) Key Managerial Personnel

Mr. N. Suresh Krishnan, Managing Director (w.e.f. 16 February 2020)

Mr. Sunil Sethy, Managing Director (up to 15 February 2020)

Mr. Sailesh Pati, Chief Financial Officer

Mr. Ranjit Singh Chugh, Chief Operating Officer

Ms. Asheeba Pareira, Asst. Company Secretary (w.e.f. 5 February 2019 up to 8 August 2019)

Mr. Sisir Kumar Mishra, Company Secretary (w.e.f. 9 August 2019 up to 31 August 2020)

Mr. Sachin Patil, Company Secretary (w.e.f. 4 November 2020)

viii) Directors

Mr. S. K. Poddar, Chairman

Mrs. Ghislane Guedira, Director

Mr. Harvinder Singh, Director-GOI (upto 20 April 2020)

Mr. Mohamed Belhoussain, Director (upto 21 January 2021)

Mr. Mohamed Soual, Director

Mr. Prabhas Kumar, Director-GOI

Mr. Vinay Kumar Pandey, Director-GOI (w.e.f. 20 April 2020)

Ms. Kiran Dhingra, Independent Director

Mr. Marco P.A. Wadia, Independent Director

Mr. Satyananda Mishra, Independent Director (w.e.f. 04 November 2020)

ix) **Enterprise where Director is a Relative of Directors**

Lionel India Limited

Texmaco Rail Limited

x) **Employee benefit trust**

PPL Employee's Provident Fund

Note 31(b) Related Party Transactions

(₹ in lakhs)

Sl. No.	Name of Related Party		Nature of Transaction	Amount For the year ended 31 March 2021	Amount For the year ended 31 March 2020	Outstanding as at 31 March 2021	Outstanding as at 31 March 2020
1	Indo Maroc Phosphore S.A. Morocco	a)	Phosphoric acid purchase (net of claims settled & received)	60,651.18	16,415.26	7,879.42 Cr	3,879.59 Cr
		b)	Claims receivable	-	-	388.72 Dr	-
		c)	Demurrage Expenes	168.66	0.81	-	-
		d)	Demurrage Written back	-	11.88	-	-
		e)	Interest	30.04	-	-	-
2	OCP S.A. Morocco	a)	Rock phosphate purchase (net of claims settled & received)	23,031.23	39,416.84	22,867.21 Cr	12,703.42 Cr
		b)	Claims receivable	-	-	7,265.06 Dr	4,663.61 Dr
		c)	Phosphoric acid purchase (net of claims settled & received)	33,779.44	15,470.60	-	-
		d)	Imported DAP purchase	4,739.44	-	-	-
		e)	Demurrage expenses (net of dispatch money)	26.84	165.33	-	-
		f)	Demurrage Written back	1.17	45.94	-	-
		g)	Interest	4.90	-	-	-
		h)	Reimbursement of expenses	-	-	0.76 Dr	0.76 Dr
3	Pakistan Maroc Phosphore	a)	Phosphuric acid purchase	-	-	8.73 Cr	4.85 Cr
		b)	Interest	4.05	-	-	-
4	Phosphates De Boucraa SA	a)	Rock phosphates purchase (net of claims settled & received)	65,845.93	46,601.61	13,953.97 Cr	6,705.19 Cr
		b)	Demurrage expenses	74.63	46.46	-	-
		c)	Demurrage Written back	-	34.76	-	-
		d)	Claims receivable	-	-	7,975.65 Dr	1,641.03 Dr
		e)	Interest	15.20	-	-	-
5	Jorf Fertiliser SA	a)	Phosphuric acid purchase (net of claims settled & received)	2,363.66	8,186.48	85.61 Cr	83.35 Cr
		b)	Imported DAP purchase	19,658.16	-	20.43 Dr	-
		c)	Demurrage expenses	20.43	75.03	-	-
		d)	Claims receivable	-	-	239.76 Dr	212.08 Dr
		e)	Interest	5.08	-	-	-

(₹ in lakhs)

Sl. No.	Name of Related Party		Nature of Transaction	Amount		Outstanding as at	
				For the year ended 31 March 2021	For the year ended 31 March 2020	31 March 2021	31 March 2020
6	Zuari Yoma Agri Solutions Limited	a)	Purchase of ordinary shares	-	356.60	365.60 Dr	365.60 Dr
		b)	Reimbursement of expenses	-	4.15	56.18 Dr	56.18 Dr
7	Zuari Agro Chemicals Limited	a)	Sale of fertilizers	3,365.52	7,496.11	34,524.20 Dr	35,384.12 Dr
		b)	Sales of phosphoric acid and muriate of phosphate	48,148.04	-	17,541.97 Dr	-
		c)	Purchase of stock in trade	30,606.07	9,856.86	629.63 Cr	629.63 Cr
		d)	Demurrage	-	12.56	21.68 Dr	21.68 Dr
		e)	Claims receivable	-	-	1,168.00 Dr	874.11 Dr
		f)	Bank charges(net)	-	-	18.36 Dr	18.36 Dr
		g)	Interest income on overdue receivable	-	758.69	2,549.67 Dr	2,549.67 Dr
		h)	Reimbursement of expenses	17.56	250.44	909.37 Cr	890.81 Cr
		i)	Branding commission	536.24	319.83	1,001.98 Cr	465.74 Cr
		j)	Exchange loss	20.43	-	2.04 Cr	22.47 Cr
		k)	Purchase of fertilizer	-	-	7.67 Dr	7.67 Dr
		l)	Purchase of seeds	-	-	90.45 Dr	90.45 Dr
8	Zuari FarmHub Limited	a)	Sale of fertilizers	-	-	660.59 Dr	-
9	Simon India Limited	a)	Purchase of property, plant and equipment	-	24.19	24.19 Dr	24.19 Dr
		b)	Retention money	-	124.74	42.53 Cr	42.53 Cr
		c)	Reimbursement of expenses	104.65	0.42	15.69 Cr	0.42 Dr
10	Zuari Global Limited	a)	Reimbursement of expenses	215.22	-	-	-
11	Zuari Management Services Limited	a)	Reimbursement of expenses	519.49	482.43	43.50 Cr	-
12	Zuari Infraworld India Limited	a)	Reimbursement of expenses	-	-	1.34 Dr	1.34 Dr
13	Mangalore Chemical & Fertilizers Ltd	a)	Purchase of fertilizer	343.90	463.14	76.49 Dr	9.22 Dr
		b)	Interest income on overdue receivable	6.86	-	7.07 Dr	7.07 Dr
		c)	Reimbursement of expenses	12.54	140.10	12.54 Dr	86.29 Cr
		d)	Other expenses	5.82	-	1.25 Cr	-
14	Lionel India Limited	a)	Travelling expenses	20.87	125.30	2.48 Cr	0.07 Cr
		b)	Security deposit	-	-	-	0.97 Cr
15	Texmaco Rail & Engineering Limited	a)	Reimbursement of expenses	3.95	8.43	-	-
		b)	Security deposit	-	-	-	1.55 Dr
16	Adventz Finance Private Limited	a)	Reimbursement of expenses	61.81	43.83	-	-
		b)	Security deposit	-	42.00	42.00 Dr	42.00 Dr

(₹ in lakhs)

Sl. No.	Name of Related Party		Nature of transaction	Amount		Outstanding as at	
				For the year ended 31 March 2021	For the year ended 31 March 2020	31 March 2021	31 March 2020
17	Zuari Maroc Phosphates Private Ltd	a)	Dividend paid	-	4,629.61	-	-
		b)	Reimbursement of expenses	3.67	-	-	0.46 Dr
18	Mr N Suresh Krishnan	a)	Managerial remuneration	227.21	22.67	39.65 Cr	-
19	Mr Sunil Sethy	a)	Managerial remuneration	26.65	70.99	-	-
20	Mr Ranjit Singh Chugh	a)	Remuneration	172.33	155.03	24.59 Cr	-
21	Mr Sailesh Pati	a)	Remuneration	65.07	59.14	8.24 Cr	-
22	Ms Asheeba Pereira	a)	Remuneration	-	1.94	-	-
23	Mr Sisir Kumar Mishra	a)	Remuneration	13.31	19.99	0.06 Cr	-
24	Mr Sachin Patil	a)	Remuneration	7.53	-	2.36 Cr	-
25	Mr Kiran Dhingra	a)	Director Sitting Fee	3.95	3.50	-	-
26	Mr Marco P.A. Wadia	a)	Director Sitting Fee	3.95	3.50	-	-
27	Mr Satyananda Mishra	a)	Director Sitting Fee	0.80	-	-	-
28	PPL Employee's Provident Fund	a)	Contribution to provident fund	534.34	664.69	46.36 Cr	45.20 Cr

32) (a) Forward contract outstanding as at 31 March 2021 against import of goods is Rs. 123,889.36 lakhs (Previous year Rs.99,208.62 lakhs).

(b) Details of un-hedged foreign currency exposure as on the Balance Sheet date are as follows:

(₹ in lakhs)

Particulars	**As at 31 March 2021**			As at 31 March 2020		
	(USD million)	**(EURO million)**	**(Rs. in lakhs)**	(USD million)	(EURO million)	(Rs. in lakhs)
Trade Payable and Creditors for Property Plant and Equipment (including acceptance)	**38.46**	**-**	**28,121.66**	38.32	0.49	29,403.31
Claims recoverable	**22.75**	**-**	**16,635.37**	10.93	-	8,269.34
Short term borrowings - Buyers and Suppliers Credit	**26.60**	**-**	**19,448.37**	26.81	-	20,287.68
Other Interest accrued but not due on borrowings	**0.09**	**-**	**67.86**	0.38	-	284.68

33) The Land Policy of Port land has been revised as per the Land Policy Guidelines issued by the Ministry of Shipping, Government of India. Pursuant to the said Policy and pending outcome of negotiation with Paradeep Port Trust, the Company has made provision towards ground rent, interest and taxes amounting to Rs. 2,516.20 lakhs (previous year Rs. 2,344.62 lakhs) against the demand raised by Paradeep Port Trust.

34) a) The Company, in an earlier year, had received an Arbitration Award in its favour in the matter of Cargo Charges Tariff dispute with Paradeep Port Trust (PPT) for the years 1993-1999. PPT in earlier year had appealed with the higher authorities against such award which was confirmed by the Appellate Authority. However, as against the above order, the PPT went into further appeal with the Hon'ble High Court of Odisha and the High Court in its interim order directed the Company not to execute award at this stage. The Company has not recognized this award as income in the Statement of Profit and Loss.

b) Paradeep Port Trust (PPT) proposed a revision in scale of rates applicable to the Company for cargo handling in the captive berth w.e.f. 1 April 1999. The matter was referred to Tariff Authority of Major Ports (TAMP) on mutual consent of the parties under the direction of Hon'ble High Court of Odisha. During the previous year, TAMP had finalized the rates, but PPT had not agreed with the order and proceeded with a writ petition before the Hon'ble High Court of Odisha against the said order. Pending disposal of the case, the Company has not recognized the amount receivable from PPT towards the excess amount paid over the applicable TAMP order.

35) In terms of meeting for amicable settlement of dispute the additional compensation to the land losers, under the chairmanship of the Collector and District Magistrate, Jagatsinghpur, it was decided to pay additional compensation at the rate fixed to the claimants through the Special Land Acquisition Officer (Spl. LAO), Government of Odisha. Since the disbursement process to land losers had started in the financial year 2010-11 through Spl. LAO, the Company had accounted for total estimated liability of Rs. 566.01 lakhs (including interest of Rs. 418.01 lakhs) during the financial year 2010-11. The outstanding liability as on 31 March 2021 stands at Rs. 250.18 lakhs (Previous year Rs. 250.18 lakhs) after making payment to Spl. LAO.

36) Employees' State Insurance Corporation (ESIC) raised various demands against the Company in respect of both contract labourers and employees in earlier years, which were contested by the Company in various Courts and Authorities. The Company is continuing with the provision existing in the books as on 31 March 2021as Rs. 214.24 lakhs (Previous year Rs. 207.52 lakhs)

37) Managerial Remuneration*

(₹ in lakhs)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Salary	253.86	93.66
	253.86	93.66

* The remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits as these are determined on the basis of actuarial valuation report for the Company as a whole.

38) During the year, a sum of Rs. 151.28 lakhs (Previous year Rs. 100.10 lakhs) including capital expenditure of Rs. 59.02 lakhs (Previous year of Rs. 2.30 lakhs) was spent on research and development (excluding depreciation charge).

39) Fair Values

Set out below, the class of the carrying amounts and fair value of the Company's financial instruments:

(₹ in lakhs)

Particulars	Carrying value		Fair value	
	March 31 2021	March 31 2020	March 31 2021	March 31 2020
Financial assets				
Others:				
Derivative financial assets	-	3,421.70	-	3,421.70
Investment	12,204.00	-	12,204.00	-
Total financial assets	12,204.00	3,421.70	12,204.00	3,421.70
Financial Liabilities				
Borrowings				
Long term borrowing (Floating rate)	18,950.11	21,887.94	18,950.11	21,887.94
Others:				
Derivative financial liabilities	1,591.54	-	1,591.54	-
Employee related dues	10.05	15.07	10.05	15.07
Total financial liabilities	20,551.70	21,903.01	20,551.70	21,903.01

The management assessed that cash and cash equivalents, other bank balance, trade receivables, other current financial assets (except derivative financial assets), trade payables, short term borrowings and other current financial liabilities (except derivative financial liabilities) approximate their fair value largely due to the short-term maturities of these instruments.

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.

40. Fair value measurements

(i) Financial instruments by category

(₹ in lakhs)

	March 31 2021			March 31 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Claims receivable	-	-	16,928.58	-	-	8,277.50
Investments	12,204.00	-	-	-	-	-
Interest receivable on deposits, receivables etc	-	-	2,607.14	-	-	2,609.80
Other receivables from related parties	-	-	56.18	-	-	56.18
Derivative financial assets	-	-	-	3,421.70	-	-
Trade receivables	-	-	1,15,559.36	-	-	2,14,890.06
Cash and cash equivalents	-	-	9,152.45	-	-	408.55
Bank balance other than cash and cash equivalents	-	-	167.32	-	-	173.17
Total Financial assets	**12,204.00**	**-**	**1,44,471.03**	**3,421.70**	**-**	**2,26,415.26**
Financial liabilities						
Long term borrowings (Floating rate)	-	-	18,950.11	-	-	21,887.94
Short term borrowings	-	-	1,06,167.14	-	-	2,07,907.08
Trade and other payables	-	-	97,817.05	-	-	84,890.05
Derivative financial liabilities	1,591.54	-	-	-	-	-
Security deposits	-	-	2,800.27	-	-	1,831.39
Total Financial liabilities	**1,591.54**	**-**	**2,25,734.57**	**-**	**-**	**3,16,516.46**

(ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets and liabilities at 31 March 2021: (₹ in lakhs)

Particulars	Date of Valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Assets measured at fair value					
Assets for which fair values are disclosed					
Investments	31.03.2021	12,204.00	-	12,204.00	-
Liabilities measured at fair value					
Liabilities for which fair values are disclosed					
Derivative financial liabilities	31.03.2021	1,591.54	-	1,591.54	-

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published NAV statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors. 2. The fair value of derivatives is determined using quoted forward exchange rates at the reporting date.

There have been no transfers between level 1, level 2 and level 3 during the year.

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2020 : (₹ in lakhs)

Particulars	Date of Valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant observable inputs (Level 3)
Assets measured at fair value					
Assets for which fair values are disclosed					
Derivative financial assets	31.03.2020	3,421.70	-	3,421.70	-

There have been no transfers between level 1, level 2 and level 3 during the year.

41. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. 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, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative contracts. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by treasury department under policies approved by the Board of Directors. The treasury department identifies, evaluates and hedges financial risks. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in other market variables.

The following assumptions have been made in calculating the sensitivity analysis:

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

a) Interest rate risk

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. To be updated with company specific exposures and policy of the management to mitigate these risks.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs)

Particulars	Increase / decrease in basis points	Effect on profit before tax (Decrease)/ Increase
31 March 2021		
INR Borrowings	+50	(94.75)
Foreign Currency Borrowings	+50	(530.84)
INR Borrowings	-50	94.75
Foreign Currency Borrowings	-50	530.84
31 March 2020		
INR Borrowings	+50	(638.58)
Foreign Currency Borrowings	+50	(491.78)
INR Borrowings	-50	638.58
Foreign Currency Borrowings	-50	491.78

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

b) Foreign currency risk

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.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with INR, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives.

For the year ended 31 March 2021

(₹ in lakhs)

Particulars	Change in foreign currency rate	Effect on profit before tax (Decrease)/Increase
USD	+5%	(1,550.13)
	-5%	1,550.13

For the year ended 31 March 2020

(₹ in lakhs)

Particulars	Change in foreign currency rate	Effect on profit before tax (Decrease)/Increase
USD	+5%	(2,065.16)
	-5%	2,065.16
EURO	+5%	(20.47)
	-5%	20.47

c) Commodity price risk

The Company's operating activities require the ongoing purchase of rock phosphates, phosphoric acid, sulphur and mauratic potash. All being international commodities is subject to price fluctuation on account of the change in the demand supply pattern and exchange rate fluctuations. The Company is not affected by the price volatility of the raw materials as government on a time to time basis, revises the subsidy rates payable to the fertilizer industry based on the market trend.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a) Trade receivables

The Company receivables can be classified into two categories, one is from the customers into the market and second one is from the Government in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is nil. For market receivables from the customers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigates the credit risk to some extent.

Reconciliation of loss allowance on trade receivables

Particulars	Amount Rs. In Lakhs
Loss allowance as on 1st April 2019	2167.49
Changes in loss allowance during 2019-20	659.09
Loss allowance as on 31st March 2020	**2826.58**
Changes in loss allowance during 2020-21	652.43
Loss allowance as on 31st March 2021	**3479.01**

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the guidelines framed by the board of directors of the Company. Guidelines broadly covers the selection criterion and over all exposure which the Company can take with a particular financial institution or bank. Further the guideline also covers the limit of overall deposit which the Company can make with a particular bank or financial institution. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

Reconciliation of loss allowance on other financial assets

Particulars	Amount Rs. in Lakhs
Loss allowance as on 01-April 2019	209.79
Changes in loss allowance during 2019-20	-
Loss allowance as on 31 March 2020	**209.79**
Changes in loss allowance during 2020-21	-
Loss allowance as on 31 March 2021	**209.79**

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

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

(₹ in lakhs)

Particulars	Less than1 Year	1-5 Years	> 5 years	Total
Year ended 31 March 2021				
Borrowings	1,13,776.12	11,341.13	-	1,25,117.25
Other financial liabilities	8,255.69	-	-	8,255.69
Trade payables	93,953.17	-	-	93,953.17
	2,15,984.98	**11,341.13**	-	**2,27,326.11**
Year ended 31 March 2020				
Borrowings	2,15,907.08	14,000.00	-	2,29,907.08
Other financial liabilities	6,106.68	-	-	6,106.68
Trade payables	80,614.50	-	-	80,614.50
	3,02,628.26	14,000.00	-	3,16,628.26

42. Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The primary objective of the Comapny'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. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital keeping in view the adequate interest and debt service cover ratio.

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. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

43) The Company has taken into account potential impacts of COVID-19 in the preparation of the consolidated financial statements. Based on the information currently available there is no material impact on carrying amounts of its property, plant and equipment, inventory, trade receivables, investments and other current assets though management continue to monitor changes in future economic conditions. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements. Further, the Company has also evaluated impact of COVID-19 on internal financial controls over financial statements and concluded that there is no impact of COVID-19 thereon. The Company would continue to monitor and assess the impact of COVID-19.

44) Rent and warehouse rent expense included in Note No. 25 represents expenses incurred in respect of short term leases. The lease agreements are cancellable at the option of both the lessor and lessee.

45) As per section 135 of the Companies Act, 2013, the Company has incurred expenses on corporate social responsibility (CSR) amounting Rs. 502.86 lakhs (Previous year Rs. 447.69 lakhs) for CSR activities for the purposes other than construction/acquisition of any asset. The gross amount required to be spent by the Company as per section 135 was Rs. 480.28 lakhs (Previous year Rs. 404.12 lakhs).

S.No	Particulars	₹ In lakhs
a.	Gross amount required to be spent by the Company during the year.	480.28
b (i).	Amount spent during the year on construction/acquisition of any asset	-
b (ii).	Amount spent during the year on purposes other than construction/acquisition of any asset is as below:	
	– Contribution to OSDMA	150.00
	– Education & health	68.88
	– Water Sanitation, Health & Hygiene	75.65
	– Promotion of Sports at Villages and School level	11.41
	– Skill Development & Livelihood promotion	53.92
	– Livelihood promotion for marginalised houses	20.08
	– Environment & Biodiversity	12.31
	– Old age care / children with no parental care etc	6.06
	– Women empowerment	8.39
	– Emergency Relief support to poor in case of Disaster	80.69
	– Livelihoods promotion for Women & Youth	8.55
	– Support for Household Energy Needs (Renewable Energy)	6.92

46) Details of investment in associate accounted for under equity method

(₹ in lakhs)

Particulars	31-Mar-21	31-Mar-20
Investment in unquoted ordinary shares carried at cost		
- Investment in associate		
5,12,500 (31 March 2020 - 5,12,500) ordinary shares of USD 1 each fully paid up of Zuari Yoma Agri Solutions Limited	365.61	365.61
Less: Share of loss in associate and translation adjustment	(87.09)	(53.35)
Net investment in associate	278.52	312.26
Share of loss from associate	(19.50)	(82.82)
Foreign currency translation adjustment	(14.24)	38.48

47) The Government of India, on 20/09/2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company during the FY 2020-21 provided for income tax at old rates, based on the available outstanding MAT credit entitlement and other exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities.

48) Changes in liabilities arising from financing activities

(₹ in lakhs)

Particulars	Period (1 April-31 March)	Opening Balance	Cash flows	Adjustments	Closing Balance
Long term borrowings (Refer Note 12a)	2020-21	21,887.94	(3,000.00)	62.17	18,950.11
	2019-20	28,810.77	(7,000.00)	77.17	21,887.94
Short term borrowings (Refer Note 12b)	2020-21	2,07,907.08	(97,624.85)	(4,115.09)	1,06,167.14
	2019-20	2,83,488.89	(79,386.24)	3,804.43	2,07,907.08

Adjustment represent foreign exchange fluctuation and unwinding of interest expense

49) Additional Information on Entities pursuant to para 2 of general instructions for preparation of consolidated financial statements

(₹ in lakhs)

	Net Assets i.e. Total Assets minus total Liabilities		Share In Profit or Loss		Share In Other Comprehensive Income		Share In Total Comprehensive Income	
Name of The Entity	As a % of Consoli-dated Net Assets	Amount	As a % of Consoli-dated Profit/ (Loss)	Amount	As a % of Consolidated Other Comprehensive Income	Amount	As a % of Consolidated Total Comprehensive Income	Amount
Company								
Paradeep Phosphates Limited	100.05	1,82,838.06	100.09	22,346.32	120.10	85.05	100.16	22,431.37
Associate company								
Zuari Yoma Agri Solutions Limited	0.15	278.52	(0.09)	(19.50)	(5.71)	(4.05)	(0.11)	(23.55)
Consolidation adjustment	(0.20)	(365.61)			(14.39)	(10.19)	(0.05)	(10.19)
Total	**100.00**	**1,82,750.97**	**100.00**	**22,326.82**	**100.00**	**70.81**	**100.00**	**22,397.63**

50) Receivables include Rs. 35,837.01 lakhs (net) due from Zuari Agro Chemicals Limited (ZACL), a related party. ZACL has confirmed the outstanding balance which is in agreement with the books of the Company. The Company's management has discussed a plan for the settlement of these dues with ZACL. Pursuant to the settlement plan, the Company, among other steps, has entered into a Business transfer agreement with ZACL on 1st March 2021, as approved by the Board of Directors of the Company as well as ZACL, for acquisition of certain assets of ZACL on slump sale basis. As per the terms of the agreement, the receivable from ZACL would be adjusted against the final purchase consideration payable for the proposed acquisition and accordingly the Company believes that the receivable amount outstanding from ZACL would be fully recovered through such settlement, in due course of time.

51) The disclosures regarding holdings and dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

As per our report of even date
For B S R & CO. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

JAYANTA MUKHOPADHYAY
Partner
Membership no.: 055757

Place: Kolkata
Date: 24 May, 2021

For and on behalf of the Board of Directors of Paradeep Phosphates Limited
(CIN: U24129OR1981PLC001020)

N. SURESH KRISHNAN
Managing Director
(DIN: 00021965)
Place: Gurugram

S.K. PODDAR
Chairman
(DIN- 00008654)
Place: Dubai

SACHIN PATIL
Company Secretary
Place: Bengaluru
Date: 24 May, 2021

SAILESH PATI
Chief Financial Officer
Place: Bhubaneswar

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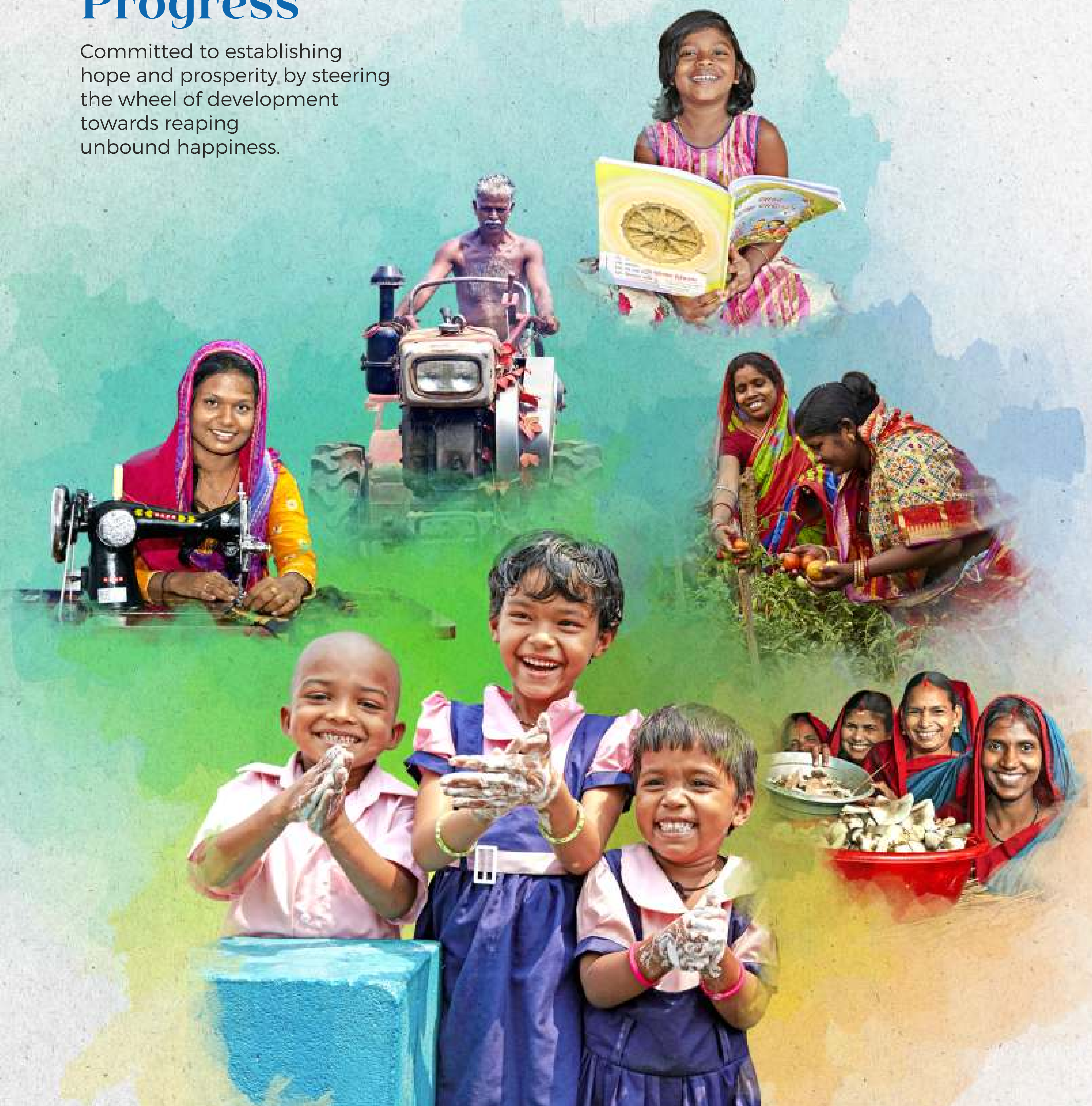

PARADEEP PHOSPHATES LIMITED
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