



Agro Phos

21ST ANNUAL REPORT

(F.Y. 2022-23)

REGISTERED OFFICE :

- 📍 M-87, Trade Centre 18M, South Tukoganj, Indore, M.P.452001
- ☎ 0731-2529488-89-90-91,
- ✉ agrophos@rediffmail.com
- 🌐 www.agrophos.com

CORPORATE INFORMATION

NAME OF THE COMPANY

AgroPhos (India) Limited

CIN

L24123MP2002PLC015285

BOARD OF DIRECTORS

1. Mr. Raj Kumar Gupta
2. Mr. Vishnu Kant Gupta
3. Mr. Abhishek Kalekar
4. Mrs. Vidhi Jain
5. Mr. Chandresh Kumar Gupta
6. Mr. Tushar Dave

Chairman & Managing Director
Whole-time Director
Director
Independent Director
Independent Director
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Vishnu Kant Gupta

STATUTORY AUDITOR

Ashok Khasgiwala & Co., LLP
Chartered Accountants
702, Shekhar Central, Palasia Sqaure
A.B. Road, Indore (MP)-452001

WORKS

Fertilizer Manufacturing Units

1) Dewas Unit
13 A/2, Industrial Area, A.B. Road,
Dewas, Madhya Pradesh

COST AUDITOR

M.P. Turkhia & Associates

2) Meghnagar Unit

135A-138A, Industrial Area, Meghnagar,
Jhabua, Madhya Pradesh

SECRETARIAL AUDITORS

M/s Neelesh Gupta & Co.,
Practicing Companies Secretaries

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd

Office No S6-2, 6th Floor, Pinnacle Business Park
Next to Ahura Centre, Mahakali Caves Road
Andheri (East) Mumbai - 400093, Maharashtra
Tel: 91-22-6263 8200
Fax: +91-22-6263 8299
Email : investor@bigshare.com
Website: www.bigshareonline.com

BANKER

Axis Bank Ltd.
Canara Bank

REGISTERED OFFICE

M-87, Trade Centre 18m, South
Tukoganj, Indore (M.P.)
Tel No.: +9107312529488/89/91
Email : agrophos@rediffmail.com

STOCK EXCHANGE LISTING

The National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor
Plot No. C-1, Bandra Kurla Complex
Bandra (East), Mumbai -400051

21st Annual General Meeting will be held on Saturday, 30th September 2023 at 12:30P.M. , at M-87,
TRADE CENTRE 18M, SOUTH TUKOGANJ INDORE MP 452001 IN

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Overview

Incorporated in 2002, our Company M/s. Agro Phos (India) Limited is an ISO 9001:2008 certified Company engaged in the manufacturing of fertiliser products such as Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. Our Company also undertakes trading of Diammoium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer. The registered office of the Company is situated at M-87, Trade Centre 18M, South Tukoganj, Indore, Madhya Pradesh.

Our manufacturing facilities are located at Dewas and Meghnagar, Madhya Pradesh and are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavour to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is completely integrated from procurement of raw materials and final testing and packing of fertilisers for direct use of our customers.

Our Company is well equipped with in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well. apart from providing quality products at an affordable cost, our Company also emphasizes on the product reach through its distribution network. We have over 200 dealers and distributors.

Our Company also takes part in various educational awareness programs for farmers. Farmer suicide has become a major concern since being an agrarian country, a large percentage of population in our Country is dependent on agriculture.

Vision

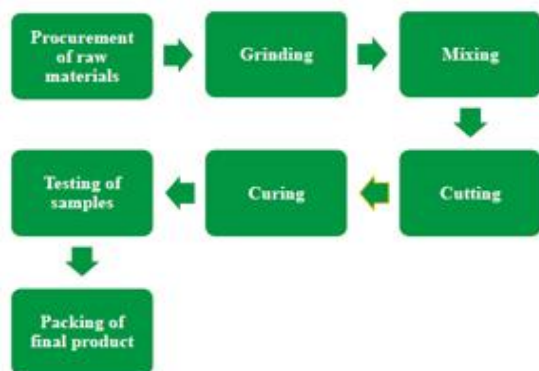
To be a leading national enterprise with global aspirations, effectively pursuing multiple growth opportunities, maximizing returns to the stakeholders, remaining socially and ethically responsible.

Mission

To provide our customers with premium quality products in a safe, reliable, efficient and environmentally sound manner, deliver exceptional services and customer support, maximizing returns to the shareholders through core business and diversification, providing a dynamic and challenging environment for our employees.

Manufacturing Process

I. Single Super Phosphate (SSP)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of SSP is Rock Phosphate and Sulphuric acid. The procurement of Rock Phosphate is fulfilled by importing the same from countries like Egypt, Iran, Jordan, Morocco, Syria, Togo, Tunisia, etc. The requirement of Sulphuric acid is met by purchasing the same from local vendors. After the procurement of raw materials, the manufacturing process starts in Grinding mill where Rock Phosphate is grinded and then the grinded rock phosphate is moved to mixer where Sulphuric acid and water is added. The mixture is then mixed properly and is moved via the den machine to cutter to cut the huge chunks of mixture into powder form. Our Company manufactures both powder and granulated SSP. The manufacturing process of powdered and granulated SSP is same till the mixing process and after this process the mixture is then treated separately.

Powdered SSP

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place and samples of the final product is sent to the in house laboratory for testing and quality check to ensure that the final product contains the required chemical composition. Once the samples pass the final quality check the product is then sent to hopper for packing the same into HDPE bags for dispatch.



Granulated SSP

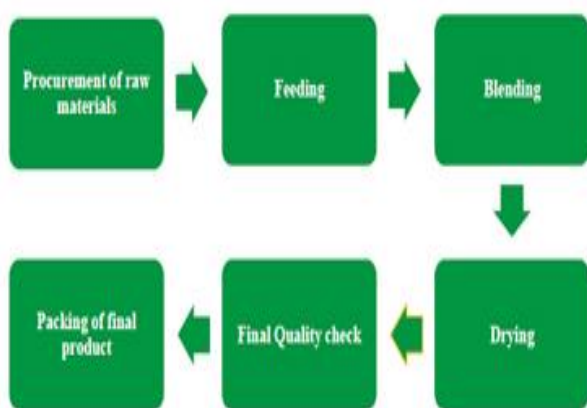
After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place. After the curing process the mixture is moved via crane to granulation drum where water is added and then the granulated mixture is moved via conveyor belt to dryer drum wherein the mixture is heated at a temperature of around 1000 degree Celsius. After the heating process, the mixture is then moved to the cooler drum to extract moisture and then the product moves to the vibrating screen to ensure that the granules are of adequate and required size. The samples of granulated SSP now move to the in house laboratory for final testing and quality check and to determine whether the product contains the required chemical composition or not. After the samples pass the final quality check, the product is then sent to hopper for packing the same into HDPE bags for dispatch.



Apart of these products our SSP products are also sold with various other names as per there content such as Boronated Single Super Phosphate having Boron Content and Zincated SSP having content of Zinc both are sold in Powder form and Granular Form. One more product named Zincated and Boronated SSP having both content Zinc plus Boron.

II. Nitrogen Phosphorus and Potassium (NPK)

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of NPK is Nitrogen, Phosphate and Potassium. After the procurement of raw materials, actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.



After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition. Our Company manufactures NPK of varied chemical compositions. Our in house laboratory checks

whether different types of NPK contains the required chemical composition as per the said chemical formulae. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.



III. Organic Manure

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of organic manure is Neem DOC, Castor DOC, Karanja DOC, Mahua DOC and Tobacco dust. These raw materials are procured from the local market and before the manufacturing process the raw material undergo a quality check to check the final quality and chemical composition.

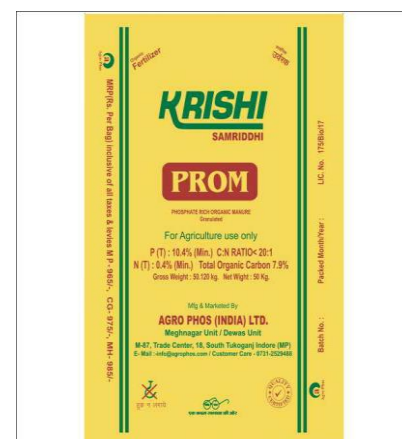
These raw materials are feeded in the hopper as per the required chemical composition, stated as under:

- Neem DOC: 30%
- Castor DOC: 25%
- Karanja DOC: 5%
- Mahua DOC: 5%
- Tobacco dust: 35%

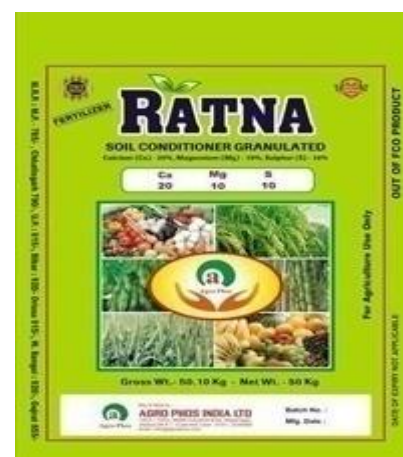
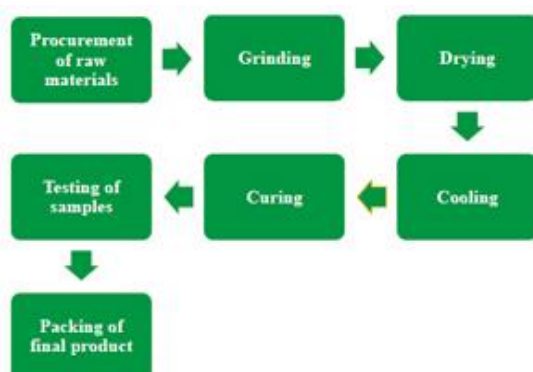
The chemical composition of the required raw materials can be changed depending upon their availability.

After feeding the raw materials in the feeder, the materials are then moved to the blending machine via conveyor belt. The materials are blended properly in the blender and then the mixture moves to the drying machine to extract moisture from the final product.

The next process is the quality check to ensure that the final product is of adequate quality and contains the required chemical composition. If the final product passes the quality check, then the same is packed into HDPE bags for final dispatch. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.



IV. Soil Conditioner (Calcium Sulphate)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of soil conditioner is calcium sulphate, magnesium sulphate and sulphur. All the required raw materials are procured from the local market.

After the procurement of raw materials, the raw materials undergo a quality check to ensure that the raw materials are of required quality. The actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.

After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition.

Our product, soil conditioner is sold under the brand name – "Ratna".

Our Company manufactures soil conditioner of a notified chemical composition mentioned below: Soil Conditioner (20, 10, 10): This fertilizer contains 20% Calcium Sulphate, 10% Magnesium Sulphate and 10% Sulphur.

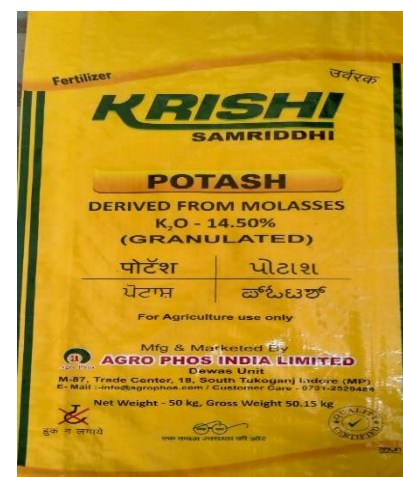
V. Zinc Sulphate -21%

Our Company is manufacturing Zinc Sulphate -21% hyptahydrate which is recommended for soil application, Zinc is a naturally occurring mineral. Zinc is important for growth and for the development and health of crops. Zinc sulfate is used to treat and to prevent zinc deficiency, it is produce in powder form that is colorless and completely watersoluble. Our product Zinc Sulphate is sold with the same name as "Ratna" as like calcium sulphate.



VI. Potash derived from molasses(PDM)

Recently our company is introduced a new product with the name as PDM the process of manufacturing of the same is like, First Spent Wash Ash (K_2O -23% Minimum) with bentonite powder in ratio of 50% 50% as well as filler mixes properly and than sent this mixture to main hopper through conveyor belt and then sent to Granulator for Granules and again passes to dryer where the hot air passes at the Temp. of 600 to 700 degree centigrade and then passes to cooling drum which completes its production, after than finally it sent to the packing plant where the finished 90% material passed through 2 mm to 4mm sieve and then comes to the hopper for packing rest material again recycled to the same process. The finish goods ie P.D.M. Granulated packed in 50 kg. new Brand "KRUSHI SAMMRUDHI" bags for market after quality cheeked as per FCO 1985 norms.





Chairman & Managing Director's Message

Dear Shareholders, It is my honour and privilege to interact with you as the Chairman of the Board at AgroPhos(India) Limited.

During the year, the Department of Fertilizer is implementing schemes such as Urea Subsidy Scheme, Nutrient Based Subsidy Scheme (NBS) and Direct Benefit Transfer (DBT) projects for fertilizer subsidy payments which are implemented on a PAN India basis for ensuring adequate availability of fertilizers to the farmers.

In addition, the Ministry implemented the One Nation One Fertilizers scheme under the Fertilizer Subsidy Scheme, which aims to ensure timely supply of fertilizers, as well as eliminate the dilemma of farmers in choosing one of the many brands available in the market. It has been decided to convert the existing village, block/sub district/taluk and district level fertilizer retail outlets into model fertilizer retail outlets during this year. These shops will act as "one stop shop" for all agriculture related inputs and services. At the district level, 600 retail shops were converted into PMKSK.

During the year under review Company has entered MOU with The Maharashtra Agro Industries Development Corporation Limited (Government of Maharashtra) for Exclusive Supply of SSP of 25000 Ton of SSP under the Brand of Krishi Samradhi.

Company has entered MOU with Brahmaputra Valley Fertilizer Corporation Limited for supply of 25000 Ton of SSP.

Company has also entered MOU with Matrix Fertilizer & Chemical Limited for supply of 18000 Ton of SSP.

Company has good number of contract in hand and Your Company is hopeful to fulfil all of them

Direct Benefit Transfer (DBT) project for fertilizer subsidy payment:

Department of Fertilizers (DoF) has implemented Direct Benefit Transfer (DBT) project for fertilizer subsidy payment with a view to improve fertilizer service delivery to farmers. Under the fertilizer DBT system, 100% subsidy on various fertilizer grades is released to the fertilizer companies on the basis of actual sales made by the retailers to the beneficiaries. Sale of all subsidized fertilizers to farmers/buyers is made through Point of Sale (PoS) devices installed at each retailer shop and the beneficiaries are identified through Aadhaar Card, KCC, Voter Identity Card etc.

We are happy to share with you that your company was also leverages such benefits during the year and have recorded better turnover by increase in sale of Single Super Phosphate “SSP” which is the core product of the company.

Company have recorded a total revenue as 13535.40 Lacs as compared to the last year 11725.02Lacs and total revenue this year contains 13101.70 Lacs from operation and rest 33.70 Lacs as other income in the same way company have earned this year PAT of 500.36 Lacs as compares to 583.11 Lacs in previous year total decrease in PAT was 83 Lacs as compared to last financial year due to increase in the prices of the fertilizers. However We are confident that your company as tremendous growth potential for upcoming year.

On behalf of the Agro Phos (India) Limited, I would like to wholeheartedly thank my fellow colleagues at the factories and at administrative office as with the support and guidance of top level management and senior executive and immense hard work by ground level staff we have ensured another year of successful business operations.

In the last on behalf of the Board of Directors, I would like to thank all our stakeholders, including our customers, shareholders, banking partners, channel partners, and the government for supporting us in our journey. With all your continued support and the blessings of the almighty, I eagerly look forward to the upcoming year. Wish you all a healthy and safe life ahead.

With Warm Regards
Sd/-
Raj Kumar Gupta
Chairman

NOTICE OF 21st ANNUAL GENERAL MEETING

Notice is hereby given to all the members of the Company that the 21st Annual General Meeting of the Company will be held on Saturday the 30th September, 2023 at M-87, Trade Centre 18m, South Tukoganj Indore Mp 452001 In Madhya Pradesh 452001 at 12:30 P.M. to transact the following business:

ORDINARY BUSINESS**1. Adoption of Audited standalone Financial Statements**

To receive, Consider and adopt the Audited Financial Statements of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2023 together with the report of the Board of Directors& Auditors thereon.

2. Appointment of Mr. Abhishek Kalekar (DIN: 07758751) as Director, liable to retire by rotation.

To appoint a Director in place of Mr. Abhishek Kalekar (DIN: 07758751) who retires by rotation and, being eligible offers himself for re-appointment.

SPECIAL BUSINESS:**3. Ratification of payment of remuneration of cost auditors M/s M.P. Turkhia & Associates for the financial year ending March 31, 2024.**

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

"RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s M.P. Turkhia & associates., Cost Accountants having Firm Registration Number 000417, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2024, amounting to Rs. 50,000(Rupees Fifty Thousand only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) be ratified.

FURTHER RESOLVED THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. In terms of Sec. 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
5. **Appointment/ Re- Appointment of Directors**

At the ensuing Annual General Meeting Mr. Abhishek Kalekar (DIN: 07758751) who is liable to retire by rotation and being eligible offer themselves for re- appointment.

Detail of the above persons are as below:

Name of Director	Mr. Abhishek Kalekar
Designation	Director
Date of Birth	01.05.1987
Date of Appointment on Board	08.03.2017
Date of appointment at current Designation	08.03.2017 & Re-appointed on 2020.
Qualification	Graduate
Directorship in other companies	NA
No. or % of holding in Company	150000

6. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") in respect of item no. 3 of the notice set out above, is annexed hereto.
7. Register of Members and Share Transfer Books of the Company will remain closed from September 23rd, 2023 to September 30th, 2023 (both days inclusive).
8. SEBI vide notification dated June 08, 2018 have conveyed amendment to Regulations 7 and 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which enforced w.e.f. December 05, 2018, which made it mandatory in case of transfer of securities of the Company cannot be processed unless the securities are held in dematerialized form with a depository, the said requirement of Dematerializations is not mandatory in case of Transmission or Transposition of Shares or one can hold securities in physical form until the securities are not intended for transfer, in view of the above, we request the shareholders holding shares in physical form to kindly dematerialize equity shareholding in AgroPhos (India) Limited.
9. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd. Located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. having email Id investor@bigshareonline.com to receive the soft copy of Annual Report of the Company.
10. Members are requested to :
 - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.

- b. Send their questions at least 10 days in advance of the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
11. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
 12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
 13. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, and May 13 2022 Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. are being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members may note that the Notice and Annual Report 2023 will also be available on the Company's website www.agrophos.com, websites of the Stock Exchange, i.e.NSE Limited at www.nseindia.com and on the website of NSDL i.e, www.evoting.nsdl.com Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically
 - (a) For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the RTA at: ujata@bigshareonline.com
 - (b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s
 14. At the meeting, after all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for the same as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed.
 15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.agrophos.com not later than 2 (two) days of passing of the resolution at the Annual General Meeting of the Company and will be communicated to the Stock Exchange(s).
 16. Members may also note that the Notice of Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot/Poll Paper and the Annual Report for the year 2022-23 will also be available on the company website www.agrophos.com for their download. For any communication, the shareholders may also send request to the company on the aforementioned Email ID.
 17. In accordance with Regulation 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 22 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to shareholders through such e-voting system. Notice of this meeting has been sent to all the shareholders who have registered their e-mail id's with the Company or the Registrar and Transfer Agent/ Depository Participants. Necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) to facilitate e-voting.

PROCEDURE FOR REMOTE E-VOTING

18. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing remote e-voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice of 21ST AGM by electronic means.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 27, September, 2023 at 9:00 A.M. and ends on 29, September, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23, September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23, September, 2023.

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

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





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-

	<p>Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID, For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company, For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from

NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote..

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to neeleshcs2004@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Prajakta Pawale at prajakta@nsdl.com, evoting@nsdl.co.in

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

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

**For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED
Sd/-**

**Place: Indore
Date: 05.09.2023**

**RAJ KUMAR GUPTA
DIRECTOR
DIN: 00244925**

Annexure to the Notice**EXPLANATORY STATEMENT****(Pursuant to Section 102(1) of the Companies Act, 2013)****ITEM NO. 3**

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s M.P. Turkhia & Associates, Cost Accountant (Firm Registration No.000417), to conduct the audit of the cost records of the Company for the financial year ended on March 31st, 2023 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus GST as applicable and reimbursement of out-of-pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013.

Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the Cost auditors under various regulations and the said certification will be charged separately and any revision in the remuneration of the cost auditors may be done with prior approval of Audit committee and at the discretion of the board of Directors simultaneously any such revision should be purely based on the performance review and any additional efforts of the firm.

The remuneration payable to the cost auditors has to be ratified by the shareholders of the Company. therefore the Board recommends the Ordinary Resolution at Item No. 3 for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the Ordinary Resolution set out at Item No. 3 of the Notice.

Brief Profile of M/s M.P. Turkhia& Associates, Cost Accountants:

The Firm was promoted in the year 1998 by a Cost Accountant with meticulous track record and sound professional background and in 2013 it is converted to partnership firm. The firm is having wonderful combination of experience and energy, comprising of four partners, with the experience of partners ranging from MNC corporate exposure to practice of more than 23 years, to heading F&A of PSU to the energy of fresh techsavvy blood.

The firm is owned & Controlled by CMA Mihir Turkhia who is Fellow Member of ICMA and holding LLB Degree and having experience of More than 21 years in the practice of cost and management consultancy, other partners of the firm are also having relevant experience and having great command over their working areas, apart of the core partners the firm also have more professionals as associates.

The firm is handling assignments in consultancy and cost audit of various companies of repute, Export-Import Services, excise/ GST Advisory, covering public sector, private sector and government sector.

The Head office of the firm is located in Indore (M.P.) with branch offices at Mumbai, Delhi NCR, Raipur Chhattisgarh.

The Firm is an Independent Firm of Cost Accountants and are maintaining arm's Length relationship with our Company.

The Firm is registered with the Institute of Cost Accountants of India under Registration No. 000417.

DIRECTORS' REPORT

To,

The Members,

Your directors have pleasure in presenting their 21st Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2023.

1. FINANCIAL HIGHLIGHTS

During the year under review, performance of your company was as under: (Amount in Lacs)

Particulars	Year ended 31 st March 2023	Year ended 31 st March 2022
Revenue from operation and Other Income	13135.40	11725.02
Less: Expenditure	12424.35	11017.30
Profit/(Loss) before tax	711.04	707.71
Less: Tax Expense		
Income tax (current year)	235.25	185.44
Mat Credit		0
Income tax paid for earlier years		
Deferred tax	(24.57)	(60.84)
Profit/(Loss) after tax	500.36	583.11
Other Comprehensive Income	7.46	(1.16)
Total Comprehensive Income for the Year	507.82	581.95

2. FINANCIAL PERFORMANCE

During the year under review company has achieved Turnover of Rs. 13135.40 Lacs as compared to the turnover of the previous year 11725.02 Lacs. However Due to Increase cost of production profit of the company for the current financial year was Rs.500.36 Lacs as compare to Rs. 583.11 Lacs in previous year. The major reason of increase in turnover of the company was increase in Government granted subsidy income on sales of various variant of company's core Product Single Super Phosphate. government this year with intention to promote fertilizer industry in India and to support Indian farmers have increased various subsidies on fertilizers products which resulted into a major milestone for overall fertilizer industry in India, we expect from the government such kind of benefits in upcoming years so as to increase supply of fertilizers in Indian markets as well as in global market. Company was able to stream line the production capacity during the year.

During the year under review Company has entered MOU with The Maharashtra Agro Industries Development Corporation Limited (Government of Maharashtra) for Exclusive Supply of SSP of 25000 Ton of SSP under the Brand of Krishi Samradhi.

Company has entered MOU with Brahmaputra Valley Fertilizer Corporation Limited for supply of 25000 Ton of SSP.

Company has also entered MOU with Matrix Fertilizer & Chemical Limited for supply of 18000 Ton of SSP.

Company has good number of contract in hand and Your Company is hopeful to fulfil all of them.

3. CHANGE IN NATURE OF BUSINESS

During the year there has not been any change in the nature of the Business.

4. DIVIDEND

During the year Company has not declared or distributed any dividend. Company's Board finds it's better to retain the fund for future uncertainty however board assures that we shall endeavour toward distributing dividend to the shareholders in upcoming years also.

5. AMOUNT TRANSFERRED TO RESERVE

During the year under review, the Company is proposed to transfer whole amount of Profit as Rs. 507.82 Lacs in Free Reserve of company.

6. DEPOSITS

The Company did not accept any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the rules made there under.

7. INSURANCE

Your directors informed that all the fixed assets of the company are adequately insured also company has provided medi-claim facility to its employee.

8. SHARE CAPITAL

a) Authorized Capital

There were no changes have been made in the Authorized Capital of the company during the financial year 2022-23 the current Authorized Capital of the company is Rs. 21,00,00,000/- divided into 2,10,00,000 equity Shares of Rs. 10 each.

b) Issued Subscribed and Paid-up Share Capital

The issued, subscribed and paid-up share Capital of the Company is same as in the previous Year that means no further issue or bonus issue was brought by company.

- **Issue of Bonus Equity Shares:** Nil
- **Issue of Equity Shares:** Nil.

9. HUMAN RESOURCE & INDUSTRIALRELATIONS

The Industrial relations of the company were harmonious with suppliers, customer's employees, factory labour, financial leaders, as the company's promoter is having a great influence in the fertilizer industry of middle east of India which always supposed to turned into some wonderful corporate relation of company among others in this industry, also management is striving their efforts toward the harmonious relation with vendors, raw material suppliers, purchasers, Governments Bodies and other stakeholders.

Your company is always having concern about it's employee and labour as a part of this your company was arranged all necessary arrangement for safety of health of our employees as availability of Primary medical treatment facility at corporate office and plant premises, also this year

management have taken intuitive to provide Medi-claim facility to company's employees. Company is having system to provide loan facility without interest or lesser interest as per the salary slab criteria to needy employees so as to assure timely help to them to face any untoward or any to fulfil their needs.

Company always welcomes from its employee about any facilities/ aid they can serve to them and management always do their best to promote practice of collective bargaining, trade unionism, and harmonious labour-management relations, provide friendly environment and comfort to company's employees so that they may explore their maximum output throughout the year.

We also would like to place on record our sincere appreciation to the cooperation extended by all the employees in maintaining cordial relations.

10. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis, forming part of this report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as "**Annexure-A**" separately to this Report.

11. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained by them, your Directors confirms the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. That in the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That such accounting policies as mentioned in the Financial Statements have been selected and applied consistently. Such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs and of Profit of the Company for the financial year ended on March, 31st 2023.
- c. That they have 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;
- d. That they have prepared the Annual Accounts on a going concern basis;
- e. That they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

12. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Changes in Directors:

I Cessation of Directors:

During the year none of the directors have been ceased or resigned from the office of the director.

II Appointment of Directors

During the year none of the directors have been appointed.

III. Retirement by Rotation:

The independent directors hold office for a fixed term not exceeding five years from the date of their appointment and are not liable to retire by rotation.

However as per the provision of the Companies Act, 2013 and as per the Article of association of the company Mr. Abhishek Kalekar Director of the company, who has longest in the office are become liable to retire by Rotation in ensuing Annual General Meeting and, being eligible have offered their candidature for re-appointment.

Brief details of Mr. Abhishek Kalekar Director, who are seeking re-appointment, are given in the notice of annual general meeting.

B. Changes in Key Managerial Personnel: No Change

The Detailed Information on the directors is provided in the Corporate Governance Report.

As on the 31st March 2023 the Company is having of the following directors & KMP in it's Composition namely: -

DIN / PAN NO.	NAME	DESIGNATION	DATE OF APPOINTMENT	DATE OF CESSATION
00244925	Raj Kumar Gupta	Managing director	24/09/2002	-
05233476	Vishnu Kant Gupta	Whole-time director	16/03/2012	-
08178291	Vidhi Jain	Independent Director	12/07/2018	-
09042779	Chandresh Kumar Gupta	Independent Director	25/01/2021	-
02721299	Tushar Dave	Independent Director	30/06/2021	
07758751	Abhishek Kalekar	Non-Executive Director	08/03/2017	-
AGGPG1674C	Vishnu Kant Gupta	CFO	25/01/2021	
KGIPS4560K	Sumit Sharma	Company Secretary & Compliance Officer	18/09/2018	27/03/2023

13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As on March 31, 2023, the Company does not have any subsidiary or joint venture or associate Company also our company is not a subsidiary to any other company, therefore your company is not required to any compliances as such.

14. NUMBER OF BOARD MEETINGS

Physically conducted Board Meeting:

During the Financial Year 2022-23, Six [06] meetings of the Board of Directors of the company were held.

S.NO	DATE OF BOARD MEETING	Total No. of Directors	No. of Directors attended the Meeting
01	30/05/2022	6	6
02	02/07/2022	6	6
03	10/08/2022	6	6
04	05/09/2022	6	6
05	12/11/2022	6	6
06	14/02/2023	6	6

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 27th March, 2023 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

15. COMMITTEES OF THE BOARD

The Company is having required committees of Board of Directors as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015, all the committees are having required composition of Executive & Non-Executive Directors as chairman as well as members.

Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committees have been re-constituted due to existing member Shri Abhishek Kalekar expressed their unwillingness to continue as member of the committees hence Shri Tushar Dave, Independent Director of the company was appointed member of Committees in Board Meeting held on 05th September, 2022.

The Complete details of the committee and its Meeting are given in corporate governance portion of this Report.

16. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2022-23 in the prescribed format, AOC 2 as **Annexure-B** has been enclosed with the report, further it was observed that all transactions with the related parties are at arm's length basis and in ordinary course of business of company., details of the transactions were placed before audit committee for their review.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the reporting financial year company has advance loan to one Body Corporate , However has not given any guarantee or security in connection with any loan or made any investment as prescribed under Section 186 of the Companies act, 2013, complete details on loan, guarantee, Security or investment, if any are given in the notes to the Financial Statements and are within the limits as approved by the members.

19. VIGIL MECHANISM/WHISTLE BLOWER POLICY

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com> .

However, during the financial year company was not recorded any case of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

20. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

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

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are disclosed in "Annexure-C" enclosed with this Report.

22. RISK MANAGEMENT POLICY:

The Company has adequate risk management process to identify and notify the Board of Directors about the risks or opportunities that could have an adverse impact on the Company's operations or to that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities.

After conclusion of the whole year your board are in the following view

- There were no internal disputes or mismanagement was observed during this whole year.
- We have not recorded any human loss during the reporting financial year and up to the date of this report.

23. AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT

Statutory Auditors

Pursuant to provisions of section 139 of the Companies Act, 2013 and rules made there under and on recommendation of the audit committee M/s. Ashok Khasgiwala & Co., LLP Chartered accountants was Re-appointed as Statutory auditor of the company for a further period of Five years commencing from the year 2022-23 to 2026-27 in the Annual General Meeting held on 30th September 2022.

In respect to Audit conducted for the year under review Your Board is pleased to inform that the notes on accounts referred to and the Auditors' Report are self-explanatory and therefore do not call for any explanatory note.

Cost Auditor

The Board of Directors, in pursuance of an order under section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, issued by the Central Government and on the recommendation of Audit Committee was appointed M/s. M.P. Turkhia & Associates, Cost Accountants, as Cost Auditors to conduct audit of the cost accounts maintained by the Company in respect of Fertilizers manufactured for the financial year 2022-23.

In respect to Audit conducted for the year under review Your Board is pleased to inform that the Cost Auditors' Report are self-explanatory and therefore do not call for any explanatory note.

Internal Auditor

M/s Pankaj Somaiya & Associates LLP, Chartered accountants was appointed as an Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2022-2023, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of directors actively reviews the adequacy and effectiveness of the Internal Control System and suggest improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthen the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit Report for the financial year 2022-23 is annexed in "Annexure-D" herewith as "forming part of this report.

The following remarks or observations have been taken place in Secretarial Audit Report for the year ended 31st March 2023.

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary	Board Remark
1.	Regulation 23(9) of SEBI (LODR) Regulation, 2015 – Related Party Disclosure	However Related party disclosure pursuant to Regulation 23 sub regulation 9 for the year ended 31st March, 2022 was filed with the delay of 13 days and NSE has levied fine on the company.	Stock Exchange has imposed fine of Rs. 76700/- on the company and Company has filed waiver application which was under processing.	The delay was occurred due to the skip of the recent amendments in SEBI (LODR) Regulations, 2015 but later they came to know that it has been changed from 30 days to 15 days. Company has filed waiver application which was under processing.

Annual Secretarial Compliance Report

As per Reg. 24A of SEBI(LODR), Regulations 2015 and SEBI Circular dated 08th February 2019, all listed companies have to obtain Annual Secretarial compliance report from Company Secretary in practice, and pursuant to which your company has obtained ASCR for F.Y. 2022-23 from Secretarial Auditor named Neelesh Gupta & Co. and said report contain the same remarks or Observations as mentioned above in respect to Secretarial Audit report and board comments over the same is simultaneously mentioned there.

Reporting of fraud by auditor

During the year under review, none of the above-mentioned auditors have reported any instances of fraud committed against the company by its officers or employees, to the audit committee under section 143(12) of Companies Act, 2013

24. CORPORATE GOVERNANCE

A detailed report on Corporate Governance, along with certificate on corporate governance forming part of this report as required under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached separately as “Annexure-E” to this report.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

Company during the reporting financial year was out of the ambit of the provisions of CSR Provision except the liability to invest the outstanding fund of CSR, Company also continuing to exist it's CSR Committee so that required fund will be invested in appropriate activities during the year company was made some investment in CSR Related activities, Complete Detail about CSR are disclosed in “Annexure-F” to this Report.

26. MANAGERIAL REMUNERATION:

Company has paid total managerial remuneration amounting to Rs. 96,00,000 during the year to its Executive Directors including Managing Director and Whole Time Director.

Company has paid Sitting fees to its Non-Executive Directors including independent Director for attending meeting of Board and committee thereof.

27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

During the year the Company has not received any complaint, which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

28. EMPLOYEE'S REMUNERATION

The detail of the employees, who was in receipt of remuneration as specified under Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. are given in "Annexure-G" attached to this Report.

29. INTERNAL FINANCIAL CONTROLS

The company is having adequate internal financial controls with reference to the financial statements in terms of Section 134 (3) (q) of Companies Act, 2013 read with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014.

30. BOARD EVALUATION

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

31. ANNUAL RETURN

The Annual Return of the Company as on March 31, 2023 is available on the Company's website and can be accessed at Investor Section of company's Website Via, www.agrophos.com

32. SECRETARIAL STANDARDS OF ICSI

Your Company is in Compliance with the all-applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

33. DECLARATION/AFFIRMATION

- There are no significant and material orders passed by the regulator or courts or tribunals impacting the going concern status of the Company and future operations.

- There are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016
- The Company has not made any one time settlement with any Bank or Financial Institution as such disclosure or reporting requirements in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not required.

34. BANKS AND FINANCIAL INSTITUTIONS

Your Company is prompt in paying interest and repayment of loans to the financial institutions/banks. Banks and Financial Institutions continue their unstinted support in all aspects, and the Board had placed its appreciation for the same on record.

35. ACKNOWLEDGMENT

Your directors' thanks the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of the NSE Ltd., Share Transfer Agent and also to all stakeholders of the Company viz. customers, members, dealers, vendors, bankers and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED**

Date: 05.09.2023

Place: Indore

Sd/-

**RAJ KUMAR GUPTA
MANAGING DIRECTOR
DIN:00244925**

Sd/-

**VISHNU KANT GUPTA
WHOLETIME DIRECTOR
DIN: 05233476**

Annexure to the Board Report

Annexure-'A'

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Our company M/s Agro Phos (India) Limited being a fertilizer manufacturer is also a part of the agriculture sector of India and continuously serving our best since its pioneering stage, We have one unit at Dewas, M.P. which has its capacity of 60000 MT per year and We have another One plant at Meghnagar, M.P, We are manufacturing Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum.

Our Company also undertakes trading of Diamonium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer, we are having at our plant a well-equipped in-house testing laboratory to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition, apart from manufacturing of above products company since last three years also trading in agricultural produce and Animal feeds management is expecting an extensive growth in this segment in future, also during this pandemic period where availability of resources was very low, our company was able to maintain it's quality standards and not compromise the efficiency of it's products.

Segment-wise Business Review and Operational and Financial Performance:

Company's production and sales as well as company's Financial Performance are as below.

(Quantity in MT)

Financial Performance (Amt. in Lakhs)

S.No.	Particulars	F.Y. 2022-23	F.Y.2021-22
	Production		
1.	SSP	84241.15	54626
2.	NPK	2401.8	14548
3.	Calcium Sulphate	0	17
4.	ZINC SULPHATE (Heptahydrate)	0	211.29
5.	Potash	250	0
6.	Phosphate Rich Organic Manure (PROM)	645.2	600
	Sales		
1.	SSP	77141.25	66111
2.	NPK	2432.8	13723
3.	Calcium Sulphate	0	17
4.	ZINC SULPHATE (Heptahydrate)	0	25
5.	Potash	1384.5	197
6.	Phosphate Rich Organic Manure (PROM)	499.45	735

S.No	Particulars	2022-23	2021-22
1.	Revenue from operation	13101.70	11606.13
2.	Other Income	33.70	118.88
	Total Income	13135.40	11725.02
3.	Total Expences	12424.35	11017.30
4	Prfit /Loss before Tax	711.04	707.71
5	PAT	500.36	583.11
6.	Total Comprehensive Income	507.82	581.94
6	Paid up Capital	2027.41	2027.41
7	EPS	2.47	2.88

SSP:

During the year 2022-23 company was recorded 77141.25 MT sales for all variant of SSP Product which is 11030.25 MT more as compared to last F.Y. 2021-22, the major reason of increase in sale of SSP is government scheme for increase in subsidy system which creates more scope for sale of SSP in Indian Markets, and management is in the view that in upcoming years also government with intention to empower or support to Indian farmers and for growth of fertilizers industry in India will become remain the higher subsidy system for SSP sale therefore it will left more scope for sale of SSP in Indian Market and it will be considered as good market opportunity for our company.

NPK:

Sale of NPK was increased during the period under review as consolidated sale of NPK for Both 12:32:06 and 12:12:12 variants are recorded as 2432.8 MT which was 13723 MT In last Financial Year, Due to High Demand of this product in the Indian Market.

PROM:

Prom sale is decreased this year and recorded as 499.45 MT as compared to last financial year which was 735 MT company's sale of PROM is done through both government entities and private parties, during the reporting financial year Due to tough competition in the Indian Market and Since Company is mainly focussing of SSP.

Zinc sulphate

Company's Sale of ZINC Sulphate during the year recorded nil, the major reason of the same was storage of maximum quantity of Zinc Sulphate for making SSP in upcoming year as ZINC sulphate is also a raw material to company's Core Product SSP and this year sale of SSP increased therefore with intention to increase production and sale of SSP in upcoming years Zinc was Kept as Stock for captive use in future. However, in upcoming year we will plan for increase of production of zinc sulphate as per market demand and as per our captive consumption.

Other Products such as Calcium Sulphate, Potash

There was no sale of calcium sulphate, However there was increase in sale of Potash from 1384.5 Lakhs as compared to the sale of 197 Lakh for previous year reason for increase in sale was due to Increase in demand of the Potash in the Indian market.

Traded Quantity

Company apart of the manufacturing of fertilizers products also engaged in trading of the many fertilizers and agri- products the total quantity traded of such products recorded as 27344 MT as the trading of the products is completely depends on the un-availability of some products in company's stock and market demand of particular products so company may have earn more profit from trading also.

Financial Performance of company during the period under review

The company's performance During this year was was recorded at 13101.70 Lakhs as compared to the last year Turnover as 11606.13 Lakhs while the other income was also Decreased from 118.88 Lakhs to 33.70 lakhs this year accordingly the Profit after tax of company was recorded as 500.36 Lakhs as

compared to 583.11 Lakh in last financial year. Management in upcoming year also ensure to keep maintain the more profitability from company's products for which whatever be the efforts management will be ensure to do all in future.

Indian Fertilizer Industry & company's Contribution toward the same

India is the second-largest consumer and the third-largest producer offer Fertilizers globally. The Indian fertilizer ecosystem comprises the private, Government and cooperative sectors. Over the years, the fertilizer sector in India has played a major role in shaping the Indian farms and driving agricultural prosperity

INDIAN FERTILIZER MARKET

The Indian fertilizer market size reached INR 898.5 Billion in 2022. Looking forward, IMARC Group expects the market to reach INR 1,188.3 Billion by 2028, exhibiting a growth rate (CAGR) of 4.85% during 2023-2028. The growing population, rapid urbanization, and increasing food consumption are escalating the demand for fertilizers, emerging technological advancement, and the implementation of favourable government initiatives are some of the major factors propelling the market.

Agriculture forms the backbone of the Indian economy, and the demand for fertilizers in this sector is consistently high. India's large population depends heavily on agriculture for livelihood and sustenance, thus escalating the demand for fertilizers. In addition, farmers rely on fertilizers to enhance soil fertility and supplement essential nutrients required for healthy crop growth, thus augmenting the market growth. The diverse agro-climatic conditions across different regions of the country require the use of various types of fertilizers for catering to specific crop and soil needs, which is accelerating the product adoption rate. Besides this, the Indian government's focus on improving agricultural productivity through various initiatives, subsidies, and support measures further augment the product demand. Additionally, several policies aimed at ensuring food security, enhancing rural incomes, and promoting sustainable farming practices further contribute to the prominence of farming in the market.

The India Fertilizers Market is fragmented, with the top five companies occupying 34.30%. The major players in this market are Coromandel International Ltd., Indian Farmers Fertiliser Cooperative Limited, Israel Chemicals Ltd, National Fertilizers Ltd and Yara Fertilisers India Pvt. Ltd.

The fertilizer industry in India experienced a remarkable surge in production during the months of April to May 2023, showcasing impressive growth rates for key fertilizers. Urea, DAP, and NPKs took centre stage with soaring growth rates of 16%, 10%, and 31% respectively, when compared to the same period in the previous year. This surge in production led to an outstanding achievement, with the total fertilizer production reaching an impressive 7.3 million tons by May 2023. Urea accounted for a significant portion of this achievement, with 5 million tons produced, followed by DAP at 0.8 million tons, and NPKs contributing 1.6 million tons.

Not only did the production numbers rise, but the sales of urea, DAP, and NPKs also stole the spotlight during April to May 2023, with remarkable growth rates of 34%, 47%, and 55% respectively,

compared to the same period in the previous year. However, the sales of MOP faced a challenging decline of 43% in the current year until May, as compared to the previous year.

Furthermore, the fertilizer market in India witnessed a surge in imports during April to May 2023, showcasing an impressive overall increase of 61% compared to the same period in the previous year. Among the imported fertilizers, Urea, DAP, MOP, and NPK Complex emerged as frontrunners, boasting growth rates of 37%, 73%, 85%, and a stunning 56% respectively, surpassing the imports recorded during April to May 2022.

Overall, imports of fertilisers rose by 22% from April to December of FY 22-23 compared to the same period the previous year. Imports of urea, DAP, MOP, and NPK Complex increased from April to December 22 over the same period in 2021 by 5%, 36%, 14%, and 67%, respectively.

The robust growth in fertilizer production, coupled with significant sales growth and a surge in imports, highlights the thriving fertilizer industry in India during the specified period. These positive trends demonstrate the country's increasing emphasis on agricultural productivity and its commitment to meeting the growing demand for fertilizers in the agricultural sector.

The Indian government has been implementing various policies to support the agriculture sector and ensure the availability of fertilizers at affordable prices. Subsidies and price control mechanisms have played a significant role in stimulating urea consumption.

However, it's important to note that there have also been efforts to optimize urea use and reduce its wastage. Initiatives such as the promotion of Nano Urea, balanced nutrient management, neem-coating of urea, and the direct benefit transfer (DBT) system have aimed to improve the efficiency of urea use and prevent its misuse and wastage.

INDIA FERTILIZER PRODUCTION RISE BY 10% TILL AUGUST 2022

Urea and DAP production in India is up by 16% and 22% till August 2022 over 2021 during the same period. Urea production during FY'22 till August is 116 Lac Tons and DAP production is 17 Lac Tons. Urea and DAP sales is up by 5% and 7% respectively.

NPKs Complex production and import all together have increased by 5% over last year during April to August.

DAP, MOP and NPK Complex imports have increased by 3%, 25% and 105% respectively during April to August'22 over 2021 during same period, however urea imports down by 13%.

Overall availability of Fertilisers in India is more than requirement till August 2022, in all major Fertilisers like Urea, DAP, MOP and NPKS. There is no shortage of fertilizers.

NEWS AND DEVELOPMENTS IN THE MARKET

May 2022: ICL signed Framework agreements with customers in India and china to supply 600,000 and 700,000 metric tons of potash, respectively in 2022 at 590 USD per ton.

June 2022: ICL signed a long-term agreement with India Potash Limited (IPL) to supply Polysulphate through 2026. The five-year term is for an aggregate amount of 1 million metric tons. The availability of Polysulphate is expected to help boost the Government of India's organic agriculture program.

In September 2022, Coromandel International launched an organic product named Cumist Calcium at Hotel Novotel in Vijayawada. The new product includes specialty nutrients and improves efficiency and soil health.

In August 2022, the Ministry of Chemicals and Fertilizer instructed all companies to employ the new brand name 'Bharat' and the logo of the subsidy scheme on the bags in order to convey the government's decision.

In August 2022, Gujarat Chief Minister introduced IFFCO Nano Urea Spraying Scheme. The Gujarat CM praised the farmers for employing drones to spray nano urea for the first time in the state as well as encouraged them to take benefit of the innovative drone technology scheme in agriculture which will further help them in saving time and energy. This technology is expected to help support the India fertilizer market.

GROWTH DRIVERS FOR FERTILIZER INDUSTRY

Some of the key factors that are driving growth in the sector are:

1. India is known as an agricultural nation. Since it is one of the world's largest agricultural producers offering crops like rice, pulses, wheat, potatoes, groundnut, etc. the higher demand for fertilizer products is going to continue.
2. In the long run, rising agricultural production to cater to the world's growing food demands are expected to drive fertilizer demand in the country.
3. The Indian government has also been focusing on extending maximum support to farmers by allowing easier access to subsidized fertilizers and newer technologies. This boosts agriculture and, thereby, fertilizer production.
4. There has also been a significant surge in fertilizers' production capacities across India. This is said to be driven by government initiatives to cut down on fertilizer imports and boost domestic fertilizer production.

KEY CHALLENGES FACED BY THE FERTILIZER INDUSTRY

Fertilizer manufacturers in the country are continuing to face some challenges. These include:

1. Non-availability of raw materials
2. Rising input costs
3. Insufficient long-term and favourable policies
4. Large-scale imports due to limited domestic production that cannot cater to rising demand

INDUSTRY STRUCTURE AND DEVELOPMENTS

The fertilizer industry in India consists of three major players; The Government owned Public Sector undertakings, Cooperative Societies like KRIBHCO, IFFCO and units from Private sector. There are 33 large sized urea plants in India manufacturing urea and 21 units producing DAP & Complex Fertilizers and 2 units producing ammonia sulphate as a by-product.

The actual production of all major fertilizers during the 2021-22 and Financial Year 2022-23 were 425.92 Lakh MT and 320.76 Lakh MT respectively. As per the report of fertilizer association of India

total production of SSP during the Financial Year 2021-22 was 40.20 Lakh MT and production during 2022-23.

The Indian Government has been encouraging Indian Companies to establish Joint ventures abroad in countries which are rich in fertilizers resources for production facilities and buy back arrangements and to enter into long term agreements for supply of fertilizers and fertilizers inputs to India, there are about 5 countries including Russia, Nepal, Morocco, Canada, Saudi Arabia where Indian companies/government has joint venture. However during the financial year 2022-23 India's fertiliser companies- Coromandel International, Chambal Fertilizers and Indian Potash Limited signed anMoU with Canpotex, Canada on 27th September 2022 for ensuring long-term fertiliser availability for the farming community. Canpotex, Canada is amongst the largest suppliers of Potash globally, exporting around 130 LMT of product annually.

PARTICIPATION IN SOCIAL ACTIVITIES

Everyone is having their liability towards the social environment around us. Being a corporate entity we also require our active participation for better empowerment of society at large and in the same way management of the company observed that during this financial year, company apart from the existing social activities such as distribution of food, groceries, etc. have also done some more help among the society. As under CSR contribution, company has invested INR 9,51,000/- to one Charitable Trust namely "Karmaputra Charitable Trust", a Non- Profit making registered charitable trust which is serving for feeding Cows, maintaining them and taking care of ill Cows and also helping them with surgeries.

Apart of the financial investment it is always necessary for a corporate to become socially active among the people around us. In the same way company have taken participation in various social programs, events and in one of them company have also been awarded as "Dewaska Sartaj" by the Dainik Bhaskar Group at Dewas for its social activism among the society.

FUTURE OUTLOOK

As per the government trend over fertilizer sector of India in the form of increase in subsidy scheme over fertilizers products we may see a positive growth in production and sales of fertilizers in India also the governments encouragement toward foreign joint ventures will probably make a good result in future and India will become one of the most fertilizer producer in world economy, apart of that Indian culture is closely related with farmers and their dependency is on agriculture sector which Indian government always want to empowered so it keep always a scope for all fertilizers manufacturers in India toward the more productions and sales.

UREA PRODUCTION, CONSUMPTION& SUBSIDY SCHEME

Production of urea has increased to 284,000 tonne in 2022-23 from 225,000 tonnes in 2014-15, to 250 lakh tonne during 2021-22.

India's Urea and DAP production increased by 13% and 4% respectively, till December of FY' 22-23 over 21-22 during the same period, however NPKs production is remain unchanged. 211 Lac Tons of urea and 32 Lac Tons of DAP were produced till December of FY' 2022-23.

Sales of urea and DAP increased by 10% and 13%, respectively, however MOP and NPKs dropped by 35% and 15%.

Urea consumption in India has traditionally been significant due to the country's large agricultural sector. It is used extensively as a nitrogenous fertilizer to enhance crop productivity. The demand for urea has been steadily increasing over the years, driven by factors such as population growth, the need for food security, and government initiatives to promote agricultural productivity.

Despite all efforts, the purchase of urea by farmers in India on an all-India basis witnessed a 5% increase during the fiscal year 2022-23 compared to the previous year. The 5% increase in urea consumption in India, mentioned earlier, specifically pertains to prilled urea consumption and does not take into account the consumption of Nano urea. The Government of India has been actively promoting Nano urea due to its proven efficacy, zero wastage, and affordability. It is believed that the consumption of Nano urea has contributed to a restrained increase in prilled urea consumption on a pan India basis.

The overall urea consumption in India experienced an increase from 34.2 million tons to 36.1 million tons during the fiscal year 2022-23. Notably, the West zone demonstrated substantial growth in consumption, rising from 10.5 million tons to 11.8 million tons. In the South zone, urea consumption increased from 6.1 million tons to 6.4 million tons. However, the North zone's consumption exhibited a negligible growth, going from 12.8 million tons to 13 million tons, while the East zone experienced a slight increase in consumption from 4.7 million tons to 4.8 million tons.

Significant increases in urea purchase were observed in Western India, with a notable growth rate of 12.2%. Southern India also showed a considerable increase of 4.5%. However, the Northern zone exhibited a negligible growth rate of 1.4%, while the Eastern zone showed a relatively modest increase of 2.9% during the fiscal year 2022-23 compared to the previous year.

The urea subsidy scheme, which has been extended for another three years till March 2025, aims to ensure constant availability of urea to farmers at the same price of ₹242/45 kg bag. The actual cost of a bag comes around ₹2,200. This scheme, which entails a cost of ₹3.68 trillion, will be wholly financed by the Centre through budgetary support.

The Union Cabinet has introduced sulphur-coated urea (Urea Gold) to address the issue of sulphur deficiency of soil and save input costs for farmers.

NUTRIENT BASED SUBSIDY SCHEME

Under the NBS regime – fertilizers are provided to the farmers at subsidized rates based on the nutrients (N, P, K & S) contained in these fertilizers.

Also, fertilizers that are fortified with secondary and micronutrients such as molybdenum (Mo) and zinc are given additional subsidies.

The subsidy on Phosphatic and Potassic (P&K) fertilizers is announced by the Government on an annual basis for each nutrient on a per kg basis – which is determined taking into account the international and domestic prices of P&K fertilizers, exchange rate, inventory level in the country etc.

NBS policy intends to increase the consumption of P&K fertilizers so that the optimum balance (N:P:K= 4:2:1) of NPK fertilization is achieved.

Government has approved revision in the NBS rates for Rabi 2022-2023 effective from 01.01.23 to 31.03.2023 and approved the NBS rates for Kharif, 2023 (from 01.04.2023 to 30.09.2023) to make available 25 grades of Phosphatic and Potassic (P&K) fertilizers to farmers at subsidized prices.

Government will be providing a subsidy of Rs. 38,000 crores for the Kharif 2023 to fulfil its commitment of providing quality and subsidized P&K fertilizers to farmers.

RISKS AND CONCERNS

There are a lot of risk factors which Company faces but these are some main Risk factors which adversely affect Company's working.

1. Fertilizer Prices:

In the fertilizer industry – and pretty much any other commodity companies – revenue depends on fertilizer prices and the quantity of fertilizer companies sell. Fertilizer prices are driven by industry capacity, rivalry (competition among firms), marginal producers' cost, proximity to customers, inventory, and demand.

2. Fertilizer demand and purchases:

Demand, in turn, is driven by fertilizer prices, crop economics, currencies, cycles, economic activity, and macro factors like subsidy programs. Crop economics consist of factors like crop inventory, crop demand and supply, and crop prices, which depend on economic activity, food consumption, diet patterns, crop yields, nutrient application, weather, plantation, and energy consumption.

3. The cost of raw material input:

Expenses generally depend on changes in mining costs and fluctuations in raw material prices, which vary by location. Fluctuations in raw material prices or input prices depend on supply and demand dynamics for the specific raw material, which are affected by macro-economic activity, weather, and industry-specific trends. Movements in input price can impact fertilizer prices – and therefore demand too.

As you can see, analyzing the factors that affect expense and revenue can be confusing. This weekly fertilizer series breaks them down into key parts to show investors how they're affecting (or how they could affect) the industry and its respective companies.

4. Change in Government Policies/ Procedures:

Sometimes the policies/ regulation or procedure of Government is change frequently which affects the liquidity of fund in Company, secondly Company suffers with ideal Time loss due to managing its affairs or programs as per these changes, when Government makes changes in the Tax Rates, it directly affects Cost of the Product, simultaneously reduces demands among customers.

5. The fertilizer business is highly seasonal and such seasonality may affect our operating results.

6. We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes and bio-medical wastes. If we fail to comply with such laws and

regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.

7. Our industry is labor intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

8. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

9. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.

10. Conflicts of interest may arise out of common business undertaken by our Company, Promoters and our Group Company.

11. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.

12. Continued operations of our manufacturing facility are critical to our business and any disruption in the operation of our facility may have a material adverse effect on our business, results of operations and financial condition.

13. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

14. The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.

15. We have taken guarantees from Promoters, Directors as well as others in relation to debt facilities provided to us.

16. Any changes in regulations or applicable government incentives can materially and adversely impact our operations and growth prospects.

17. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

18. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

19. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

20. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

21. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

22. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control system which provide for automatic checks and balances. The Audit committee reviews the effectiveness and efficiency of these systems to ensure that all the assets are protected against loss and that the financial and operational information is complete and accurate, in addition of external audit, company has also appointed Internal Auditor to list out any deficiency or loop holes in company's Internal Control and financial reporting, Audits are finalized and conducted based on the internal risk assessment. Significant findings are brought to the notice of the Audit committee of the Board and corrective measures recommended for implementation. Our work opportunities and competitive compensation policy helps us in attracting and retaining our personnel.

Apart of the same company was also conducted with PDIL (Project Development India Limited a Govt. authorized unit for Audit) which conducted audit for company's overall production process report to the concerned department.

HEALTH, SAFETY, SECURITY AND ENVIRONMENT

Health, safety, security and environment have always been an integral part of our value system, we always having concern about Health safety and security of our Employees, workers at their work place, we are aiming at "Zero Accident" as goal of our company, when the matter is about health and safety, company always follow these some important measure

- Identification of hazard and risk present in work environment and its rectification.
- Continuous monitoring of unsafe condition and unsafe acts through safety inspection.
- Safety induction training for all employees and specific job safety awareness programs on a continuous basis.

Our factory are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. We are having enough greenery at our plant location and also having modern and efficient system to dispose of factory waste, mainly we focus on re- made process of waste and scrap and we always keep in mind about optimum use of energy resources and conservation of natural resources, company is continuously visited by pollution control officers and, we will do it good, if they found any lack of safety measure and other element to protect the surrounding environment of the company.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among other things, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors.

Annexure 'B'

FORM NO. AOC -2

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

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

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis: As per Note No. 41
Related party Transaction of financial Statement

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/S VINOD Trading Co. -Relative of KMP is able to exercise significant Influence.
	Nature of contracts/arrangements/transaction	Sales
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale: 75,36,000
	Date of approval by the Board	30.05.2022
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Mahadhan Phosphate Pvt. Ltd.
	Nature of contracts/arrangements/transaction	Sale/Purchase of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales : 1,02,47,000 Purchase: 22,24,000
	Date of approval by the Board	30.05.2022
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Suhane Agro India Pvt. Ltd.- Relative of KMP is able to exercise significant Influence.
	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase: 29,93,000/- Sales: 8,41,85,000/-
	Date of approval by the Board	30.05.2022
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s Madhav Sales Corp Pvt. Ltd. Relative of KMP is able to exercise Significant Influence
	Nature of contracts/arrangements/transaction	Sales of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale: 16,20,000
	Date of approval by the Board	30.05.2022
	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Vinod Sales Corporation
	Nature of contracts/arrangements/transaction	Sale
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales : 4,52,000
	Date of approval by the Board	30.05.2022
	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s Abhay Sales Corp Pvt. Ltd. Relative of KMP is able to exercise Significant Influence
	Nature of contracts/arrangements/transaction	Sales of Goods
	Duration of the contracts/arrangements/transaction	One Year
	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale: 7,65,49,000
	Date of approval by the Board	30.05.2022
	Amount given as advances, if any (for sale of Goods)	NA

All the transactions mentioned above is as per the Limit prescribe U/s 188 of Companies Act, 2013 and Reg. 23 of SEBI(LODR), Regulations, 2015.

**For and on behalf of the Board of Directors of
AGRO PHOS (INDIA) LIMITED**

Date: 05.09.2023

Sd/-

Sd/-

Place: Indore

**RAJ KUMAR GUPTA
MANAGING DIRECTOR
DIN:00244925**

**VISHNU KANT GUPTA
WHOLETIME DIRECTOR
DIN: 05233476**

Annexure to the Board Report Annexure- 'C'

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

A. Conservation of Energy:

1. CONSERVATION OF ENERGY:

The steps taken or impact on conservation of energy:

The company has energy conservation cell which consistently monitor all the energy conservation efforts and ensure implementation of its energy management policy. we are taking every possible efforts to conserve the energy consumption at our plants as well as our administrative office.

The company has taken below mentioned steps at its plant for conservation of energy during the year under review:

Efforts were made to reduce Electrical energy in our different lines by:

- (i) Installation of energy efficient machines.
- (II) Installation of energy efficient electronic equipments.
- (III) Replace the old electronic equipments with new on timely basis.
- (IV) Effectively monitor our system of annual maintenance of plants.
- (v) Engaged highly qualified manpower to operate the electronic equipments and power with more efficiency.

There was reduction in energy consumption on account of aforesaid steps taken by the company.

The steps taken by the company for utilising alternate source of energy:

The available resources of energy are sufficient hence company was not needed and not utilize any alternate source of energy during the reporting financial year.

Capital Investment on energy conservation equipment during the year: NIL

B. Technology Absorption

With intent to reduce paper work and to promote efficiency and time saving during the year company was using an IT Software for accounting and other related activities both at corporate office and plants of the company, which was considered as Technology updation on part of company, the company was also paying the running cost for the said software facility apart of it's purchasing cost and except the same company also uses various technological resources from time to time during the year.

C. Foreign Exchange Earnings And Outgo

The Company's manufacturing process involve use of imported raw material amount of which is considered in USD hence The Company uses foreign currency forward exchange contracts to hedge its exposure in foreign currency related to firm commitment and highly probable forecasted transactions.

During the year foreign exchange and outgo of the Company as follows

(Figures in Lacs)		
Particular	Amount in USD	Amount in INR Lacs
Foreign Currency Earning	Nil	Nil
Foreign Currency Outgo	3,190,268	2622.94

The above foreign currency outgo was against import of Raw Material during the year. except as mentioned above no other foreign currency exposure during the year under review.

Annexure to the Board Report
Annexure 'D'

MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AGRO PHOS (INDIA) LIMITED
CIN- L24123MP2002PLC015285
M-87, TRADE CENTRE 18M,
SOUTH TUKOGANJ,
INDORE (MP) 452001 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AGRO PHOS (INDIA) LIMITED** (hereinafter called 'the company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis, We have adopted such methods and procedure and based on our verification of the **AGRO PHOS (INDIA) LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended 31st March, 2023** has 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, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under; Not Applicable as there was no reportable event during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as there was no reportable event during the financial year under review;**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable as there was no reportable event during the financial year under review;**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as there was no reportable event during the financial year under review;**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable as the Company has not delisted/ proposed to delist its equity shares from Stock Exchange during the financial year under review;**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as there was no reportable event during the financial year under review;**

Further all the listing compliances and checks are been carried out in the reference with **Secretarial Compliance Report** along with all the observations made as uploaded on the stock exchange.

(vi) The Company has informed that following laws specifically applicable to the company.

- (a) Fertilizer Control Order 1985
- (b) The Explosive Act, 1884

I have relied on the representation made by company and its officers for the systems and processes formed by the company to monitor and ensure the compliances under the other applicable laws specifically applicable to the company.

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) Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above except to the extent as

mentioned below:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Regulation 23(9) of SEBI (LODR) Regulations, 2015	Regulation 23(9)/SEBI/HO/CFD/CM D/CIR/P/2020/12	-	-	-	Has not been filed within the stipulated time period	Stock Exchange has imposed fine of Rs 76700/- on the Company	Company has filed the disclosure pursuant to the Regulation 23(9) of SEBI (LODR) Regulations, 2015 with the delay of 13 days.	The delay was occurred due to the skip of the recent amendments in SEBI (LODR) but later they came to know that it has been changed from 30 days to 15 days.	Company has filed waiver application which was under processing.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and Women Directors.

During the year Mr. Vishnu Kant Gupta (DIN: 05233476) has retired as a rotational director and re-appointed as a Director in the Annual General Meeting of the Company held on 30th September, 2022.

During the year Mr. Raj Kumar Gupta (DIN: 00244925) has re-appointed as a Managing Director in the Annual General Meeting held on 30th September, 2022 for a period of Three Year w.e.f. 08th March, 2022.

During the year there was revision of remuneration of Mr. Vishnu Kant Gupta (DIN- 05233476), Whole Time Director of the company from INR 2,50,000/- Per Month to INR 3,50,000/- Per Month w.e.f. 01st March, 2022 and same was approved by the members of the company in the Annual General Meeting held on 30th September, 2022.

During the year Mr. Sumit Sharma has resigned from the post of Company Secretary at the Board Meeting of the Company held on 27th March, 2023.

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 Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that:

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

We further report that:-

During the audit period of the company, there were instances of:

Appointment of Cost Auditor

Company has appointed M/s M.P. Turkhia & Associates, Cost Accountants as Cost Auditor of the Company under section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, issued by the Central Government, to conduct audit of the cost accounts maintained by the Company in respect of Fertilizers Products manufactured for the financial year 2022-23 by passing of the resolution in the Board Meeting held on 02nd July, 2022.

Appointment of Internal Auditor

M/s Pankaj Somaiya & Associates LLP, Chartered accountants is appointed as an Internal Auditor of the Company in Board Meeting held on 02nd July, 2022 to conduct the internal audit of the Company for the Financial Year 2022-23, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.

Appointment of Statutory Auditor

Company has re-appointed M/s Ashok Khasgiwala & Co. LLP, Chartered Accountants (Firm Registration No. 000743C) as Statutory Auditor of the Company in a Annual General Meeting of the Company to be held on 30th September, 2022 for a further Term of Five Years from conclusion of 20th Annual General Meeting and upto conclusion of 25th Annual General Meeting to be held in Financial Year 2027.

Regarding Applicability of CSR

For the F.Y. 2022-23 company is required to invest Specified amount as CSR investment, as company falls under the ambit of CSR applicability, however, Company is having some unspent amount from Previous years from 2015-16 to 2018-19 OF Rs.10.01 Lacs) and during the F.Y. 2022-23 the company have invested INR 9,51,000/- to one Charitable Trust namely “ Karmaputra Charitable Trust” a Non- Profit making registered charitable trust which is serving for feeding Cows, maintaining them and taking care of ill Cows and also helping them with surgeries. Such investment are made in accordance with the provision of Section 135 of the Companies Act, 2013 and such project is covered under Schedule VII Companies Act, 2013, after the said investment there are Rs. 80,000/- unspent amount of CSR during the year.

Date: 14.08.2023

Place: Indore

For Neelesh Gupta & Co.

Company

Secretaries

(Peer Review Certificate No.:

1995/2022)

UDIN: F006381E000802297

CS Neelesh Gupta

Proprietor

C.P. No.6846

To,
The Members,
AGRO PHOS (INDIA) LIMITED
CIN- L24123MP2002PLC015285
M-87, TRADE CENTRE 18M,
SOUTH TUKOGANJ,
INDORE (MP) 452001 IN

Our Secretarial Audit Report for the Financial Year ended 31st March, 2023, of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.

6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Date: 14/08/2023

Place: Indore

For Neelesh Gupta & Co.
Company
Secretaries

CS. Neelesh Gupta
Proprietor
C.P. No.6846

Annexure to the Board Report

Annexure 'E'

CORPORATE GOVERNANCE REPORT

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments there to (hereinafter referred to as 'SEBI Listing Regulations'), given below are the corporate governance report of Agro Phos (India) Ltd. for the year 2022-23.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations

Company's Philosophy on Corporate Governance

The Corporate Governance philosophy of the Company is driven by the interest of stakeholders, focus on fairness, transparency and business needs of the organization, in view of company's management. A corporate governance should always be friendly with applicable laws, rules and regulations, each part of corporate Governance i.e. optimum mix of Executive and Non- Executive directors in the composition of Board, constitution of various committees of required non- Executive Directors, Code of Conduct for Directors and Senior Management Personnel, Whistle Blower policy, Code for trading by Insider shall be as per the concerned regulations.

Company's Corporate Governance regime is based on the following key points:

- An optimum Combination of Executive and Non- Executive directors including Independent Directors in the composition of Board, company's board mainly consist Independent Directors as Non Executive Directors, currently Company has Three Independent Directors out of total Six Directors of the Board.
- Constitution of Committees of Board, Board of directors of the Company has diluted its Power through Various Committee, We have Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, as well as CSR Committee and each has composition of directors as member and chairman as per the required Regulation of Companies Act, 2013 and SEBI(Listing Obligation and Disclosure requirements), Regulations, 2015
- Constitute Various Code i.e. Code of conduct for Directors and Senior Management Personnel, Code of Conduct for prevention of insider trading.
- Policy for Remuneration and other Fees to Executive, Non- Executive as well as KMP's of the company
- More Concern about enhancement of shareholder value, protection of interest of the public shareholders, growth, profitability and stability of business of company.
- Be ensure about well compliance and abide by the various Rules, Regulations and statutes through which company is regulating, the whole structure of the company should be as per the instructions or directions provided under various act's and regulations.

Board of Directors

In Keeping requirement of the Regulations of SEBI(Listing Obligation and Disclosure requirements), Regulations, 2015 the Company's policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management, as on the 31st March 2023 company is having a Executive Chairman who is also director & promoter of the company and rest of the Board Consist One WTD who is also promoter of company, One Non- Executive Non Independent director and Three Independent Directors.

The details of the directors, their directorships, membership/chairmanship of the committee, attendance at Board meeting and last AGM, shareholding of each director as at March 31, 2023 is as follows:

Name, Designation & Category of the Director	Directorship in other public companies	Committee Membership/Chairmanship in other Public companies, including this company		Attendance at Meeting held during the year			No. of Equity Shares held in reporting company
		Membership	Chairmanship	No. of meeting	Attended	AGM Attended	
Promoter Directors							
Raj Kumar Gupta	01 AgroPhos (India) Ltd.	0	0	6	6	Yes	4300435 (21.21%)
Vishnu Kant Gupta	01 AgroPhos (India) Ltd.	0	0	6	6	Yes	1596075 (7.87%)
Non Promoter Non-Executive Director							
Abhishek Kalekar	01 AgroPhos (India) Ltd.	1	0	6	6	Yes	150000 (0.74%)
Independent Director							
Chandresh Kumar Guota	01 AgroPhos (India) Ltd.	2	2	6	6	Yes	0
Vidhi Jain	01 AgroPhos (India) Ltd. 02 Savoir Trustee Limited	2	0	6	6	Yes	0
Tushar Dave	01 AgroPhos (India) Ltd.	1	0	6	6	Yes	0

- Excluding Private Companies, Section 8 Companies and Foreign Companies as per Companies Act, 2013 but including Directorship in Agro Phos (India) Limited.
- Committees for this purpose mean Audit Committee and Stakeholders Relationship Committee of Indian public companies, including Committees of Agro Phos(India) Limited.
- Shri. Vishnu Kant Gupta is son of Mr. Raj Kumar Gupta's Brother and except these two no other directors are inter se related with each other.
- All Meetings of the Board of Directors were conducted at the Registered Office of the company situated at M-87, Trade Centre, 18 South Tukoganj, Indore-452001, M.P.

Familiarization Programme for Independent Directors

Company has formulated a familiarization programme for independent directors details of which may be referenced from company's website viz www.agrophos.com

Board confirmation on independent Directors of company

In the opinion of the Board, all the Independent Directors of the company, fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

Key Board Qualifications, Expertise and Attributes

The Company's Board is a professional Body with right mix of knowledge, skills and expertise with an optimum combination of Executive and Non-Executive Directors including Independent Directors and Women Directors. Besides having financial literacy, experience, leadership qualities, committed to the Company.

The Core Skills/expertise and competencies of Board of directors

As required by Schedule V of the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following is the list of core skills / expertise / competencies identified by the Board of Directors in the context of the Company's business and the said skills are available with the Board of Directors:

Key Expertise of Directors in business related areas

Director	Audit & Accounts	Finance	Taxation & Regulatory Laws	Human Resources	Operation & Management	Corporate Governance	Sales & purchase	Business Development	Risk Management	Internal control
Raj Kumar Gupta	√	√	√	√	√	√	√	√	√	√
Vishnu Kant Gupta	√	√	√	√	√	√	√	√	√	√
Abhishek Kalekar	√			√	√	√	√	√		
Vidhi Jain	√	√		√	√	√			√	√
Chandresh Kumar Gupta	√	√	√		√	√	√	√	√	√
Tushar Dave	√	√	√	√	√	√	√	√	√	√

The absence of a mark against a director's name does not necessarily mean the director does not possess the corresponding qualification and skill.

Remuneration to Directors

Company is having its Policy on Remuneration to Directors and KMP/ Senior Management Personnel which are uploaded on the company's Website, pursuant to which company's Executive Directors like Managing Director and Whole Time Director are allowed to take remuneration upto the limit as provided under the Companies Act, 2013 and as confirmed by the shareholders of the company, apart from the remuneration company may also provide various facilities to them like medical facility, car, telephone Expenses, Insurance policies or other kind of facilities.

In case of Non-Executive Director they may receive any amount by way of Sitting fees for attending meeting and remuneration provided under the ceiling/limit prescribed under Companies Act, 2013 and such remuneration shall be approved by the Nomination and Remuneration Committee and approved by the Board or Shareholders as the case may be and sitting fees of one director may vary from sitting fees of other directors as per his terms of appointment.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company

If any Director are serving any professional services apart from his Directorship and are getting some amount in revert of the said service than in that case such amount will not be considered under the payment of remuneration or sitting fees.

Here are the details of Remuneration or Sitting Fees provided to Executive and Non-Executive Directors during the year 2022-23

Director	Designation	Remuneration & Perquisites	Sitting Fees	(In Lacs) Total
Mr. Raj Kumar Gupta	Managing Director	54	NA	54
Mr. Vishnu Kant Gupta	Whole Time Director	42	NA	42
Mrs. Vidhi Jain	Independent Director	-	0.40	0.40
Mr. Chandresh Gupta	Independent Director	-	0.48	0.48
Mr. Tushar Dave	Independent Director	-	0.48	0.48

Except as mentioned above Non-Executive directors including independent directors were not having any pecuniary relationship with company during the reporting financial year and Shri. Raj Kumar Gupta and Shri. Vishnu Kant Gupta executive directors of the company is also not having any monetary transaction with company except with their remuneration/ perquisites or reimbursement of expense which they have incurred on behalf of company.

Meetings of Board/Committee/ Shareholders:

1. Board Meeting

Total 06 Meetings of the Board were held during the year which were on 30th May 2022, 02nd July 2022, 10th August 2022, 05th September 2022, 12th November 2022 and 14th February 2023.

No Resolution by circulation is passed during the reporting financial year ended on 31st March 2023.

Time Gap between first Meeting of F.Y. and last Meeting of previous financial year does not exceed one hundred and twenty days.

The Board members are provided with well-structured agenda papers and presentations in advance of the meetings. In case where it is not practicable to forward the document(s) with the agenda papers, the same are circulated before the meeting/placed at the meeting. The Company placed before the board most of the information specified in Part A of Schedule II to the SEBI (LODR) Regulations, 2015 from time to time. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company takes effective steps to rectify instances of non-compliance, if any.

2. Independent Directors Meeting:

A meeting of company's all Independent Directors was held on 14th February, 2023 where all the directors under the category of Independent Directors were present and evaluate performance of the board as whole and individually of each director including managing director of the company.

3. General Body Meeting

Annual General Meeting

Meeting of shareholders of the company, 20th Annual General Meeting was held on 30th September 2022 which was duly held and conducted in the manner as provided under Companies Act, 2013 and SEBI (Listing Obligation and Disclosures Requirement) Regulation, 2015, Except the Annual General Meeting no other Meeting of Shareholder was held or conducted during the year under review.

The venue and time of Annual General Meetings (AGM) held during the last three years were

Date	Time	Venue	Whether any Special Resolution passed
Monday 30.09.2020 (18 th AGM)	12:30 P.M.	Hotel Surya, 5/5 Surya Circle, Nath Mandir Road, South Tukoganj, Indore-452001, M.P.	Yes Appointment & Confirmation of Remuneration of Vishnu Kant Gupta (DIN:05233476) as Whole Time Director
Wednesday 30.09.2021 (19 th AGM)	12:30 P.M.	Hotel Surya, 5/5 Surya Circle, Nath Mandir Road, South Tukoganj, Indore-452001, M.P.	Yes 1.Revision in Remuneration of Shri. Raj Kumar Gupta, Managing Director. 2.Revision in Remuneration of Shri. Vishnu kant Gupta, Whole Time Director
Friday 30.09.2022 (20 th AGM)	12:30 P.M.	Hotel Surya, 5/5 Surya Circle, Nath Mandir Road, South Tukoganj, Indore-452001, M.P..	Yes 1. Re-appointment of Shri. Raj Kumar Gupta (DIN: 00244925) as Managing Director of the company for a Term of Three Years. 2. To approve the revision in remuneration of Shri. Vishnu Kant Gupta (DIN:05233476) Whole Time Director of the Company.

Resolution through Postal Ballot

During the year under review no resolution of shareholder of company was passed through Postal ballot, as the requirement of the same was not observed.

Committees of Board

The Company has following four Committees as follows:

(a) Audit Committee:

The Company has constituted Audit Committee as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations 2015 and Companies Act, 2013.

The Composition of Audit Committee on 31st march 2023 was as follows

Name of director	Nature of Directorship	Designation in the Committee
Mr. Chandresh Kumar Gupta	Independent Director	Chairman
Ms. Vidhi Jain	Independent Director	Member
Mr. Tushar Dave*	Independent Director	Member

*The Audit Committee was re-constituted on 05th September 2022 due to existing member Shri Abhishek Kalekar expressed their unwillingness to continue as member of the committees hence Shri Tushar Dave, Independent Director of the company was appointed member of Committees.

During the year under review Audit Committee meet Five times and the gap between two meeting did not exceed one hundred and twenty days, the detail of attendance of members are as given below

S. No.	Date of Meeting	Vidhi Jain	Tushar Dave Appointed on 05.09.2022	Abhishek Kalekar Resigned from 05.09. 2022	Chandresh Kumar Gupta
1.	30.05.2022	Yes	-	Yes	Yes
2.	02.07.2022	Yes	-	Yes	Yes
3.	10.08.2022	Yes	-	Yes	Yes
4.	12.11.2022	Yes	Yes	-	Yes
5.	14.02.2023	Yes	Yes	-	Yes

(b) Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of the following Directors of the Company as on 31st March, 2023.

Name of director	Nature of Directorship	Designation in the Committee
Mr. Chandresh Kumar Gupta	Independent Director	Chairman
Ms. Vidhi Jain	Independent Director	Member
Mr. Tushar Dave*	Independent Director	Member

*The Nomination and Remuneration Committee was re-constituted on 05th September 2022 due to existing member Shri Abhishek Kalekar expressed their unwillingness to continue as member of the committees hence Shri Tushar Dave, Independent Director of the company was appointed member of Committees.

During the year 1 meeting of the Nomination and Remuneration Committee was held and the detail of attendance of members are as given below

S.No.	Date of Meeting	Tushar Dave Appointed on 05.09.2022	Abhishek Kalekar Resigned from 05.09. 2022	Vidhi Jain	Chandresh Kumar Gupta
1.	25.06.2022	-	Yes	Yes	Yes

(c) Stakeholders' Relationship Committee

The Company has constituted a Shareholder/Investors Grievance Committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders. The Stakeholders' Relationship Committee comprises the following Directors as on 31st March, 2023:

Name of director	Nature of Directorship	Designation in the Committee
Mr. Chandresh Kumar Gupta	Independent Director	Chairman
Ms. Vidhi Jain	Independent Director	Member
Mr. Tushar Dave*	Independent Director	Member

*The Stakeholders' Relationship Committee was re-constituted on 05th September 2022 due to existing member Shri Abhishek Kalekar expressed their unwillingness to continue as member of the committees hence Shri Tushar Dave, Independent Director of the company was appointed member of Committees

The Committee looks into the redressal of stakeholders' grievances related to share transfer, transmission, issue of duplicate share certificates, non-receipt of annual report, etc. all the complaints received during the year from Shareholders, stock exchange SEBI have been dispensed of and no other compliant or query has been pending.

Number of complaints received during the Year: Nil

Number of Complain pending to resolve at the last of the F.Y. : Nil

During the year under review there were 4 meetings of the committee held, detail of attendance of members are as given below

S. No.	Date of Meeting	Tushar Dave Appointed on 05.09.2022	Abhishek Kalekar Resigned from 05.09.2022	Vidhi Jain	Chandresh Kumar Gupta
1.	30.05.2022	-	Yes	Yes	Yes
2.	10.08.2022	-	Yes	Yes	Yes
3.	12.11.2021	Yes	-	Yes	Yes
4.	14.02.2023	Yes	-	Yes	Yes

(d) Corporate Social Responsibility Committee

Company in reporting financial year is required to have CSR Committee, as CSR provisions is now applicable on company earlier which were not Applicable on the Company, however Company have not dissolved the CSR Committee to ensure better compliance of CSR Investment of Outstanding Amount.

The Corporate Social Responsibility Committee comprises the following Directors:

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Raj kumar Gupta	Chairman & Managing Director	Chairman
Mr. Chandresh Kumar Gupta	Independent Director	Member
Mr. Vishnu Kant Gupta	Whole Time Director	Member

During the year one Meeting of the committee was held.

Disclosures

Related Party Transaction

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the Limit provided under the provisions of Section 188 of the Companies Act, 2013. There were no material significant transactions with related parties during the year under review which were in conflict with the interest of the Company. All the contracts have been approved by Board at their Meeting held on 30.05.2022 and for all transaction with related parties, audit committee has given omnibus approval, detailed disclosure of related parties transaction including the detail of transactions with the person or entity belonging to promoter and promoter group who holds 10% or More shareholding in company may be referred from Note No. 41 of financial statements (prepared as per the requirement of IND -AS) as part of this report.

a) Whistle Blower Policy & Affirmation

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com>.

Further it is hereby affirmed that during the year no personnel has been denied access to the audit committee.

b) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:

The Company has complied with the mandatory requirements and also adopted some of the non-mandatory requirements as stipulated under the SEBI (LODR) Regulations, 2015.

c) Web link where policy for determining 'material' subsidiaries is disclosed:

The Company does not have any subsidiary.

e) Web link where policy on dealing with Related Party Transactions is disclosed:

Company's policy on dealing with related parties are available at website of the company viz <http://www.agrophos.com>.

f) Details of Non-Compliances

During the year company was not made any Non-Compliance, however some delay compliance were observed which were required under SEBI (LODR), 2015 one of which was delay (13 Days) in submission of disclosures of Related Party Transaction for the Half Year ended 31st March 2022. Company has submitted with Exchange Fine Waiver request for the incidence which was under processing.

g) Disclosure of commodity price risks and commodity hedging activities:

The company is exposed to risk of price fluctuation in few raw materials which are being used by company in manufacturing its final products, however no substantial amount is affected as the same is related to a small portion of raw material used.

h) In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider for its Directors, Officers and Specified Employees. The said code can be referenced from Company's Website www.agrophos.com

i) Reporting of Internal Control

The company's Internal Auditor is reporting about the Internal control of the company in his reports of internal Audit on quarterly basis to management of the company and as per the said report no observation/qualification or remark on internal control of company was mentioned by the Auditor which required to resolve by the management.

J) Details of fee paid to Statutory Auditor and Related concern

During the year company has paid Fees and other pay to statutory Auditor details of which are as follows:

Rs. in Lakh	
Particular	2022-2023
a. For Statutory audit	3.50
b. For Tax Audit	1.00
c. For Other services	1.01

Except as mentioned above company was not paid any amount by way of fee or other pay to Statutory Auditor and also except Auditor company is not dealing with any other person or entity which are connected in any manner with auditor during the year.

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

The disclosure as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' Report of the Company.

L) Compliance with Code of Conduct

The Company has adopted code of conduct for directors and senior Management Personnel and the same is posted on the website of the company, declaration on compliance of the said code of conduct by Directors and Senior Management personnel is mentioned in below at the end of Corporate Governance Report.

Means of Communication

a) Financial Results

As required under SEBI (LODR), Regulations 2015, company is reporting its Quarterly/Half Yearly/Yearly Financial results to stock exchange on timely basis and also published the same in one English and one Hindi Newspaper along with posting on the company's website as required under concerned regulation.

b) Website of Company

Company is maintaining its **Website viz. <http://www.agrophos.com>**. on which all required official Press Releases and Financial Results Shareholding Patterns, Notice of Board Meeting, Shareholders Meeting, Postal Ballot, Annual Report etc have been uploaded, it is a place provided by the company to its stakeholders or outsiders to view company's activities and charter of the company, a investor can get all necessary details about the company and we have also place there detail of company and its' Contact no. investor mail id, for investor who have any quarry or required any information on company's Part, and we are regular in updating information on website.

c) Email Communication

Company has **Email id's Viz, Investor@agrophos.com, cs@agrophos.com** for investors and for those who are willing to contact with company or want some information or inquiry from company.

General Shareholder Information
a) Financial Year

Company's Financial Year Start from 01st April ends on 31st March.

b) Dividend Payment Date

No dividend was distributed during the reporting Financial Year 2022-2023 also the Board of Directors of company have not Recommended any dividend this year due to saving of profit for future operations.

c) Stock Exchange where company's Security is listed

Name of the Exchange : National Stock Exchange
 NSE Symbol : AGROPHOS
 Address : Exchange Plaza, C-1, Block G,
 Bandra Kurla Complex, Bandra (E)
 Mumbai - 400 051
 Tel No: (022) 26598100 - 8114 / 66418100
 Fax No: (022) 26598120

Company has paid Annual Listing Fees for the year 2022-23 to the stock exchange and no further amount is outstanding now.

d) Stock Market Data:

Monthly high and low stock price along with volume of equity shares traded on NSE for the FY 2022-23 is given below:

Month	High (Rs.)	Low (Rs.)	Volume
April	62.7	22.5	13236144
May	76.1	33.8	4656245
June	40.4	30	2451347
July	35	28.45	1093744
August	38.3	30.25	2545364
September	48.3	34.1	3415242
October	41.2	33.4	995083
November	41.95	35.5	1567495
December	58.15	36.2	6458570
January	46	37.6	1557304
February	41.9	31.5	1049142
March	35.85	29.9	1471817

e) Registrar and Share Transfer Agent

Name : Bigshare Services Private Limited
Address : Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai, Maharashtra 400093
Cont. No: + 91-22-6263 8200, Fax:+91-22-6263 8299
Email: investor@bigshareonline.com,
charmi@bigshareonline.com

f) Share Transfer system

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. Physical transfer of shares were not recorded during the year.

ANNEXURE TO CORPORATE GOVERNANCE REPORT

To
The Members,
AgroPhos (India) Limited
M-87, Trade Centre, 18M
south Tukoganj, Indore
M.P. 452001

We have examined the compliance of the conditions of Corporate Governance by AgroPhos (India) Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company.

Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021, except that Company has 6 days delayed in submission of Corporate Governance report for the Quarter ended 31, March, 2021 as prescribed under Regulation 27(2)(a) of SEBI (LODR) Regulation, 2015 for which Fine amount of Rs. 14160/- has been imposed by NSE and company has requested for waiver of the Fine to the NSE.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 29/08/2023

Place: Indore

**For Neelesh Gupta & Co.
Company
Secretaries**

**Sd/-
CS. Neelesh Gupta
Proprietor
C.P. No.6846**

UDIN: F006381E000886238

ANNEXURE TO CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
AGRO PHOS (INDIA) LIMITED
Registered Office: M-87, Trade Centre 18m, South Tukoganj
Indore (MP) 452001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Agro Phos (India) Limited** having **CIN: L24123MP2002PLC015285** and having registered office at **M-87, Trade Centre 18m, South Tukoganj Indore (MP) 452001** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

DIN / PAN NO.	NAME	DESIGNATION	DATE OF APPOINTMENT	DATE OF CESSATION
00244925	Raj Kumar Gupta	Managing director	24/09/2002	-
05233476	Vishnu Kant Gupta	Whole-time director	16/03/2012	-
08178291	Vidhi Jain	Independent Director	12/07/2018	-
07758751	Abhishek Kalekar	Additional Director	08/03/2017	-
09042779	Chandresh Kumar Gupta	Additional Director	25/01/2021	-
02721299	Tushar Dave	Independent Director	30/06/2021	-

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

Date: 29.08.2022
Place: Indore

For, Neelesh Gupta & Co.,
Company Secretaries
CS Neelesh Gupta
Proprietor
C.P. No. 6846

UDIN: F006381E000886359

Annexure to the Board Report
Annexure 'F'
Annual Report on Corporate Social Responsibility

1. Overview

We believe that Corporate Social Responsibility ("CSR") extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental and social. With this intent and for the requirement under sec. 135 company has constituted a CSR committee having optimum composition of Executive and Non-Executive directors as members.

Policy on CSR has been approved by the Board of Directors and duly uploaded on company's Website www.agrophos.com. Brief of the CSR are as mentioned below

2. CSR Vision

Promote sustainable and inclusive development as a responsible corporate citizen.

3. CSR Objective

Promote a comprehensive and integrated development through social and economic transformation.

4. CSR Committee

The Composition of our CSR Committee is as follows

Mr. Raj Kumar Gupta	:	Chairman
Mr. Vishnu Kant Gupta	:	Member
Mr. Chandresh Kumar Gupta	:	Member

5. CSR Budget and investment of company

For the F.Y. 2022-23 company is required to invest Specified amount as CSR investment, as company falls under the ambit of CSR applicability, however, Company is having some unspent amount from Previous years from 2015-16 to 2018-19 OF Rs.10.01 Lacs) and during the F.Y. 2022-23 the company have invested INR 9,51,000/- to one Charitable Trust namely " Karmaputra Charitable Trust" a Non- Profit making registered charitable trust which is serving for feeding Cows, maintaining them and taking care of ill Cows and also helping them with surgeries. Such investment are made in accordance with the provision of Section 135 of the Companies Act, 2013 and such project is covered under Schedule VII Companies Act, 2013, after the said investment there are still some unspent amounts is remaining which company will try to invest in upcoming year.

However as per the recent circular of the MCA wherein company have to spent the unspent amount to Government Fund under Schedule -VII of Companies act. 2013 is not applied on company as company was out of the CSR applicability since 2018-19 hence no amount is required to transferred into such fund during the reporting financial year.

The remaining amount if any will be utilized for the social activities covered under schedule- VII as your company is looking toward more social services, so that we may serve to more areas.

6. Reason for not spending required amount in CSR Activities :

During the year there is small Shortfall of Amount of Rs. 80000/- (Eighty Thousand Only) and it was due to some Calculation errors on the Part of Mangement of Company, However same will be incurred during the current financial year

we strive to continue serve such services in future and very soon we will completely spend the amount of our CSR Liability.

For and on behalf of the Board of Directors
AgroPhos (India) Limited
Sd/-
Raj Kumar Gupta
Managing Director

Annexure to The Board Report
Annexure-‘G’
PARTICULARS OF EMPLOYEES

(A) Particulars of Employees as per [Rule-5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.

S. No.	Name of Director	Ratio of remuneration of each Director/to No. median remuneration of employees
1.	Mr. Raj Kumar Gupta Managing Director	46.93:1
2.	Mr. Vishnu Kant Gupta Whole Time Director	36.50:1
3.	Vidhi Jain Independent Director	0.35:1
4.	Chandresh Kumar Gupta Independent Director	0.42:1
5.	Tushar Dave Independent Director	0.42:1
Key Managerial Personnel other than Directors		
1.	Mr. Sumit Sharma (Company Secretary)	4.05:1

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

(Rs. In Lacs)

S. No.	Name	As at 31.03.2023	As at 31.03.2022	% Increase in remuneration
1	Mr. Raj Kumar Gupta Managing Director	54	38	41
2	Mr. Vishnu Kant Gupta Whole Time Director	42	26	62
3	Vidhi Jain (Independent Director)	0.40	0.40	-
4.	Chandresh Kumar Gupta (Independent Director)	0.48	0.48	-
5.	Abhishek Kalekar (Non-Executive Director)	0	0	-
6.	Tushar Dave (Independent Director)	0.48	0.48	-
7.	Mr. Sumit Sharma (Company Secretary)	4.66	3.64	24.65
8.	Mr. Vishnu Kant Gupta (CFO)	0	0	-

1. During the reporting financial year Shri. Raj Kumar Gupta was re-appointed as Managing Director on revised Remuneration of INR 4,50,000 Per Month w.e.f. 08th March, 2022
2. Shri. Vishnu Kant Gupta as CFO was not obtained any amount by way in CFO capacity, he receiving remuneration in Whole Time Director Capacity only and during the year his remuneration was revised w.e.f. 01st March, 2022 where his remuneration revised from INR 2,50,000 to 3,50,000 Per Month at Board meeting held on 08th March 2022.
3. Shri. Abhishek kalekar Non-executive Director was not drawn any amount by way of sitting fee or remuneration during the reporting year and previous financial year.
4. Increment in the salary of Shri. Sumit Sharma, company secretary was due to some increment during the year.

(III) The percentage increase in the median remuneration of employees in the financial year

Median Remuneration 2022-23	Median Remuneration 2021-2022	% Increase in the Median Remuneration
115061.50	140000	0

(iv) No. of Permanent Employees on Roll: Company as on 31st March 2023 was having 96 employees who are on Roll however total 156 employees were on roll during the year but some of them have resigned from their office.

Company has more employees or workers but they are not on permanent basis and are working on contract basis through some other entity.

(v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration, the detail is as provided above

(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the company.

Ashok Khasgiwala & Co. LLP
Chartered Accountants



702 Shekhar Central, Palasia Square,
A.B. Road, Indore – 452001, M.P
Ph (o) : +91 731 4069301, 2499341
E – ashokkhasgiwala@yahoo.com

Independent Auditors Report

To,
The Members of
Agro Phos India Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Agro Phos India Limited** (“the Company”), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2023, and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	Auditor's Response
Evaluation of uncertain tax positions The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements.	Our audit procedures include the following substantive procedures: <ul style="list-style-type: none"> • Obtained understanding of key uncertain tax positions; and • We along with our internal tax experts – <ul style="list-style-type: none"> – Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions; – Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and Assessed management's estimate of the possible outcome of the disputed cases

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statement in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- e. 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.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rules framed there under.
- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
 - ii. The Company did not have any long term contract including derivative contract for which there were any material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (C) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv) (A) and (iv) (B) contain any material mis-statement.
- v. The company has not declared or paid dividend during the year hence provision of Section 123 of the Act is not applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, 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 read with Schedule V to the Act.

For Ashok Khasgiwala & Co. LLP
Chartered Accountants

(Firm Reg. No. 000743C/C400037)

CA Ashok Khasgiwala
Partner

M. No. 070288

Date: 30.05.2023

Place: Indore

UDIN: **23070288BGZMIK7184**

Annexure A to Independent Auditor's Report

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Agro Phos India Limited on the financial statements for the year ended 31st March, 2023.

- i.
 - a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

B. The Company has maintained proper records showing full particulars of intangible assets.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a phased program for physical verification of the PPE for all locations. Physical verification of the assets has been carried out during the year pursuant to the programme which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties whether the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
 - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, plant and equipment or intangible assets during the year.
 - e. According to the information and explanations given to us and as explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - a. The inventories have been physically verified by the management at reasonable intervals during the year. The coverage and procedures of physical verification of the inventories followed by the management is appropriate in relation to the size of the Company and nature of its business. On the basis of our examination of the records, no discrepancies of 10% or more in the aggregate for each class of inventory was noticed on physical verification of inventories as compared to book records.
 - b. During the year, the Company has been sanctioned working capital limits in excess of `5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account except those as set out below.

Name of the Bank	Quarter Ended	Amount disclosed as per quarterly return / statement Rs. in Lacs	Amount as per books Rs. in Lacs	Difference Rs. in Lacs	Reason for difference
Axis Bank Ltd.	June 2022	4078.38	4091.35	(12.97)	I. Stock Rs. 10.16 Lacs excess II. Trade Receivables Rs. 23.13 short in bank statement.
Axis Bank Ltd.	Sept 2022	3390.10	3390.14	(0.04)	Trade Receivables Rs. 0.04 short in bank statement.
Axis Bank Ltd. And Canara Bank	Dec 2022	4085.19	4070.34	14.85	I. Trade Receivables Rs. 2.63 Lacs excess and II. Trade Payables Rs. 12.22 Lacs short in bank statement.
Axis Bank Ltd. And Canara Bank	March 2023	4316.36	4316.99	(0.63)	I. Stock Rs. 1.73 Lacs short, II. Trade Receivables Rs. 1.09 Lacs excess in bank statement.

iii. During the year the company has not given any guarantee or provided any security or granted any advance in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments during the year and granted unsecured loan to one company in respect of which the requisite information is as below.

Rs. in Lacs

Particulars	Loans
Aggregate amount granted/provided/invested during the year	
(i) Associate Entity / Subsidiary / JV	-
(ii) Others	255.00
Balance outstanding as at year end in respect of above	
(i) Associate Entity / Subsidiary / JV	-
(ii) Others	260.15

- b. According to the information and explanation given to us, in our opinion, the investment made and terms and condition of the loans granted are, prima facie, not prejudicial to the interest of the Company.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the repayment of principal and payment of interest is stipulated and repayment or receipts are regular.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amount is not overdue in respect of any loans or advances in the nature of loan from any party as at the year end.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made and loans granted. The company has provided any security or granted any guarantee in terms of section 185 and 186 of the Act.

In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules, framed there under. As informed to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.

- v. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vi.
- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities. There were no undisputed statutory dues in arrears, as at 31st March, 2023 for a period of more than six months from the date they became payable except ESIC amounting to Rs. 0.01 lacs related to 2018-19 outstanding for more than six months not deposited.
- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Services tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited with appropriate authorities on account of any dispute except detailed as follows:

Name of the Statute	Nature of Liability	# (Amount in Lacs)	Related Period	Forum where dispute is pending
Central Sales Tax Act 1956	Central Sales Tax	13.40	2016-17	M.P. Commercial Tax Appealate Board

Note: Net of Rs. 8.03 Lacs deposited.

- vii. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- viii. a. According to the records of the company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings or in payment of interest thereon to any lender and hence reporting under para 3(ix) (a) of the Order is not applicable to the Company.
- b. The company is not declared a willful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations given to us and the records of the Company examined by us, the term loans raised during the year were applied for the purpose for which they were obtained.
- d. According to the information and explanations given to us and on an overall examination of financial statements of the Company, we report that funds raised for short term basis have not been utilized for long term purpose.
- e. According to the information and explanations given to us and the records of the Company examined by us, the company has no subsidiary, joint venture or associate company. In our opinion provision of para 3 (ix)(e) are not applicable.
- f. According to the information and explanations given to us and the records of the Company examined by us, the company has no subsidiaries, joint ventures or associate companies. In our opinion provision of para 3 (ix)(f) are not applicable.
- ix. a. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the company has not raised money by way of initial public offer or further public offer (including debt instruments).
- b. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- x. a. During the course of our examination of the books of account and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the company noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the management, there are no whistle-blower complaints received by the company during the year.

- xi. In our opinion and according to information and explanation given to us and the records of the Company examined by us, the company is not a Nidhi Company therefore, the provision of para 3 (xii) of the Order is not applicable to the company.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiii. a. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
b. We have considered the internal audit reports of the company issued till date, for the period under audit.

According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the provision of section 192 of the Companies Act, 2013 are not applicable to the company.

- xiv. a. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore, the provision of para 3 (xvi) (a) of the Order is not applicable to the company for the year under audit.
b. The company has not conducted any Non-Banking Financial or Housing Finance activities during the year therefore, the provision of para 3 (xvi) (b) of the Order is not applicable to the company.
c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provision of para 3 (xvi) (c) of the Order is not applicable to the company.
d. The Group has no CIC. Therefore, the provision of para 3 (xvi) (d) of the Order is not applicable to the company.
- xv. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xvi. There has been no resignation of the statutory auditors during the year and in our opinion provisions of para 3(xviii) of the order not applicable.
- xvii. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xviii. a. According to the information and explanations given to us and on the basis of our examination of the records, the company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a fund specified in schedule VII to the Companies Act, 2013 till the date of our audit report. However, the time period for such transfer i.e. six months of the expiry of the financial year as

permitted under the second proviso to subsection (5) of section 135 of the Act, has not elapsed till the date of our report. Details of the same are as under :

F.Y.	Amount identified for CSR activities other than on going projects in Lacs	Unpent amount in Lacs	Amount transferred to fund specified in schedule VII to the Act	Due date of transfer to the specified fund	Actual date of transfer	No. of days delay
2022-23	10.31	0.80	-	30.09.2023	-	-

b. There is no on going project under section 135 (5) of the Companies Act 2013.

For Ashok Khasgiwala & Co. LLP
Chartered Accountants
(Firm Reg. No. 000743C/C400037)

CA Ashok Khasgiwala
Partner
M. No. 070288

Date: 30.05.2023
Place: Indore
UDIN: **23070288BGZMIK7184**

Annexure B To the Independent Auditor's Report of even date on the Financial Statements of Agro Phos India Limited

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

We have audited the internal financial controls over financial reporting of Agro Phos India Limited as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ashok Khasgiwala & Co. LLP
Chartered Accountants
(Firm Reg. No. 000743C/C400037)

CA Ashok Khasgiwala
Partner
M. No. 070288

Date: 30.05.2023
Place: Indore
UDIN: 23070288BGZMIK7184

AGRO PHOS INDIA LIMITED
CIN: L24123MP2002PLC015285
BALANCE SHEET AS AT 31ST MARCH 2023

(Figures Rs. in Lacs)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	2,155.10	2083.40
(b) Right of use asset	1.1	13.64	15.20
(c) Capital work-in-progress	2	283.47	71.94
(d) Intangible Assets	3	2.49	2.62
(e) Financial Assets			0.00
(i) Investments	4	33.55	126.59
(iii) Others	5	49.23	46.23
(f) Other non-current assets	6	25.00	21.00
Total Non-current assets		2,562.48	2366.98
(2) Current assets			
(a) Inventories	7	6,128.12	3163.10
(b) Financial Assets			0.00
(i) Trade receivables	8	1,629.15	1138.70
(ii) Cash and cash equivalents	9	13.53	110.23
(iii) Bank balances other than (ii) above	10	267.62	198.85
(v) Others	11	1,255.46	688.52
(c) Other Current Assets	12	1,164.17	801.19
Total Current assets		10,458.05	6100.60
Total Assets		13,020.53	8467.58
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	2,027.41	2027.41
(b) Other Equity	14	3,177.29	2669.47
Total Equity		5,204.70	4696.88
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	118.62	171.31
(ii) Others	16	14.06	62.81
(b) Provisions	17	70.46	65.73
(c) Deferred tax liabilities (Net)	18	242.78	72.67
Total Non-Current Liabilities		445.92	372.53
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,586.19	1105.05
(ii) Trade payables	20		0.00
(a) Total outstanding due of Micro and Small Enterprises		8.36	17.81
(b) Total outstanding due other than (a) above		4,473.84	1807.24
(iii) Other financial liabilities	21	91.79	75.10
(b) Other current liabilities	22	200.91	220.39
(c) Provisions	23	8.65	5.22
(d) Current Tax liabilities (net)	24	0.17	167.36
Total Current liabilities		7,369.91	3398.17
Total Equity and Liabilities		13,020.53	8467.58

The accompanying notes to accounts forming an integral part to the financial statement

1 to 53

General information and significant accounting policies

A-B

As per our report of even date attached.

For ASHOK KHASGIWALA & CO. LLP

Chartered Accountants

(Firm Registration No 0743C/C400037)

For and on behalf of the Board of Directors

CA Ashok Khasgiwala

Partner

Membership No.070288

Indore, 30.05.2023

Rajkumar Gupta

Managing Director

DIN : 00244925

Vishnukant Gupta

Whole Time Director and CFO

DIN : 05233476

AGRO PHOS INDIA LIMITED
CIN: L24123MP2002PLC015285
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Figures Rs. in Lacs)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
I Revenue from Operations	25	13,101.70	11,606.13
II Other Income	26	33.70	118.88
III Total Income (I+II)		13,135.40	11,725.02
IV EXPENSES			
Cost of material consumed	27	10,312.80	6,389.76
Purchases of Stock-in-Trade	28	576.40	969.08
Changes in inventories of finished goods, work-in-progress and stock in trade	29	(1,945.76)	594.41
Employee Benefits Expense	30	405.45	360.62
Finance Costs	31	212.67	166.87
Depreciation, amortisation and impairment Expenses	32	155.57	122.98
Other Expenses	33	2,707.23	2,413.57
Total Expenses		12,424.35	11,017.30
V Profit/(loss) before exceptional items and tax (III-IV)		711.04	707.71
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		711.04	707.71
VIII Tax expense	39		
Current Tax		230.48	185.44
Deferred Tax		(24.57)	(60.84)
Income Tax for Earlier Years		4.77	-
IX Profit/(loss) after tax for the year (VII-VIII)		500.36	583.11
X (A) Other Comprehensive Income/(loss)			
(i) Items that will not be reclassified to statement of profit or loss			
Remeasurement of defined benefit obligation		10.33	(1.61)
Tax thereon		(2.87)	0.45
(ii) Items that will be reclassified to statement of profit or loss			
Total other comprehensive income		7.46	(1.16)
XI Total comprehensive income for the year (VIII+IX)		507.82	581.95
XII Earnings per equity share of face value of ` 10 each			
Basic and Diluted earnings per share			
a Basic (in `)		2.47	2.88
b Diluted (in `)		2.47	2.88
The accompanying notes to accounts forming an integral part to the financial statement	1 to 53		

General information and significant accounting policies

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO. LLP

Chartered Accountants

(Firm Registration No 0743C/C400037)

Rajkumar Gupta

Managing Director

DIN : 00244925

Vishnukant Gupta

Whole Time Director and

CFO

DIN : 05233476

CA Ashok Khasgiwala

Partner

Membership No.070288

Indore, 30.05.2023

AGRO PHOS INDIA LIMITED
(CIN: L24123MP2002PLC015285)

Cash Flow Statement for the year ended 31ST MARCH, 2023		(Figures Rs. in Lacs)
	Year Ended	Year Ended
	31.03.2023	31.03.2022
Particulars	(Audited)	(Audited)
A. Cash flow from Operating activities		
a. Net Profit/ (Loss) before Tax & Exceptional item	711.04	707.71
Adjustment for :		
Depreciation & Amortisation	155.57	122.98
Finance costs	212.67	166.87
Fair value of Investment	(4.11)	(1.59)
Interest Income	(14.08)	(15.88)
(Gain) / Loss on disposal of Property, Plant and Equipment	0.15	(62.56)
(Gain) / Loss on sale of Investments	4.84	-
Provision /(Reversal of provision) on doubtful debts	9.05	(23.32)
Provision /(Reversal of provision) on doubtful advance	37.00	
IND as adjustment from OCI	10.33	(1.61)
Unrealised gain / (loss) on Foreign currency exchange rate	15.14	(8.60)
b. Operating profit/(loss) before working capital changes	1137.60	884.01
Adjustment for :		
Trade and Other receivables	(1,204.52)	66.98
Inventories	(2,965.01)	(225.91)
Trade and other payables	2594.11	804.31
c. Cash generated from Operations	(437.83)	1529.39
Direct Taxes (paid)/Refund (Net)	(210.63)	(140.56)
Net Cash Flow from Operating activities	(648.45)	1,388.83
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(441.92)	(837.65)
Sale of Property, Plant and Equipments	0.67	100.97
Purchase of Investment (Net)	(26.23)	(125.00)
Sale of Investment (Net)	118.53	-
Interest Received	13.09	13.13
Change in Bank balances not considered as cash and cash Equivalent	(72.53)	(118.50)
Intercompany Loan Given	(260.15)	-
Net Cash Flow from Investing activities	(668.54)	(967.05)
C. Cash flow from Financing activities		
Proceeds from Borrowings	1,472.27	-
Repayment of Borrowings	(43.82)	(118.30)
Finance cost Paid	(208.15)	(168.00)
Dividend Paid	-	(50.69)
Net Cash flow from Financing activities	1,220.30	(336.99)
D. Net Increase / (Decrease) in Cash and Cash Equivalent	(96.69)	84.79
Cash and Cash Equivalent at the beginning of the year	110.23	25.44
Cash and Cash Equivalent at the end of the year	13.53	110.23
Cash and Cash Equivalent Comprises :		
Balances with Banks	4.09	108.18
Cash on hand	9.44	2.05

As per our report of even date attached.

For ASHOK KHASGIWALA & CO. LLP

Chartered Accountants

(Firm Registration No 0743C/C400037)

For and on behalf of the Board of Directors

Rajkumar Gupta

Managing Director

DIN : 00244925

Vishnukant Gupta

Whole Time Director and CFO

DIN : 05233476

CA Ashok Khasgiwala

Partner

Membership No.070288

Indore, 30.05.2023

AGRO PHOS INDIA LIMITED
CIN: L24123MP2002PLC015285
STATEMENT OF CHANGE IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31,2023

(Figures Rs. in Lacs)

a. Equity share capital

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the reporting period	2,027.41	2,027.41
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,027.41	2,027.41
Changes in Equity share capital during the year	-	-
Balance at the end of the current reporting period	2,027.41	2,027.41

b. Other Equity

(i) As at March, 2023

Particulars	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance at the beginning of the current reporting period	20.00	705.60	1943.88	2669.47
Profit/(Loss) for the year	0.00	0.00	500.36	500.36
Dividend			0.00	0.00
Other Comprehensive Income for the year (net of tax)			7.46	7.46
Total comprehensive income for the year	0.00	0.00	507.82	507.82
Balance at the end of the current reporting period	20.00	705.60	2451.69	3177.29

b. Other Equity

(ii) As at March, 2022

Particulars	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	20.00	705.60	1412.61	2138.21
Profit/(Loss) for the year			583.11	583.11
Dividend			-50.69	-50.69
Other Comprehensive Income for the year (net of tax)			-1.16	-1.16
Total comprehensive income for the year			531.26	531.26
Balance at the end of the previous reporting period	20.00	705.60	1943.88	2669.47

The accompanying notes to accounts forming an integral part to the financial statement

1 to 56

General information and significant accounting policies

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO. LLP

Chartered Accountants

(Firm Registration No 0743C/C400037)

Rajkumar Gupta

Managing Director

DIN : 00244925

Vishnukant Gupta

Whole Time Director and CFO

DIN : 05233476

CA Ashok Khasgiwala

Partner

Membership No.070288

Indore, 30.05.2023

GENERAL INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

A. General Information

Agro Phos (India) limited is a Public Limited Company incorporated under the Companies Act, 1956 bearing Corporate Identity No. L24123MP2002PLC015285 dt. 19.09.2002 having registered office at M-87, Trade Centre 18M, South Tukoganj, Indore, MP -452001. The Company was initially incorporated as a private limited company and has converted into public limited company w.e.f. 28.02.2004. Initially company established its fertilizer manufacturing facility at Industrial Area, Dewas (M.P.). During the year 2014-15 company also established its new manufacturing facility at Meghnagar Distt. Jhabua (M.P.). The company is also engaged in fertilizer trading. The shares of the company are listed at the National Stock exchange.

B. Significant accounting policies

i. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting standards ("Ind AS") prescribed under Section 133 of the Companies Act 2013 read with the companies (Indian Accounting Standards) Rules, as amended from time to time.

ii. Basis of Preparation

The financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Functional and presentation currency

These financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "INR"), which is Company's functional and presentation currency. All amounts disclosed in the Financial Statements including notes thereon have been rounded off to the nearest Rs. in lacs up to two decimals as per the requirement of Schedule III to the Act, unless stated otherwise.

iii. Use of Estimates, Judgments and Assumptions

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on amount recognized in the financial statements are:

- i. Allowance for bad and doubtful trade receivable.
- ii. Recognition and measurement of provision and contingencies.
- iii. Depreciation/ Amortisation and useful lives of Property, plant and equipment / Intangible Assets.
- iv. Recognition of deferred tax.
- v. Income Taxes.
- vi. Measurement of defined benefit obligation.
- vii. Impairment of Non-financial assets and financial assets.

viii. Fair value of financial instruments.

iv. Revenue Recognition

The company recognised revenue i.e. account for a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods or services to be transferred;
- (c) the entity can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

Measurement

When (or as) a performance obligation is satisfied, company recognise as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

The transaction price is the amount that the entity expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some taxes on sales). The consideration promised may include fixed amounts, variable amounts, or both.

i. Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Further, the revenue amount is adjusted for the time value of money if that contract contains a significant financing component.

Interest and Dividend

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

v. Inventories

Inventories are valued at lower of cost and net realizable value, except scrap is valued at net realizable value. Cost of inventory is arrived at by using FIFO Method. Cost of inventory is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

vi. Property, Plant and Equipment

a. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (if any).

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, acquisition or construction cost including borrowing costs, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and costs of the item can be measured reliably.

c. Depreciation

Depreciation on property, plant and equipment is provided using Straight line method (SLM) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

The estimated useful lives, residual value and depreciation method are reviewed at the end of each balance sheet date, any changes therein are considered as changes in estimate and accordingly accounted for prospectively.

e. Capital Work In progress

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

vii. Intangible Assets

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. 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 recognised in the statement of profit and loss when the asset is derecognised.

Recognition and measurement

Intangible assets are held at cost less accumulated amortisation and impairment losses. Intangible assets developed or acquired with finite useful life are amortised on straight line basis over the useful life of asset.

Subsequent expenditure

Subsequent expenditure is capitalised only when when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured or development stage is achieved. All other expenditure, including expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit or loss.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit or loss. Computer software are amortised over their useful life of 5 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

viii. Employee benefits

i. Short term employee benefits

Short-term employee benefits 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 obligation can be estimated reliably.

ii. Defined benefit plans

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The company pays gratuity to the employees who have completed five years of service with company at the time when the employee leaves the company as per the payment of gratuity act 1972.

Remeasurement of the net defined benefit plans in respect of post-employment are charged to other comprehensive income. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

iii. Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

iv. Defined Contribution Plan

The company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

ix. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income or a business combination, or items recognised directly in equity.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets and liabilities are reviewed at the end of each reporting period.

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income 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.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

x. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are recognised in statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured based on historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognised in statement of profit and loss.

xi. Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

Borrowing cost consist of interest and amortization of ancillary cost incurred in connection with the arrangement of borrowed funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

xii. Cash and Cash Equivalent

Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdraft are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

xiii. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

xiv. Earning Per Share

- i. Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares , adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.
- ii. Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

xv. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but its existence is disclosed in the financial statements where an inflow of economic benefits is probable.

xvi. Leases

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.

As per the requirements of Ind AS 116 the company evaluates whether an arrangement qualifies to be a lease. In identifying a lease the company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right of Use Assets

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable and impairment loss, if any, is recognised in the statement of profit and loss.

Lease hold land are amortised over period of lease and considered as Right of Use assets and classified accordingly.

Lease Liability

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on

a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

xvii. Impairment of Non-Financial Assets

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in statement of profit and loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been in place had there been no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss, taking into account the normal depreciation/amortization.

xviii. 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. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

i. Financial assets

Classification

The Company classifies financial assets in the following measurement categories:

- a. Those measured at amortised cost and
- b. Those measured subsequently at fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset are adjusted to the fair value in case of financial assets not recorded at fair value through profit or 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.

Measured at amortised cost

A financial asset 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Measured at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI 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 SPPI.

Financial assets included within the FVOCI 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 profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the group company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI 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').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. 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.
- iii. When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

i. Trade receivables which do not contain a significant financing component.

The application of simplified approach recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. 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 entity reverts to recognising impairment loss allowance based on 12-month ECL.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised costs.

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, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss 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 group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of 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 and loss.

This category generally applies to interest-bearing loans and borrowings.

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 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

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and when the company has a legally enforceable right to set off the amount and it intends either to settle them on net basis or to realize the asset and settle the liability simultaneously.

xix. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

xx. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to income item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant related to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Subsidy for fertilisers is recognized as per the rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time. Subsidy income recognized only when goods finally sold to end user / farmer and bill generated through IMFS System.

xxi. Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(a) Ind AS 1 - Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy

information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

(b) Ind AS 12 - Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the Initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

(c) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is evaluating the impact, if any, in its financial statements and does not expect to have these amendments to have any significant impacts in its financial statements.

Notes forming part of financial statements
Note - 1 Property, Plant and Equipment
TANGIBLE ASSETS
a. Gross carrying amount

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
As at 01 April, 2021	907.30	849.38	24.15	87.97	20.37	1889.18
Additions	576.33	149.69	0.00	46.59	5.18	777.79
Deduction/Adjustments	39.14	0.00	0.00	0.00	0.00	39.14
As at MARCH 31, 2022	1444.49	999.07	24.15	134.56	25.55	2627.83
Additions	90.24	28.27	0.00	103.76	3.15	225.43
Deduction/Adjustments	0.00	0.00	0.00	0.88	0.00	0.88
As at MARCH 31, 2023	1534.73	1027.34	24.15	237.45	28.70	2852.38

b. Accumulated depreciation and impairment

As at 01 April, 2021	99.36	280.45	9.66	21.35	13.97	424.78
Depreciation charge for the year	35.48	67.77	2.30	10.67	4.16	120.38
Deduction/Adjustments	0.73	0.00	0.00	0.00	0.00	0.73
As at MARCH 31, 2022	134.11	348.22	11.96	32.02	18.13	544.43
Depreciation charge for the year	50.06	76.98	2.30	20.78	2.80	152.91
Deduction/Adjustments	0.00	0.00	0.00	0.06	0.00	0.06
As at MARCH 31, 2023	184.17	425.20	14.26	52.74	20.93	697.28

c. Net Carrying Amount

As at MARCH 31, 2022	1,310.38	650.85	12.19	102.54	7.42	2,083.39
As at MARCH 31, 2023	1,350.56	602.14	9.89	184.70	7.77	2,155.10

Note:

1. Title deeds of all immovable properties are held in name of the Company.
2. No revaluation of Property, Plant and Equipment has been carried out during the year.

Note 1.1 : Right of use assets	Land - Lease hold
Particulars	
a. Gross carrying amount	
As at 01 April, 2021	19.87
Additions	-
Disposals/Adjustments	-
As at MARCH 31, 2022	19.87
Additions	-
Disposals/Adjustments	-
As at MARCH 31, 2023	19.87
b. Accumulated Depreciation and Impairment	
As at 01 April, 2021	3.11
Depreciation for the year	1.56
Disposals/Adjustments	0.00
As at MARCH 31, 2022	4.67
Depreciation for the year	1.56
Disposals/Adjustments	0.00
As at MARCH 31, 2023	6.23
c. Net Carrying Value	
As at MARCH 31, 2022	15.20
As at MARCH 31, 2023	13.64

Note 2 : CAPITAL WORK-IN-PROGRESS

Particulars	Building	Plant & Machinery	Office Equipments	Furniture	Total
As at 01 April, 2021	33.09	0.00	0.00	0.00	33.09
Additions	38.86	0.00	0.00	0.00	38.86
Deduction/Adjustments	0.00	0.00	0.00	0.00	0.00
As at MARCH 31, 2022	71.95	0.00	0.00	0.00	71.95
Additions	83.22	133.86	3.31	4.83	225.23
Deduction/Adjustments	13.71	0.00	0.00	0.00	13.71
As at MARCH 31, 2023	141.46	133.86	3.31	4.83	283.47

Capital Work-in-Progress Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2023					
Projects in progress	225.23	37.54	20.70	0.00	283.47
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
As at 31st March, 2022	0.00	0.00	0.00	0.00	0.00
Projects in progress	38.86	33.09	0.00	0.00	71.95
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00

Note-3 : Intangible Assets

Particulars	Computer Software
a. Gross carrying amount	
As at 01 April, 2021	5.25
Additions	-
Disposals/Adjustments	-
As at MARCH 31, 2022	5.25
Additions (HR SOFTWARE)	0.972
Deduction/Adjustments	-
As at MARCH 31, 2023	6.22
b. Accumulated Amortisation	
As at 01 April, 2021	1.58
Amortisation During the year	1.05
Additions	-
Deduction/Adjustments	-
As at MARCH 31, 2022	2.63
Amortisation During the year	1.10
Additions	-
Deduction/Adjustments	-
As at MARCH 31, 2023	3.73
c. Net Carrying Amount	
As at MARCH 31, 2022	2.62
As at MARCH 31, 2023	2.49

Notes forming part of financial statements

Particulars	As at March 31, 2023	As at March 31, 2022
Note - 4 Non -Current Investments		
Investment in Equity Instruments		
At Fair value through Profit and Loss (FVTPNL)		
Quoted		
NIL (Previous Year 1106) Equity Shares of Rs.2 each fully paid up in ICICI Bank Ltd.	-	8.08
NIL (Previous Year 435) Equity Shares of Rs.5 each fully paid up in Bharti Airtel Ltd.	-	3.28
NIL (Previous Year 311) Equity Shares of Rs.5 each fully paid up in Infosys Ltd.	-	5.93
NIL (Previous Year 276) Equity Shares of Rs.10 each fully paid up in Varun Beverages Ltd.	-	2.60
NIL (Previous Year 2681) Equity Shares of Rs.2 each fully paid up in EIH Ltd.	-	4.15
NIL (Previous Year 493) Equity Shares of Rs.1 each fully paid up in Carborundum Universal Ltd.	-	3.93
NIL (Previous Year 243) Equity Shares of Rs.1 each fully paid up in Coromandel International Ltd.	-	1.94
NIL (Previous Year 08) Equity Shares of Rs.10 each fully paid up in Shree Cement Ltd.	-	1.92
NIL (Previous Year 108) Equity Shares of Rs.5 each fully paid up in Kotak Mahindra Bank Ltd.	-	1.89
NIL (Previous Year 25) Equity Shares of Rs.5 each fully paid up in Maruti Suzuki India Ltd.	-	1.89
NIL (Previous Year 244) Equity Shares of Rs.10 each fully paid up in Narayana Hrudayalaya Ltd.	-	1.82
NIL (Previous Year 73) Equity Shares of Rs.2 each fully paid up in Siemens Ltd.	-	1.73
NIL (Previous Year 183) Equity Shares of Rs.5 each fully paid up in Tech Mahindra Ltd.	-	2.74
NIL (Previous Year 09) Equity Shares of Rs.10 each fully paid up in Abbott India Ltd.	-	1.59
NIL (Previous Year 324) Equity Shares of Rs.2 each fully paid up in Indoco Remedies Ltd.	-	1.22
NIL (Previous Year 192) Equity Shares of Rs.10 each fully paid up in Inox Leisure Ltd.	-	1.02
NIL (Previous Year 1493) Equity Shares of Rs.2 each fully paid up in Finolex Industries Ltd.	-	2.31
NIL (Previous Year 22) Equity Shares of Rs.10 each fully paid up in Linde India Ltd.	-	0.83
NIL (Previous Year 303) Equity Shares of Rs.10 each fully paid up in Fino Payments Bank Ltd.	-	0.76
NIL (Previous Year 540) Equity Shares of Rs.1 each fully paid up in Samvardhana Motherson International Ltd.	-	0.75
NIL (Previous Year 778) Equity Shares of Rs.1 each fully paid up in State Bank of India	-	3.84
NIL (Previous Year 4170) Equity Shares of Rs.2 each fully paid up in TV18 Broadcast Ltd.	-	3.09
NIL (Previous Year 707) Equity Shares of Rs.10 each fully paid up in Aditya Birla Fashion and Retail Ltd.	-	2.14
NIL (Previous Year 1880) Equity Shares of Rs.2 each fully paid up in Bank of Baroda	-	2.10
NIL (Previous Year 57) Equity Shares of Rs.10 each fully paid up in Bajaj Auto Ltd.	-	2.08
NIL (Previous Year 231) Equity Shares of Rs.2 each fully paid up in United Spirits Ltd.	-	2.05
NIL (Previous Year 175) Equity Shares of Rs.10 each fully paid up in SBI Life Insurance Company Ltd.	-	1.97
NIL (Previous Year 140) Equity Shares of Rs.1 each fully paid up in Tata Steel Ltd.	-	1.83

NIL (Previous Year 823) Equity Shares of Rs.1 each fully paid up in NMDC Ltd.	-	1.34
NIL (Previous Year 646) Equity Shares of Rs.2 each fully paid up in Rain Industries Ltd.	-	1.25
NIL (Previous Year 100) Equity Shares of Rs.10 each fully paid up in Hinduja Global Solutions Ltd.	-	1.02
NIL (Previous Year 135) Equity Shares of Rs.2 each fully paid up in Bharat Forge Ltd.	-	0.95
NIL (Previous Year 414) Equity Shares of Rs. 2 each fully paid up in TATAMTRDVR Right Application Money	-	0.85
NIL (Previous Year 40) Equity Shares of Rs.10 each fully paid up in Voltamp Transformers Ltd.	-	0.78
NIL (Previous Year 351) Equity Shares of Rs.10 each fully paid up in Hindustan Oil Exploration Co. Ltd.	-	0.77
NIL (Previous Year 591) Equity Shares of Rs.10 each fully paid up in Chennai Petroleum Corporation Ltd.	-	0.75
	-	77.22
Investment in Mutual Funds		
At Fair value through Profit and Loss (FVTPNL)		
Unquoted		
NIL (Previous Year 2780.2132 units) Canara Robeco Flexi Cap Fund - Gr	-	6.17
NIL (Previous Year 17117.546 units) Edelweiss Balanced Advantage Fund - Gr	-	6.09
Franklin India Balanced Advantage Fund - Gr 99995 UNITS (Previous Year NIL)	10.09	-
228571.444 units (Previous Year 69141.223 units) Nippon India Flexi Cap Fund - Gr	23.46	7.32
NIL (Previous Year 59193.741 units) SBI Balanced Advantage Fund - Gr	-	6.10
NIL (Previous Year 0.008 units) in Axis Overnight Fund Direct Growth	-	0.00
	33.55	25.68
Investment in Others		
At amortised cost		
Axis Securities Ltd.(PMS)	0	23.69
Total	33.55	126.59
Aggregate Amount of Quoted Investments and market value thereof	-	77.22
Aggregate Amount of Unquoted Investments	33.55	49.37
Aggregate Amount of Provision for diminution in value of investments	-	-
Note - 5 Other Financial Assets		
Security Deposits	37.83	37.75
Balance with Banks in Deposit Accounts	-	-
with original maturity of more than 12 months (earmarked)	0.47	0.47
	-	-
Other receivable	10.93	8.00
	49.23	46.23
Note -6 Other Non-Current Assets		
Capital Advance	25.00	21.00
	25.00	21.00
Note -7 Inventories		
Raw Materials (including packing material's)	2,772.89	1,753.63
Work-in-progress	1,836.19	361.13
Finished goods	1,399.78	720.59
Stock- in- Trade (in respect of goods acquired for trading)	119.26	327.75
	6,128.12	3,163.10
i) Inventories are valued at lower of cost and net realisable value, except scrap, which is valued at net realisable value.		

Note - 8 Trade Receivables		
Unsecured, considered good	1,609.65	1,026.20
Which have significant increase in credit risk	19.50	112.50
Credit Impaired	23.81	14.76
	1,652.96	1,153.46
Less: Provision for doubtful debts	23.81	14.76
	1,629.15	1,138.70
(i) Trade Receivables includes debts due from firms/private companies in which directors are interested Rs. 433.55 Lacs (Previous Year Rs.106.29 Lacs)		
Note - 9 Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	4.09	108.18
	-	-
Cash on hand	9.44	2.05
	13.53	110.23
Note - 10 Bank Balances Other Than Cash and Cash Equivalents Above		
Dividend Accounts earmarked	0.44	4.21
In Deposit Accounts with original maturity	-	-
	-	-
More than 3 months but less than or equal to 12 months (earmarked)	267.18	194.65
	267.62	198.85
Note - 11 Other Financial Assets		
Accrued interest	7.62	6.62
Subsidy Receivable	750.48	394.73
Security Deposits	237.21	287.16
Intercompany Loan - To Related Party	260.15	-
	1,255.46	688.52
Note - 12 Other Current Assets		
Advance against supply	229.18	189.61
Balance with Government Authorities	921.20	555.97
	-	-
Other Advance*	47.23	53.50
Less : Provisions for doubtful advance	(37.00)	-
	10.23	53.50
	-	-
Prepaid Insurance	3.56	2.11
	1,164.17	801.19
(* Includes Tour advance to employees, salary advance etc.)		

Notes forming part of financial statements		
Particulars	As at March 31, 2023	As at March 31, 2022
Note - 13 Equity Share Capital		
(a) Authorised		
21000000 (previous year 21000000 Equity share) of Re. 10/- each	2100.00	2100.00
	2,100	2,100
(b) Issued, Subscribed and paid-up		
20274115 (previous year 20274115) Equity share of Re. 10 each fully paid up	2027.41	2027.41
	2,027	2,027

13.1

The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at March 31, 2023		As at March 31,2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares :				
Equity Shares at the beginning of the year	20274115	2027.41	20,274,115	2027.41
Add: Shares issued during the year	-	-	-	-
Equity Shares at the end of the year	20,274,115	2,027	20,274,115	2,027

13.2

Terms / Rights attached to Equity Shares :

The company has one class of equity shares having a par value of Re. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

13.3

The details of shareholders' holding more than 5 % Shares

EQUITY SHARES	As at March 31, 2023		As at 31st March 2022	
	No. of Shares	% age of holding	No. of Shares	% age of holding
Raj Kumar Suhane	4,300,435	21.21	4,300,435	21.21
Vishnu Kant Gupta	1,596,075	7.87	1,596,075	7.87
Ramesh Chand Suhane	1,795,050	8.85	1,795,050	8.85

13.4

The details of Shares held by Promoters as at 31st March 2023:

Promoter Name	No. of Shares	% of total shares	% Change during the year
Raj Kumar Suhane	4,300,435	21.21	-
Vishnu Kant Gupta	1,596,075	7.87	-
Total	5,896,510	29.08	-

The details of Shares held by Promoters as at 31st March 2022:

Promoter Name	No. of Shares	% of total shares	
Raj Kumar Suhane	4,300,435	21.21	
Vishnu Kant Gupta	1,596,075	7.87	
Total	5,896,510	29.08	

13.5

For a period of five years immediately preceding the date of Balance Sheet i.e. 31st March 2023 the company has :-

(i) Not allotted shares as fully paid up pursuant to contract (s) without payment being received in cash.

(ii) Not allotted any shares as fully paid up by way of bonus shares.

(iii) Not bought back any shares .

Notes forming part of financial statements				
Particulars		As at March 31, 2023	As at March 31, 2022	
Note - 14 Other Equity				
A	Capital Reserve			
	Balance as at the beginning of the year	20.00	20.00	
	Balance as at the end of the year	20.00	20.00	
B	Securities Premium			
	Balance as at the beginning of the year	705.60	705.60	
	Add : Received during the year			
	Balance as at the end of the year	705.60	705.60	
C	Retained Earnings			
	Balance as at the beginning of the year			
	Balance as at the beginning of the year	1,943.88	1,412.61	
	Add: Net Profit/(Loss) for the year	500.36	583.11	
	Less: Dividend paid	-	(50.69)	
	Less: Remeasurement of the defined benefit plans through OCI (net of tax)	7.46	(1.16)	
	Balance as at the end of the year	2,451.69	1,943.88	
	Total Other equity	3,177.29	2,669.47	
NATURE AND PURPOSE OF RESERVES				
(I)	Securities Premium	Securities Premium Reserve is created on recording of premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.		
(II)	Retained Earnings	The same is created out of profits over the years and shall be utilised as per the provisions of the Act.		
Note - 15 Borrowings				
A	Secured			
	Term Loans from Banks			
	a.From Banks (refer note A below)	245.82	282.81	
	Less : Shown under current maturities of Long Term Debt	127.20	113.28	
		118.62	169.53	
	b.From Others (refer note B below)	1.78	8.60	
	Less : Shown under current maturities of Long Term Debt	1.78	6.82	
		-	1.78	
		118.62	171.31	
		118.62	171.31	
Note:	Nature of Security and terms of repayment for secured borrowings			
(i)	Name of the lender	Nature of Security	Terms of Repayment	Rate of interest
	Term loan from Axis Bank, Sanctioned amount Rs. 7.65 Lacs ,Outstanding amount Rs. nil/- (PY Rs.1.33 Lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 0.16 lacs(including interest) each, commenced from January, 2018 and last intsalment due in December 2022.	8.36% p.a.(Pre.Year 8.36%)
	Term loan from Axis Bank, Sanctioned amount Rs.289 lacs/- ,Outstanding amount Rs.121.32 lacs (PY Rs.216.75 lacs)	Secured by extension of second charge by way of hypothecation on primary securities as specified in Note 20. And secured by personal guarantee of directors.	Repayable in 35 monthly installments of Rs.8.03 lacs and 1 installment of Rs.8.03 lacs ie., moratorium period of 12 months from the date of first disbursement.	9.65% p.a.(Pre.Year 9.25%)
	Term loan from Yes Bank, Sanctioned amount Rs. 16 lacs/-, Outstanding amount Rs.5.61 lacs/-	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs.0.34 lacs (including interest) each.	9.5% p.a. (Prev Yr 9.5% p.a.)

	(PY Rs.8.93 lacs -/)		commenced from October, 2019 and last intsalment due in September 2024	
	Term loan from Kotak Mahindra Prime Limited, Sanctioned amount Rs. 15 lacs ,Outstanding amount Rs.0.31 lacs (PY Rs.3.79 lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 0.31 lacs (including interest) each, commenced from May, 2018 and last intsalment due in April 2023.	8.34% p.a.(Pre Year 8.34%)
	Term loan from Union Bank , Sanctioned amount Rs. 15.80 lacs, Outstanding amount Rs.13.72 lacs (PY Rs. 15.80 lacs)	Secured by hypothecation of asset purchased.	Repayable in 84 monthly instalments of Rs. 0.24 lacs (including interest) each, commenced from March , 2022 and last intsalment due in February 2029.	7.40% p.a. floating (Pre.Year 7.50% floating)
	Term loan from Union Bank , Sanctioned amount Rs. 15 lacs, Outstanding amount Rs.13.39 lacs (PY Rs. 15 lacs)	Secured by hypothecation of asset purchased.	Repayable in 84 monthly instalments of Rs. 0.23 lacs (including interest) each, commenced from April, 2022 and last intsalment due in March 2029.	7.40% p.a. floating (Pre.Year 7.50% floating)
	Term loan from Axis Bank , Sanctioned amount Rs. 27.10 lacs, Outstanding amount Rs.16.20 lacs (PY Rs. 25 lacs)	Secured by hypothecation of asset purchased.	Repayable in 35 monthly instalments of Rs. 0.86 lacs (including interest) each, commenced from January, 2022 and last intsalment due in November 2024.	7.46% p.a.(Pre.Year 7.46%)
	Term loan from Kotak Mahindra Prime Limited, Sanctioned amount Rs. 9.60 lacs, Outstanding amount Rs. 1.47 lacs (PY Rs.4.82 lacs)	Secured by hypothecation of asset purchased.	Repayable in 36 monthly instalments of Rs. 0.30 lacs (including interest) each, commenced from August, 2020 and last intsalment due in August 2023.	8.09% p.a.(Pre.Year 8.09%)
	Term loan from HDFC Bank limited, Sanctioned amount Rs. 80 lacs, Outstanding amount Rs.75.58 lacs (PY Rs. NIL)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 1.61 lacs (including interest) each, commenced from December, 2022 and last intsalment due in November 2027.	7.80% p.a.(Pre.Year Nil)
(ii)	Secured long term borrowings aggregating to Rs.121.32 lacs (Previous year Rs.216.75 lacs) [including interest accrued but not due Rs. Nil (Previous year Rs. Nil)] are secured by personal guarantee of directors.			
Note - 16 Others Non Current Financial Liabilities				
	Dealership Deposit		14.06	62.81
			14.06	62.81
Note -17 Provisions				
	Provision for employee benefits		70.46	65.73
	Provision for Gratuity (Refer note- 40 (B)		70.46	65.73

Note - 18 Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities		
Depreciation on property, plant & equipment	284.00	288.33
Total (A)	284.00	288.33
Deferred Tax Assets		
Provision for Doubtful Debts	6.62	4.11
Other Timing Difference	22.01	19.74
Total (B)	28.63	23.85
Deferred Tax Liabilities (Net)	255.37	264.48
MAT Credit Entitlement	12.59	191.81
Net Defrred Tax Liability/(Assets)	242.78	72.67

Notes forming part of financial statements		
Particulars	As at March 31, 2023	As at March 31, 2022
Note - 19 Borrowings		
Secured		
Loans repayable on demand		
Working Capital Loans from bank	2357.09	984.94
Current maturities of long-term debt (Refer note 15)	128.98	120.11
Unsecured		
Temporary Overdraft from bank (Repayable on demand)	100.12	-
	2586.19	1105.05
Note :		
<p>I Working Capital Loans from Axis Bank Rs. 1611.18 (Pre.Year - March 2022 Rs. 984.94) is secured by :</p> <p>a) Hypothecation of stocks of raw materials, finished goods, stores and spares, stock in process, packing materials and book debts, and all other movable fixed assets, both present and future, of the Company and personal guarantee of Directors and carry ROI 9.65% p.a. (Previous Year 7.15% p.a.)</p> <p>b) Further secured by Equitable Mortgage on following property:</p> <ol style="list-style-type: none"> 1. Factory land and building situated at 13A/2, Dewas Industrial Area. 2. 135-A,138-A,136-A,136-A II & 137-A ,AKVN Industrial road Meghnagar , Distt. Jhabua Madhya Pradesh in the name of Agro Phos (India) Limited. 3. Residential House A-7, Mangal Murti Nagar, Navlakha Main Road Indore in the name of Mrs. Uma Gupta, 4. Residential House WA-12, Sector A, Scheme No. 94, Ring Road Indore in the name of Ms. Shraddha Gupta 5. Office premies of M-91-92 Trade Center, 18 South Tukoganj Indore 		
<p>II Working Capital Loans from Canara Bank Rs. 745.91 (Pre.Year - March 2022 Nil) are secured by :</p> <p>a) Secured by hypothecation of Inventories & Book debts and carry ROI 9.65% p.a. (Previous Year NIL)</p> <p>b) Further secured by Equitable Mortgage on following property:</p> <ol style="list-style-type: none"> 1. Survey no. 9/13 situated village lasudia mori patwari halka no. 17 (new 45) district and tehsil indore 2. Survey no. 9/13/4 situated village lasudia mori patwari halka no. 17 (new 45) district and tehsil indore 3. Office premises of M-86, M-87/A , M-87/B, M-88/A , M-88/B Trade center , 18 South Tukoganj Indore 		
<p>III Temporary overdraft from Axis Bank Rs. 100.12/- (Pre.Year NIL) repayable on demand and carry ROI 11.15 % p.a. (Previous year NIL)</p>		
Note - 20 Trade Payables		
(a) Total outstanding due of Micro and Small Enterprises (Refer note 35)	8.36	17.81
(b) Total outstanding due other than (a) above	4473.84	1807.24
	4,482.20	1,825.05
Note - 21 Other Financial Liabilities		
Interest accrued and due	9.84	5.32
Unclaimed Dividends (refer note (i) below)	0.44	4.21
Other Liabilities *	81.51	65.57
	91.79	75.10
<p>Note:</p> <p>(i) There are no amounts due for payment to the Investor Education and Protection Fund under Companies Act, 2013.</p> <p>* other liabilities includes liabilities for expenses,salary payable etc.</p>		
Note - 22 Other Current Liabilities		
Advances from customers	187.03	205.39
Statutory Dues	13.88	15.00
	200.91	220.39
Note - 23 Provisions		
(i) Provision for Gratuity (Refer note- 40 (B)	8.43	5.14
ii) Provision for Compensated absences*	0.22	0.08
	8.65	5.22
Note - 24 Current Tax liabilities (net)		
Provision for taxation	0.17	167.36
	0.17	167.36

Notes forming part of financial statements		
Particulars	For the Year 2022-23	For the year 2021-22
Note - 25 Revenue From Operations		
Sales of products	7,182.12	6,099.06
Subsidy on SSP	5,919.58	5,507.08
	13,101.70	11,606.13
Note - 26 Other Income		
a Interest Income (at amortised cost)	14.08	15.88
b Rent Income	-	2.00
c Miscellaneous Income	4.25	8.45
d Other Non-Operating Income	0.12	1.58
e Reversal Of provision for doubtful debts	-	23.32
f Net gain on sale of PPE	-	62.56
g Sundry Balance Write Back	11.14	3.50
h Net gain on Fair value of Investment	4.11	1.59
	33.70	118.88
Note - 27 Cost of Materials Consumed		
a) Raw Material	9,846.76	6,013.79
	-	-
b) Packing Material	466.04	375.97
	10,312.80	6,389.76
Note - 28 Purchases of Stock-in-Trade		
Purchases of Stock-in-Trade	576.40	969.08
	576.40	969.08
Note - 29 Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade		
Inventory at the beginning of the Year		
Finished Goods	720.59	668.01
Work in Progress	361.13	703.81
Stock In Trade	327.75	632.07
	1,409.47	2,003.89
Inventory at the end of the year		
Finished Goods	1,399.78	720.59
Work in Progress	1,836.19	361.13
Stock In Trade	119.26	327.75
	3,355.23	1,409.47
Net (Increase) / Decrease in Inventories	(1,945.76)	594.42
Note - 30 Employee Benefits Expense		
Salary, Wages and Bonus	385.97	340.81
Contribution to Provident and Other Funds	13.45	6.12
Staff Welfare expenses	6.03	13.70
	405.45	360.62
Note - 31 Finance Costs		
Interest Expense	168.82	142.89
Other borrowing costs	43.85	23.99
	212.67	166.87
Note - 32 Depreciation, Amortization and impairment		
Depreciation	155.57	122.98
	155.57	122.98

Note - 33 Other Expenses

Power and Fuel	606.83	380.26
Stores, spares and consumables	57.40	129.63
Processing Charges	135.53	106.46
Rent	19.75	16.03
Repairs to Machinery	143.90	138.81
Repairs to Buildings	49.04	66.90
Repairs to Others	51.64	72.55
Insurance	56.33	56.25
Rates & Taxes excluding taxes on income	17.44	11.60
Factory Expenses	2.70	3.90
Legal and Professional Charges	50.14	33.74
Travelling & Conveyance Expenses	60.69	78.48
Vehicle Expenses	14.65	11.75
Selling and Distribution expenses	104.94	109.78
Freight and Forwarding	1,073.12	786.93
CSR Expenditure	9.51	10.01
Net Loss on Foreign Currency Transactions and Translations	53.04	22.12
Provision for Doubtful Advance	37.00	-
Bad & Doubtful Debts Provision	9.05	-
Loss on sale of Investment	4.84	-
Bad Debts Written off	49.26	159.28
Miscellaneous Expenses	100.43	219.08
	2,707.23	2,413.57

Notes forming part of financial statements
NOTE: 34 - CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31st March,2023	As at 31st March,2022
a. Contingent Liability		
Sales Tax demand disputed in appeal	13.40	21.43
b. Capital commitments	34.00	34.00

NOTE: 35 - DISCLOSURE REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

- a. Trade Payables includes Rs. 8.36 lacs (Previous year Rs.17.81 lacs) amount due to Micro and Small enterprises registered under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED).
- b. The detail of amount outstanding to Micro and Small Enterprises are as under:

Particular	As at 31st March,2023	As at 31st March,2022
Principle amount due and remain unpaid	8.36	17.81
Interest due on above and unpaid interest	4.24	5.32
Interest paid	1.92	1.14
Interest payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

- c. The information has been determined to the extent such parties have been identified on the basis of information available with the company.

NOTE: 36 - PAYMENT TO AUDITOR

Particular	2022-2023	2021-2022
a. For Statutory audit	3.50	3.50
b. For Tax Audit	1.00	1.00
c. For Other services	1.01	2.39
d. For Cost audit	1.20	0.50

NOTE: 37 - EARNING PER SHARE (EPS)

Particular	2022-2023	2021-2022
Basic and diluted earnings per share :		
a. Net Profit after tax	500.36	583.11
c. Weighted average number of equity shares	20,274,115	20,274,115
d. Nominal value of ordinary share (Rs.)	10.00	10.00
e. Basic and diluted earning per share	2.47	2.88

NOTE: 38

The company is required to spent Rs. 10.31 Lacs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 for the year ended 31st March 2023 calculated as per section 198 of the companies Act 2013. However the company spent Rs. 9.51 lacs (Previous Year Rs. 10.01 lacs out of unspend amount related to previous years from F.Y. 2015-16 to 2018-19).

The expenditure required by the company for complying with provision for CSR expenditure u/s 135 of companies Act 2013 are as under

Particulars	2022-23	2021-22
i. Amount required to be spent by the company during the year	10.31	-
ii. Amount of expenditure incurred	9.51	10.01
iii. Shortfall at the end of the year	0.80	
iv. Total of previous years shortfall	-	-
v. Reason for shortfall	Shortfall will be incurred in current year	
vi. Nature of CSR activities	Taking care of Cows by feeding them, by maintaining them on daily basis and providing them required medication in case if need arises.	Medical Facilities

Notes forming part of financial statements

Note 39 : Tax Expenses
Tax expenses recognised in the statement of Profit and Loss

I. Income tax related to items recognised directly in profit or loss of the statement of profit and loss during the year	As at March 31, 2023	As at March 31, 2022
Current Tax on profit for the year	230.48	185.44
MAT credit	(12.58)	-72.39
Deferred Tax	-11.99	11.55
Income Tax for earlier years	4.77	
Tax expenses for the year charged in Profit & Loss (a)	210.68	124.60
Deferred tax recognized in Other Comprehensive Income (OCI) (b)	(2.87)	0.45
Total Tax expenses for the year (a+b)	207.81	125.05
Reconciliation of effective tax rate		
Profit before tax	711.04	707.71
Applicable Tax Rate	0.28	0.28
Computed tax expense	198.54	196.89
Adjustments for taxes for		
- Allowance for expenses/income	(39.69)	(54.29)
- Disallowance for expenses/income	71.63	42.84
MAT Credit entitlement	(12.59)	(72.39)
Deferred Tax on Account of PPE	(4.33)	8.63
Deferred tax on account of other Financial assets and other items	(7.65)	2.92
Income Tax for earlier years	4.77	-
Income tax as per statement of profit and loss	210.68	124.60
Effective Tax Rate	29.63%	17.61%

The movement in Deferred tax assets and liabilities during the year ended March 31st, 2023 and March 31st, 2022

Particulars	Opening Balance	Recognition in Profit or Loss	Recognition in OCI	Closing Balance
For the Year 2022-23				
Deferred Tax Liabilities				
Depreciation on Property, Plant & Equipments	288.33	-4.33	-	284
I.	288.33	(4.33)	-	284.00
Deferred Tax Assets				
Provision for Doubtful Debts & advances	4.11	2.52		6.62
Other Timing Differences	19.74	5.14	(2.87)	22.01
II.	23.85	7.65	(2.87)	28.63
Deferred Tax Liabilities (Net)	264.48	(11.99)	(2.87)	255.37
For the Year 2021-22				
Deferred Tax Liabilities				
Depreciation on Property, Plant & Equipments	279.70	8.63	-	288.33
I.	279.70	8.63	-	288.33
Deferred Tax Assets				
Provision for Doubtful Debts & advances	10.60	-6.49		4.11
Other Timing Differences	15.73	3.57	0.45	19.74
II.	26.33	-2.92	0.45	23.85
Deferred Tax Liabilities (Net)	253.37	11.55	0.45	264.48

NOTE: 40 - DISCLOSURE AS PER IND AS 19 - EMPLOYEE BENEFITS
A. Defined Contribution Plans

Contribution to Defined Contribution plans, recognised as expense for the year is as under:

Particulars	2022-2023	2021-2022
Employer's contribution to Provident Fund	11.11	4.47
Employer's contribution to ESIC	1.86	1.41

B. Gratuity - Defined Benefit plans

Particulars	2022-2023	2021-2022
I. Reconciliation of defined benefit obligation.		
Liability at the beginning of the year	70.87	56.14
Current Service Cost	13.17	9.30
Interest Cost	5.17	3.82
Remeasurement due to :	-	-
Actuarial loss/ (gain) arising change in financial assumptions	-	-
Actuarial loss/ (gain) arising change in demographic assumptions	-	-
Actuarial loss/ (gain) arising on account of experience adjustments	-10.33	1.61
Benefit Paid	-	-
Defined benefit obligation at the end of the year	78.89	70.87
II. Reconciliation of opening and closing balance of fair value of plan assets.		
Fair value of plan assets at the beginning of the year	-	-
Interest on plan assets	-	-
Other	-	-
Contributions Paid by Employer	-	-
Benefit Paid from Fund	-	-
Included in OCI	-	-
actuarial (Gains)/Losses on Obligation for the period	-	-
Return on Plan Assets Excluding Interest Income	-	-
Fair value of plan asset at the end of the year	-	-
III. Amount Recognized in the Balance Sheet		
Present Value of funded defined benefit obligation	78.89	70.87
Fair Value of Plan Assets at the end of the year	0.00	0.00
Net funded obligation	78.89	70.87
Present value of unfunded defined benefit obligation	0.00	0.00
Amount not recognised due to asset limit	0.00	0.00
Net defined benefit liability / (asset) recognised in Balance sheet	78.89	70.87
Net defined benefit liability / (asset) is bifurcated as below :		
Current	8.43	5.14
Non - Current	70.46	65.73
IV. Expense Recognised in Statement of Profit & Loss		
Current Service Cost	13.17	9.30
Net Interest Cost	5.17	3.82
Administrative expenses	-	-
Past Service Cost	-	-
Actuarial (Gain)/ Loss on settlement	-	-
Expense Recognized in P&L	18.34	13.12
V. Amount Recognised in Other Comprehensive Income (OCI)		
Opening amount recognised in OCI outside profit and loss account	-	-
Remeasurement due to :		
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	-10.33	1.61
Actual return on plan assets less interest on plan assets	0.00	0.00
Closing amount recognised in OCI outside profit and loss account	-10.33	1.61

VI. Net defined liability / (asset) reconciliation					
Opening Net defined benefit liability / (asset)	70.87	56.14			
Expense charged to profit and loss account	18.34	13.12			
Employers Contribution	-	-			
Amount recognised outside Profit& loss	-10.33	1.61			
Impact of liability assumed or settled	-	-			
Closing net defined benefit liability /(asset)	78.89	70.87			
VII. Assumptions					
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)					
	Particulars	31-Mar-23	31-Mar-22		
	Discount Rate	7.30%	6.80%		
	Salary Escalation Rate	7.00%	7.00%		
	Attrition Rate	5.00%	5.00%		
VIII Sensitivity analysis					
Reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :					
	Particulars	31-Mar-23		31-Mar-22	
		1% Increase	1% Decrease	1% Increase	1% Decrease
	Change in discounting rate	70.70	88.54	62.76	80.47
	Change in Salary escalation rate	88.47	70.61	80.35	62.70
	Withdrawal Rate	78.97	78.80	70.82	70.92

NOTE: 41 - RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES
Disclosure of transactions with related parties as per Ind AS -24 :
A. List of related parties and their relationships
(i) Key Managerial Personnel & Other Directors

Rajkumar Gupta	Managing Director
Vishnu Kant Gupta	Whole Time Director/Chief Financial Officer (w.e.f. 25.01.2021)
Abhishek Kalekar	Non-Executive Director
Sumit Sharma	Company Secretary (upto 27.03.2023)

(ii) Entity where person, close member or Key Managerial Personnel (KMP) has significant influence and with whom transactions have taken place

Name of Person / entity	Relation
Mrs Uma Gupta	Relative of KMP
Abhay Gupta	Relative of KMP
Mrs Shradhha Gupta	Relative of KMP
Suhane Agro India Pvt Ltd.	Relative of KMP able to exercise significant influence
Madhav Agrochem Pvt Ltd	Relative of KMP able to exercise significant influence
M/s. Vinod Trading Co.	Relative of KMP able to exercise significant influence
Mahadhan Phosphate Pvt. Ltd.	Relative of KMP able to exercise significant influence
Madhav Sales Corp Pvt. Ltd.	Relative of KMP have significant influence
Vinod Sales Corporation	Relative of KMP able to exercise significant influence
M/s Abhay Sales Corporation	Relative of KMP able to exercise significant influence
M/s Shri Tulsi Phosphate Limited	Relative of KMP able to exercise significant influence

B. Transactions carried out with related parties referred in A above

Nature of Transaction	As at 31.03.2023	As at 31.03.2022
Managerial Remuneration		
Raj Kumar Gupta	54.00	38.00
Vishnu Kant Gupta	42.00	26.00
Salary Paid		
Mrs Uma Gupta	12.00	5.40
Mrs Shradhha Gupta	12.00	4.30
Abhay Gupta	18.00	6.45
Rajendra Kumar Mittal	-	-
Sumit Sharma	4.66	3.64
Purchase of Goods		
M/s Vinod Trading Co.	-	32.73
Mahadhan Phosphate Pvt. Ltd.	22.24	-
Suhane Agro India Pvt Ltd.	29.93	62.09
Madhav Agrochem Pvt Ltd	-	135.08
Madhav Sales Corp Pvt. Ltd.	-	31.93
M/s Vinod sales corporation	-	101.83
M/s Abhay Sales Corporations	-	-

Sales of Goods		
M/s. Vinod Trading Co.	75.36	128.14
Suhane Agro India Pvt Ltd.	841.85	351.59
M/s Vinod sales corporation	4.52	-
Madhav Agrochem Pvt Ltd	-	58.37
Madhav Sales Corp Pvt. Ltd.	16.20	18.88
Mahadhan Phosphate Pvt. Ltd.	102.47	114.71
M/s Abhay Sales Corporations	765.49	139.57
Purchase of property		
Mrs Shraddha Gupta	-	31.00
Loans & Advances		
M/s Shri Tulsi Phosphate Limited	260.15	-

Balance with related parties	As at 31.03.2023	As at 31.03.2022
Trade Receivables		
Mahadhan Phosphate Pvt. Ltd.	25.05	-
M/s Abhay Sales Corporations	188.45	-
Madhav Sales Corp Pvt. Ltd.	43.48	58.24
Suhane Agro India Pvt Ltd.	157.21	37.01
M/s Vinod Trading Co.	19.35	8.96
Advance from Customers		
M/s Abhay Sales Corporations	-	48.76
Madhav Agrochem Pvt Ltd	-	21.32
M/s Vinod sales corporation	-	-
Other Payables		
Vishnu Kant Gupta	7.91	14.86
Raj Kumar Gupta	8.48	0.52
Mrs Uma Gupta	1.26	0.18
Mrs Shraddha Gupta	1.26	-
Abhay Gupta	9.56	0.25
Sumit Sharma	0.26	0.33
Other Receivables		
Mrs Shraddha Gupta	-	0.03
Mrs Uma Gupta	-	-
Loans & Advances		
M/s Shri Tulsi Phosphate Limited	260.15	-

Notes forming part of financial statements

NOTE: 42 - FINANCIAL INSTRUMENTS BY CATEGORY AND FAIR VALUE HIERARCHY

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(i) March 31, 2023 (Amount)	Carrying amount			Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets							
(i) Investments	33.55	-	-	33.55	-	33.55	-
(ii) Trade receivables	-	-	1,629.15	1,629.15	-	-	-
(iii) Cash and cash equivalents	-	-	13.53	13.53	-	-	-
(iv) Bank Balance other than above	-	-	267.62	267.62	-	-	-
(v) Others	-	-	1,304.69	1,304.69	-	-	-
	33.55	-	3,214.99	3,248.54	-	33.55	-
Financial liabilities							
(i) Borrowings	-	-	2,704.81	2,704.81	-	-	-
(ii) Trade payables	-	-	4,482.20	4,482.20	-	-	-
(iii) Other Financial liability	-	-	105.85	105.85	-	-	-
	-	-	7,292.86	7,292.86	-	-	-

(i) March 31, 2022 (Amount)	Carrying amount			Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets							
(i) Investments	102.90	-	23.69	126.59	77.22	25.68	-
(ii) Trade receivables	-	-	1138.70	1138.70	-	-	-
(iii) Cash and cash equivalents	-	-	110.23	110.23	-	-	-
(iv) Bank Balance other than above	-	-	198.85	198.85	-	-	-
(v) Others	-	-	734.75	734.75	-	-	-
	102.90	-	2,206.22	2,309.12	77.22	25.68	-
Financial liabilities							
(i) Borrowings	-	-	-	-	-	-	-
(ii) Trade payables	-	-	1276.36	1276.36	-	-	-
(iii) Other Financial liability	-	-	1825.05	1825.05	-	-	-
	-	-	137.91	137.91	-	-	-
	-	-	3,239.31	3,239.31	-	-	-

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes forming part of financial statements

NOTE: 43 - FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
 - (a) Currency risk;
 - (b) Interest rate risk;
 - (c) Commodity risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. These policies and processes are reviewed by management regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

(i) Market risk

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

i(a) Currency risk

The fluctuation in foreign currency exchange rates may have impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchangerates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
	Foreign Currency Exposure in INR	Foreign Currency Exposure in INR
Receivable net exposure		
Trade receivables	-	-
Receivable net exposure	-	-
Payable net exposure		
Trade payables and other financial liabilities	2622.94	1173.01
Payable net exposure	2,622.94	1,173.01
Forward exchange contracts against imports and foreign currency payables	-	-
Payable net exposure	2,622.94	1,173.01
Total net exposure on Receivables /(Payables)	(2,622.94)	(1,173.01)

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Particulars	Profit/(Loss) March 31, 2023		Profit/(Loss) March 31, 2022	
Effect in Indian Rupees	Strengthening	Weakening	Strengthening	Weakening
INR	(26.23)	26.23	(11.73)	11.73

Notes forming part of financial statements

i (b) 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. The company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from bank and financial companies. Currently Company is not using any mitigating factor to cover interest rate risk.

Interest rate risk exposure -variable rate

Particulars	As at 31st March 2023	As at 31st March 2022
Borrowing from bank	2,602.91	1267.75
Borrowing from financial company(NBFC)	1.78	8.60
	2,604.69	1,276.36

Interest rate sensitivity

A reasonably possible change of 1% in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Impact on Profit/(loss) before tax	
	1% Increase	1% Decrease
March 31, 2023		
On account of Variable Rate Borrowings from Banks	(26.05)	26.05
Sensitivity	(26.05)	26.05
March 31, 2022		
On account of Variable Rate Borrowings from Banks	(12.76)	12.76
Sensitivity	(12.76)	12.76

Notes forming part of financial statements

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customer. The Company establishes an allowance for doubtful debts and impairment that represents its estimate on expected loss model .

A. Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Past due but not impaired		
Past due 0-90 days	1061.12	573.47
Past due 91-180 days	205.78	176.08
Past due more than 180 days	386.06	403.92
	1,652.96	1,153.46

Expected credit loss assessment for customers as at March 31, 2023 and March 31, 2022

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	Amount
Balance as at April 1, 2022	14.76
Provision Reversed	-49.26
Provision for Doubtful debts	58.31
Balance as at March 31, 2023	23.81
Particulars	Amount
Balance as at April 1, 2021	38.09
Bad debts written off	-
Reversal of Provision for Doubtful debts	-23.32
Balance as at March 31, 2022	14.76

B. Cash and cash equivalents

The Company holds cash and cash equivalents with credit worthy banks of Rs. 4.09 lacs as at March 31, 2023, (Rs. 108.18 lacs as at 31st March 2022).The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Notes forming part of financial statements

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturities groupings based on their contractual maturities for:

* all non derivative financial liabilities

A	As at March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Total	1 year or less	1-2 years	2-5 years	More than 5 years
(i) Non-derivative financial liabilities	Secured term loans and borrowings	2704.81	2704.81	2586.19	72.48	45.16	0.93
	Trade payables	4482.20	4482.20	4423.08	13.20	11.00	34.97
	Other financial liabilities (repayable on demand)	105.85	105.85	105.85	-	-	-
		7292.86	7292.86	7115.12	85.68	56.16	35.90
B	As at March 31, 2022	Carrying amount	Contractual cash flows				
		Total	Total	1 year or less	1-2 years	2-5 years	More than 5 years
(i) Non-derivative financial liabilities	Secured term loans and borrowings	1276.36	1276.36	1105.05	151.79	14.08	5.43
	Trade payables	1825.05	1825.05	1825.05	-	-	-
	Other financial liabilities (repayable on demand)	137.91	137.91	137.91	-	-	-
		3239.31	3239.31	3068.01	151.79	14.08	5.43

NOTE: 44 - CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises of Equity share capital and other equity.

The Company's policy is to keep the ratio at optimum level. The Company's adjusted net debt to equity ratio was as follows.

A.	Particulars	As at March 31, 2023	As at March 31, 2022
	Total liabilities	2714.65	1281.68
	Less : Cash and cash equivalent	13.53	110.23
	Adjusted net debt	2701.12	1171.45
	Total equity	5204.70	4696.88
	Adjusted net debt to adjusted equity ratio	0.52	0.25

B. Dividends

Amount of Dividends approved during the year by shareholders

Particulars	March 31, 2023		March 31, 2022	
	No. of Shares	Figures In Rs.	No. of Shares	Figures In Rs.
Equity Shares	20,274,115	-	20,274,115	50.69

Notes forming part of financial statements
NOTE: 45 - SEGMENT REPORTING
A. General Information

(i) Factors used to identify the entity's reportable segments, including the basis of organisation Based on the criteria as mentioned in Ind As 108 " Operating Segment" , the Company has identified its reportable segments as under :

Nature of Segment	Comprised of-
Fertilizers	Manufacturing and Trading of Fertilizers
Others	Trading of Commodities

The Chief Operating Decision Maker ("CODM") has evaluated the Company's performance and segments have been identified taking into account the type of products, the differing risk and returns and internal reporting system.

B. Segment revenue, results, segment assets and liability include respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as un allocable corporate cost. Assets and Liabilities that cannot be allocated between segment are shown as un allocable corporate assets and liabilities respectively.

(Amount in lacs)				
A. Operating Segment Information				
Particulars	Fertilizers	Others	Unallocable	Total
Segment Revenue	13,125.42	0.00	9.98	13,135.40
	11,656.14	0.00	68.88	11,725.02
Segment Result before Finance Cost and Tax	1,204.52	-	(280.81)	923.71
	1,020.29	-	(135.69)	884.60
Finance Cost				212.67
				166.87
Profit Before Tax , Exceptional Items				711.04
				707.71
Exceptional Items				-
				-
Profit Before Tax				711.04
				707.71
Provision for Taxes				
Current Tax				230.48
				185.44
Deferred Tax				(24.57)
				(60.84)
Profit After Taxes				505.13
				583.11
Segment Assets	12,439.98	-	580.55	13,020.53
	7,849.89	-	617.68	8,467.58
Segment Liabilities	4,791.88	-	2,923.83	7,715.71
	2,170.37	-	1,600.32	3,770.69
Segment Depreciation	129.70	-	25.87	155.57
	105.86	-	17.13	122.98
Capital Expenditure	-	-	-	-
	-	-	-	-
Non Cash expenditure other than depreciation	-	-	-	-
	-	-	-	-

B. Geographical Segment		
All Operating facilities of the Company are located in India		
Particulars	2022-2023	2021-2022
Domestic Revenue	13135.40	11725.02
Export Revenue	-	-
Total Revenue	13135.40	11725.02

C. Revenue from Major Products		
The following information is an analysis of the Company's segment revenue from continuing operations from its major products		
Particulars	2022-2023	2021-2022
i) Fertilizers		
SSP Products	6225.95	3708.79
NPK Products	522.29	2119.66
DAP	124.60	230.12
Gypsum	0.00	288.40
Rock	335.32	261.38
ZINC SULPHATE Products	0.76	8.13
ii) Others	483.84	279.60
-	-	-

D. Revenue from Major Customers

Customer contributed 10% or more of the company's revenue from following segment:

Fertilizer	2022-23	2021-22
SSP Products	2017.54	1269.00
NPK Products	615.90	1880.00

Notes forming part of financial statements

NOTE: 46 - DISCLOSURE ON FINANCIAL AND DERIVATIVE INSTRUMENTS

The Company uses foreign currency forward exchange contracts to hedge its exposure in foreign currency related to firm commitment and highly probable forecasted transactions.

- 1 Notional amount of forward contracts entered into by the Company and outstanding - Nil
(Previous Year Nil)
- 2 Foreign Currency exposure which are not hedged as at the year end:
 - a. Payable in foreign currency on account of refund of Import of Materials

2022-2023			2021-2022		
Currency	Amount in foreign	Amount in INR Lacs	Currency	Amount in foreign	Amount in INR Lacs
USD	3,190,268	2622.94	USD	1,547,362	1173.01

- b. Receivables in Foreign currency on account of exports - Nil (Previous Year Nil)

NOTE: 47 - LEASE

(Where company is lessor)

The company has not given any assets on operating lease during the year

The aggregate amount of operating lease income recognized in Statement of profit and Loss is Rs. NIL (Previous Year Rs.2 lacs)

(Where company is lessee)

- a. The Company has adopted Ind AS 116 'Leases' effective from April 1, 2019 and elect not to apply requirements of Ind AS 116 since leases are short - term leases.
- b. Lease holdland are amortized over period of lease and shown as Right of Use asset under Note 1.1

NOTE: 48- Pursuant to disclosure pertaining to section 186(4) of the Companies Act,2013

A. Particulars of loan given and outstanding

Particulars	2022-23		2021-22	
	Loan amount	Amount O/S as at 31-03-2023	Loan amount	Amount O/S as at 31-03-2022
M/S Shri Tulsi Phosphate Ltd.	255.00	260.15	-	-

B. Investment Made:

The same are classified under respective heads (Refer Note 4)

NOTE: 49- TRADE RECEIVABLE AGEING SCHEDULE

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
31st March 2023						
(i) Undisputed Trade receivables – considered good	1,266.90	76.72	51.19	39.50	175.34	1,609.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	19.50	19.50
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	23.81	23.81
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
31st March 2022						
(i) Undisputed Trade receivables – considered good	749.55	64.97	89.88	55.01	66.79	1,026.20
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	112.50	112.50
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	14.76	14.76
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

NOTE: 50- TRADE PAYABLE AGEING SCHEDULE

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31st March 2023					
(i) MSME	8.36	-	-	-	8.36
(ii) Others	4,414.68	13.20	11.00	34.97	4,473.85
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
31st March 2022					
(i) MSME	17.81	-	-	-	17.81
(ii) Others	1,742.58	14.72	38.92	11.02	1,807.24
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

NOTE:51 - FINANCIAL RATIOS

Ratio	Numerator	Denominator	Measure	For the Year 2022-23	For the Year 2021-22	% of change from preceding year	Reason for variance
Current Ratio	Current Assets	Current Liabilities	Times	1.42	1.80	-20.96%	Not Applicable
Debt-Equity Ratio	Total Debt (Borrowings)	Shareholders' Equity	Times	0.52	0.27	91.24%	Increase is on account of borrowings availed for International operation for working capital management.
Debt Service Coverage Ratio	Earnings available for debt service = Net profit after tax+Non cash operating expenses - depreciation and amortisation+ Finance cost+other adjustments like loss on sale of property, plant and equipment	Debt Service = Interest Payable and lease payments + Principal repayment of long term borrowings	Times	5.65	7.70	-26.59%	Decreased due to higher finance cost and principal repayments of loans during the year.
Return on Equity	Net profit after taxes	Average Shareholder's Equity	Per centage	10.11%	13.16%	-23.20%	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	Times	2.82	3.81	-25.88%	Increased primarily due to higher feedstock price
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	Times	9.47	8.30	14.05%	
Trade Payables Turnover Ratio	Net Purchases of raw material, packing material and stock in trade	Average Trade Payables	Times	3.83	5.30	-27.83%	Increased primarily due to increase in raw material prices and COGS has increased significantly against average trade
Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital = Current Assets - current liabilities	Times	2.95	2.75	7.44%	
Net Profit Ratio	Profit for the year	Revenue from Operations	Per centage	3.82%	5.02%	-23.99%	
Return on Capital Employed	Profit before tax and finance cost	Capital Employed = Net worth+Lease Liabilities+Deferred Tax Liabilities	Per centage	11.33%	14.47%	-21.67%	
Return on Investment	Income generated from investment	Average investments	Per centage	5.13%	2.51%	100.00%	Ratio has increased significantly due to increase in profitability of an investment to make

NOTE: 52 - ADDITIONAL REGULATORY INFORMATION

- The company has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.
- The company neither have any Benami property nor any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The company is not declared wilful defaulter by any bank or financial Institution or other lender.
- The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The company has not made any investments till 31st March, 2023 in subsidiary company hence compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- ix. The company has borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts except following differences:

Name of the Bank	Quarter Ended	Amount Disclosed as per quarterly statements Rs. in Lacs	Amount as per books Rs. in Lacs	Difference	Reason for difference
Axis Bank Ltd.	Jun-22	4078.38	4091.35	-12.97	I. Stock Rs. 10.16 Lacs excess, II. Trade Receivables Rs. 23.13 Lacs short in bank statement
Axis Bank Ltd.	Sep-22	3390.10	3390.14	-0.04	I. Trade Payables Rs. 0.04 Lacs excess in bank statement.
Axis Bank Ltd. And Canara Bank	Dec-22	4085.19	4070.34	14.85	I. Trade Receivables Rs. 2.63 Lacs excess and II. Trade Payables Rs. 12.22 Lacs short in bank statement.
Axis Bank Ltd. And Canara Bank	Mar-23	4316.36	4316.99	-0.63	I. Stock Rs. 1.73 Lacs short, II. Trade Receivables Rs. 1.09 Lacs excess in bank statement.

Notes forming part of financial statements

NOTE: 53

Previous year's figures are regrouped or rearranged wherever considered necessary to make them comparable with current year's figures.

As per our report of even date attached.

For and on behalf of the Board of Directors

For ASHOK KHASGIWALA & CO. LLP
Chartered Accountants
(Firm Registration No 0743C/C400037)

Rajkumar Gupta
Managing Director
DIN : 00244925

Vishnukant Gupta
Whole Time Director and CFO
DIN : 05233476

CA Ashok Khasgiwala
Partner
Membership No.070288
Indore, 30.05.2023

Form No. MGT-11 Proxy

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN :L24123MP2002PLC015285

Name of the company :AgroPhos (India) Limited

Registered office :M-87, Trade Centre 18m, South Tukoganj Indore MP452001

Name of the member (s) :

Registered address:

E-mail Id :

Folio No/ Client Id:

DP ID :

I/We, being the member (s) ofshares of the above named company, hereby appoint:

1.Name:.....Address:.....E-mailId:.....

Signature:..... or failing him/her

2.Name:.....Address:.....Email:.....

Signature:..... or failing him/her

3.Name:.....Address:.....E-mailId:.....

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Wednesday 30th September 2023 At 12.30 P.M. at Hotel Surya, 5/5, Surya Circle, Nath Mandir Road, South Tukoganj, Indore, Madhya Pradesh 452001 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution type	Description	For	Against
1.	Ordinary Resolution	To receive, Consider and adopt the Audited Financial Statements of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2023 together with the report of the Board of Directors& Auditors thereon.		
2.	Ordinary Resolution	To appoint a Director in place of Mr. Abhishek Kalekar (DIN: 07758751) who retires by rotation and, being eligible offers himself for re-appointment.		
3.	Ordinary Resolution	To confirm payment of remuneration to M.P. Turkhia& associates., Cost Accountants having Firm Registration Number 000417 as Rs. 50,000/- Plus GST to conduct audit of cost Records of company for the financial year ending March 31, 2021		

Signed this..... day of..... 2023

Signature of Shareholder.....

Signature of Proxy holder(s).....

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. This is only optional. Please put "x" in the appropriate column against the resolution indicated in the box. If you leave the "For" or "Against" column blank against any or all resolutions. Your proxy will be entitled to be vote in the manner/as he/she thinks appropriate.

Affix Rs.1
Revenue
Stamp

AGRO PHOS (INDIA) LIMITED

M-87, Trade Centre 18m, South Tukoganj Indore MP 452001

FORM NO. MGT.12

POLLING PAPER/ BALLOT PAPER

S No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./ *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Particulars	Type of Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business					
1.	To receive, Consider and adopt the Audited Financial Statements of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2023 together with the report of the Board of Directors & Auditors thereon.	Ordinary Resolution			
2.	To appoint a Director in place of Mr. Abhishek Kalekar (DIN: 07758751) who retires by rotation and, being eligible offers himself for re-appointment.	Ordinary Resolution			
Special Business					
3.	To confirm payment of remuneration to M.P. Turkhia & associates., Cost Accountants having Firm Registration Number 000417 as Rs. 50,000/- Plus GST to conduct audit of cost Records of company for the financial year ending March 31, 2024	Ordinary Resolution			

Place: Indore

Date:

(Signature of the shareholder)

ATTENDENCE SLIP**(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)**

I hereby record my presence at the 21st Annual General Meeting of the Company being held on, Wednesday, 30th September, 2023 at 12.30 P.M. at Hotel Surya 5/5 Surya Circle, Nath Mandir Road, SouthTukoganj, Indore MP-452001.

NAME (S) OF THE MEMBER (S)	
NO.	Registered Folio
.....	Client ID NO.

Name of Proxy (in block letters)**(To be filled in, if the proxy attends instead of the Member)**

--

Member's/Proxy's**signature**

Route Map to the Venue of AGM

5/5, Surya Circle, Nath Mandir Road, South Tukoganj, Indore, Madhya Pradesh 452001

