



प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS

दि फ़र्टिलाइज़र्स एण्ड केमिकल्स ट्रावन्कोर लिमिटेड
THE FERTILISERS AND CHEMICALS TRAVANCORE LTD.

(भारत सरकार का उद्यम) (A Government of India Enterprise)

पंजीकृत कार्यालय: एलूर, उद्योगमंडल, कोच्ची - 683 501, केरल राज्य, भारत
Regd. Office: Eloor, Udyogamandal, Kochi-683501, Kerala State, India. Website: www.fact.co.in CIN: L24129KL1943GOI000371

CS-CO-8013

05th September, 2023

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza
Bandra- Kurla Complex, Bandra (E),
Mumbai - 400 001.

Dear Madam/ Sir,

Sub: Notice of 79th Annual General Meeting and Record Date for Final Dividend for the Financial Year 2022-23.

This is to inform that 79th Annual General Meeting (AGM) of the Members of the Company will be held on Friday, **29th September, 2023** at 11:00 am through Video Conferencing / Other Audio Visual Means (VC/OAVM), in compliance with provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 read with applicable circulars issued by Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI). In terms of aforesaid circulars, Notice of the AGM along with the Annual Report for the Financial Year 2022-23 will be sent through e-mail to the Members whose e-mail IDs are registered with the Depository Participant (DP) / Registrar & Share Transfer Agent (RTA). The Annual Report will also be available on the website of the Company at www.fact.co.in

The Company has fixed the following date(s) in connection with the ensuing AGM:

Particulars	Relevant dates
Closure of Register of Members for updation and to ascertain eligibility for dividend, on declaration, in connection with AGM of the Company	23.09.2023 to 29.09.2023, both dates inclusive.
Record date for payment of final dividend of ₹1.00 per equity share of ₹10/- each (@ 10%) for the Financial Year 2022-23, if approved at the AGM	Friday, 22.09.2023
The cut-off date for the purpose of determining the voting rights of the shareholders and period of remote e-voting.	Friday, 22.09.2023
	Remote e-voting period:

	Commences on:	Tuesday, 26.09.2023 (9:00 a.m. IST)
	Ends on:	Thursday, 28.09.2023 (5:00 p.m. IST)
Last date for receiving documents for claiming exemption from TDS or tax at concessional rates	Friday, 22.09.2023	

Dividend, if approved at the AGM, will be paid to the members within the stipulated period of 30 days from the date of declaration.

This is for your information and record please.

Very truly yours,
For The Fertilisers and Chemicals Travancore Limited

Susan Abraham
Company Secretary

Encl:

1. Notice of the 79th AGM
2. 79th Annual Report



79th वार्षिक रिपोर्ट Annual Report 2022-2023



FACT

प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS

दि फ़र्टिलाइज़र्स एण्ड केमिकल्स ट्रावन्कोर लिमिटेड
(भारत सरकार का उद्यम)

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED
(A Government of India Enterprise)

BOARD OF DIRECTORS



Shri. Kishor Rungta
Chairman & Managing Director



Shri. Anupam Misra
Director (Marketing)



Shri S. Sakthimani
Director (Finance)



Dr. Jayachandran K.
Director (Technical)



Ms. Aparna S. Sharma
Director



Shri Taranjit Singh
Director



Prof. Anjula Murmu
Director



Shri. M. Chandran
Director



Shri. Keda Tanaji Aher
Director

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri. KishorRungta

Chairman & Managing Director

Shri. Anupam Misra

Director (Marketing)

Shri. S. Sakthimani

Director (Finance)

Dr. Jayachandrank

Director (Technical)

Ms. Aparna S. Sharma

Govt. Nominee Director

Shri. Taranjit Singh

Govt. Nominee Director

Prof. Anjula Murmu

Independent Director

Shri. M. Chandran

Independent Director

Shri. Keda Tanaji Aher

Independent Director

Shri. A.S. Kesavan Nampootheri

Director (Technical)(Upto 30-09-2022)

Ms. Deepika Jain

Govt. Nominee Director (Upto 17-02-2023)

Shri. Rabinarayan Patra

Independent Director (Upto 06-05-2023)

Shri. Avtar Singh Sandhu

Govt. Nominee Director (Upto 04-08-2023)

CHIEF VIGILANCE OFFICER

Dr. Soorya Thankappan, IPS

EXECUTIVE DIRECTOR

Shri Manikkuttan R

Production Co-ordination

CHIEF GENERAL MANAGERS

Shri Mohanchandran M

Cochin Division

Shri Jayaraj K B

FEDO & FEW

Shri Dileep R

Udyogamandal Complex

COMPANY SECRETARY

Ms Susan Abraham

AUDITORS

Statutory Auditors

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

Secretarial Auditors

SVJS & Associates,
Company Secretaries, Kochi

Cost Auditors

M/s Rajendran Mani & Varier
Cost Accountants, Kochi

Branch Auditors

M/s Raja & Kumar
Chartered Accountants, Chennai

M/s CKS Associates
Chartered Accountants, Hyderabad

Registrar & Share Transfer Agents

Purva Sharegistry India Pvt Ltd,
9 Shiv Shakti Ind. Estt, J R Boricha Marg,
Lower Parel (East),
Mumbai, Maharashtra - 400 011
Tel: 2301 2518 /2301 6761
Email: support@purvashare.com

Registered Office :

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

ISIN:

INE188A01015

CIN:

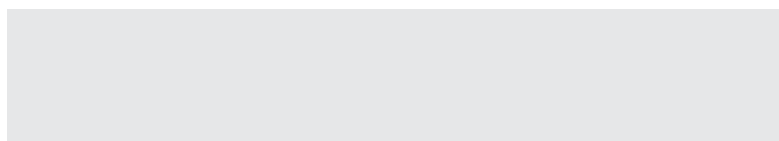
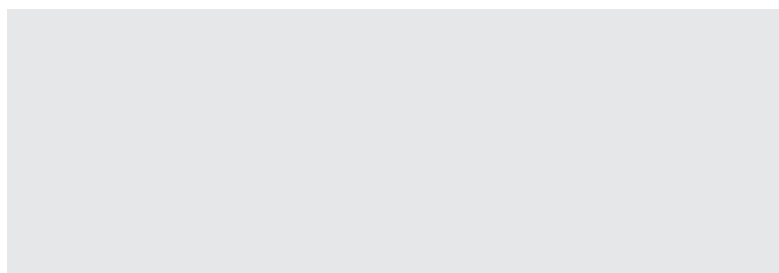
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Stock Exchange :

National Stock Exchange of India Ltd.

BANKERS

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



CHAIRMAN'S MESSAGE

Dear Shareholders,

It is my pleasure to present the 79th Annual Report of FACT for the financial year 2022-23 highlighting the Company's Physical and Financial performance.

The financial year 2022-23 was a remarkable year for FACT in many respects. I am delighted to inform you that the Financial year 2022-23 has witnessed complete turnaround of your Company from a sick and loss making Company to a profit making, Net worth positive and Dividend paying Company. Your Company registered a strong and resilient performance during the financial year 2022-23 achieving the highest ever turnover and profit from operation. Your Board has recommended a Final Dividend of Re.1 per equity share after a gap of 26 years.

Performance of FACT

The year 2022-23 was a year of uncertainties in terms of volatility in the prices of fertiliser inputs, geopolitical issues and supply chain constraints. Amidst these challenges and uncertainties, FACT achieved a turnover of ₹ 6198 Crore and profit of ₹ 613 Crore. On year to year basis the turnover has been increased by 40% and profit by 77%. The consolidated income of your Company for the year 2022-23 was ₹ 6334 Crore. These demonstrate the strong growth and commitment to provide the essential plant nutrients to farmers at the right time, and at an affordable price, thereby serving the nation to achieve food security.

The Company has produced 216054 MT of nutrient Nitrogen and 165639 MT of Nutrient P₂O₅. The total production of Fertilisers was 1072927 MT. The Company also produced 44610 MT of

Caprolactam. The Financial year 2022-23 witnessed the full year production of Caprolactam, after the re-start of the plant in the year 2021-22. During the financial year 2022-23, the production of all products has increased as compared to the previous year. While the production of Ammonium Sulphate has been increased by 79% percent, the production of Factamfos has been increased marginally.

The Company has marketed more than One Million Tonnes of fertilisers for three years in succession. During the year 2022-23, the sales of Ammonium Sulphate has been increased by 52% as compared to the previous year. The sale of Caprolactam was increased by 11.5%. However, the sale of Factamfos was decreased by 10%. The year 2022-23 witnessed the expansion of fertiliser marketing activities in the States of Maharashtra, Gujarat, West Bengal, Odisha and Bihar.

Economic Scenario

Indian Economy is one of the fastest growing economies representing a GDP growth of 6.8% in the financial year 2022-23 and is expected to continue to be the fastest growing economy in the year 2023-24 also. The Economy is likely to grow 7.8 % in the first quarter of the Financial Year 2023-24.

Fertiliser Sector

Since India is heavily dependent on imported fertilisers and raw materials, the global economic scenario would affect the Indian fertiliser industry. The impact of economic growth and growth in GDP will reflect in fertiliser sector also.

Indian Agriculture and the support of the Government of India continue to create remarkable opportunities for the fertiliser sector. To tap the opportunities, FACT is increasing the production capacity by almost 50% by the year 2024-25

Market Capitalisation

Backed by efficient allocation of funds and prudent financial management, FACT has strengthened investor confidence. The commitment of the Company to generate return on investment to shareholders is being fulfilled

With a focus on serving the farming community, FACT is committed to increasing shareholder value and long term sustainability. I am happy to inform you that the trust and expectation of investors in FACT have resulted in achieving a market capitalisation of more than ₹ 30,000 Crore highest among all fertiliser PSUs.

75th Year of Fertiliser production

FACT is celebrating its 75th year of fertiliser production and service to the nation. Since its inception, FACT has catered to the fertiliser needs of the farming community. Over the decades FACT has witnessed ups and downs and is now progressing to sustainable growth by adopting best industrial practices. Over the years, FACT had played a pivotal role in increasing farm productivity, leading to food security of the nation.

Way Forward

FACT is well positioned for continued success in delivering consistent and sustainable growth. Towards this FACT is implementing various CAPEX projects.

During the last twelve month period, FACT has commissioned CAPEX projects like Sulphuric Acid Storage Tanks, Reconstruction of Berth for import, Ammonia Barge for transportation of Ammonia to various production divisions etc. Other major projects like capacity enhancement of NP 20:20:0:13, Ammonia Storage tank, Phosphoric Acid Storage Tank etc, are at various stages of completion. Capital projects for enhancement of production capacity is expected to be commissioned during the year 2024-25. On implementation of these projects, the production capacity of the Company will be increased from 10 lakh MT per annum to 15 lakh MT per annum and turn over will be increased to 9000 Crore.

For capacity enhancement and energy savings for sustained operation of the company in the long run, FACT also envisages certain CAPEX projects like the Capacity expansion of the Ammonia Plant, Capacity

expansion of the Phosphoric Acid Plant, and Sulphuric Acid Plant. The total financial commitment estimated for these projects is ₹ 1040 Crore. The Company is planning to implement these projects from its internal resources.

Corporate Governance

The governance system in FACT is setting highest standard of ethical and responsible conduct of business to safe guard the interest of all stakeholders. FACT is committed to comply with the conditions of corporate governance as stipulated in the guidelines issued by the Department of Public Enterprises, Government of India and SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015.

Corporate Social Responsibility

Your Company gives priority to various social responsibility measures for the benefit of the weaker sections of the society and to improve the standard of living of the inhabitants near the factory area. FACT lays focus primarily on CSR activities in local communities in and around the area of its operations. Total amount earmarked for CSR activities for the year 2022-23 was ₹ 4.71 Crore

Your Company has earmarked an amount of Rs. 8.73 Crore for CSR activities for the Financial year 2023-24.

Challenges & Opportunities

Volatility in the prices of fertiliser inputs, logistic constraints changes in climatic conditions and the geopolitical situation are the major challenges being faced by FACT. Your company is trying to convert these challenges into opportunities.

The Company is addressing the challenges by entering into long-term contract for the supply of RLNG and other fertiliser inputs. FACT is also planning to import fertiliser for trading to optimise the profit and turnover. Two shipments of fertilisers have already arrived in the marketing territory of the Company. The marketing territory of the company has already been expanded PAN INDIA.

Acknowledgement

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

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

Udyogamandal
Date: 23.08.2023

(Kishor Rungta)
Chairman & Managing Director



Shri Kishor Rungta, CMD, receiving the prestigious Dhanam Business Professional of the year award 2023.



Shri Kishor Rungta, CMD, paying floral tribute to the statue of late Shri M K K Nair on his 102nd Birth Anniversary at Udyogamandal.



Shri Kishor Rungta, CMD, inspecting the Republic Day Parade.



Shri Kishor Rungta, CMD, delivering the Republic Day Message

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**THE FERTILISERS AND
CHEMICALS TRAVANCORE LIMITED**

Registered Office: Eloor, Udyogamandal – 683 501, Kochi, Kerala

CIN: **L24129KL1943GOI000371**

Ph. 0484-2546486

Website : www.fact.co.in E-mail Id: investors@factltd.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 79th Annual General Meeting of the members of The Fertilisers And Chemicals Travancore Limited will be held on Friday the 29th September 2023, at 11.00A.M., through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

Ordinary Business

1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023, and Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and Report of Auditors thereon and in this regard pass the following resolutions, as ordinary resolutions.
 - (a) RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the reports of the Board of Directors and Auditors thereon be and are hereby considered, approved and adopted.
 - (b) FURTHER RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the report of the Auditors thereon be and are hereby considered, approved and adopted.
2. To declare the Final Dividend of ₹1 per equity share for the Financial Year 2022-23 and in this regard pass the following resolution, as ordinary resolution.

RESOLVED THAT a final dividend of ₹1 (Rupee One) per share aggregating to ₹ 64,70,71,974 (Rupees Sixty Four Crore Seventy Lakh Seventy One Thousand Nine Hundred Seventy Four only) on equity share capital of the Company for the year ended on 31 March 2023, as recommended by the Board, be and is hereby declared.
3. To fix the remuneration of Statutory Auditors and Branch Auditors for the Financial Year 2023-24 and in this regard, pass the following resolution as an ordinary resolution.

RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to fix remuneration of the Statutory Auditors and Branch Auditors appointed by the Comptroller and Auditor General of India for the Financial Year 2023-24.
4. To appoint Ms. Aparna S Sharma, Director (DIN: 07798544) who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment and in this regard, pass the following resolution as an ordinary resolution.

RESOLVED THAT pursuant to the provisions of section 152 (6) (e) of the Companies Act, 2013, Ms. Aparna S Sharma, Director (DIN: 07798544), Joint Secretary, Department of Fertilizers, Ministry of Chemicals and Fertilizers, New Delhi, be and is hereby reappointed as a Director of the Company.

Special Business

5. **To appoint Shri. Taranjit Singh (DIN: 10278060), as a Director on the Board of Directors of the Company.**

The Company has received notice in terms of Section 160 (1) of the Companies Act, 2013 proposing to

appoint Shri Taranjit Singh (DIN: 10278060) as a Director of the Company at this Annual General Meeting.

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

RESOLVED THAT pursuant to the provisions of Section 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Articles of Association of the Company, Shri. Taranjit Singh (DIN: 10278060), Chief Controller of Accounts, Ministry of Chemicals and Fertilizers, Department of Fertilizers, New Delhi, be and is hereby appointed as a Director of the Company.

6. To appoint Shri. M Chandran (DIN: 07817614) as an Independent Director of the Company.

The Company has received notice in terms of section 160(1) of the Companies Act, 2013 proposing Shri M Chandran (DIN: 07817614) as an Independent Director of the Company at this Annual General Meeting.

Members may consider and if thought fit, pass with or without modification(s), the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of section 149, 152, 160 and other applicable provisions of the Companies Act 2013 and the rules made thereunder read with Schedule IV of the Act, and Articles of Association of the Company, Shri. M Chandran (DIN: 07817614) House No 20/43, Syed Abdulla Street, Mount Road, Anna Salai, Chennai, Tamilnadu, India- 600002, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of three years w.e.f 20.06.2023 or until further orders, whichever is earlier, in terms of letter no. 78/2/2006-HR-1(pt.III) dated 20.06.2023 issued by the Ministry of Chemicals & Fertilizers.

7. To appoint Shri. Keda Tanaji Aher (DIN: 07126654), as an Independent Director of the Company.

The Company has received notice in terms of section 160(1) of the Companies Act, 2013 proposing Shri. Keda Tanaji Aher (DIN: 07126654) as an Independent Director of the Company at this Annual General Meeting.

Members may consider and if thought fit, pass with or without modification(s), the following Resolution as an Ordinary Resolution:

RESOLVED that pursuant to the provisions of section 149, 152, 160 and other applicable provisions of the Companies Act 2013 and the rules made there under read with Schedule IV of the Act, and Articles of Association of the Company, Shri. Keda Tanaji Aher (DIN: 07126654) Tirupati Niwas, Malegoan Road, Daulat Nagar, Deola, Nashik, Maharashtra India- 423102, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company for a period of three years w.e.f 20.06.2023 or until further orders, whichever is earlier, in terms of letter no. 78/2/2006-HR-1(pt.III) dated 20.06.2023 issued by the Ministry of Chemicals & Fertilizers.

8. Remuneration to Cost Auditors

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

RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of

the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014, the Cost Auditors appointed by the Board of Directors of the Company to conduct the Audit of the cost records of the Company for the Financial Year 2023-24 be paid the remuneration of Rs. 85,000/- plus out of pocket expenses (subject to a maximum of Rs. 10,000/-).

By Order of the Board of Directors

Sd/-

Susan Abraham

Company Secretary

Place : Udyogamandal

Date : 05.09.2023

Registered Office:

Eloor, Udyogamandal – 683 501,

Kochi, Kerala

Ph. 0484-2546486

Website: www.fact.co.in

E-mail Id: investors@factltd.com

Notes:

1. The Ministry of Corporate Affairs (MCA) vide circular dated 28th December 2022 read with circular dated 20th May 2020 has permitted to conduct Annual General Meeting (AGM) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) without the physical presence of the Members at a common venue. In compliance with the aforesaid circular, the AGM of the Company will be held through VC/OAVM.

The Deemed Venue for the 79th AGM shall be the Corporate Office of the Company.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before the time scheduled for commencement of the meeting. Members can also join the meeting within 15 minutes of the commencement of the meeting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In compliance with the MCA Circulars and SEBI Circulars dated May 12, 2020 and January 15, 2021 Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.fact.co.in, website of the National Stock Exchange of India Limited at www.nseindia.com, and on the website of CDSL <https://www.evotingindia.com>.
7. The Board of Directors of the Company at their meeting held on 05th May 2023 has recommended a final Dividend of ₹1 per equity share (i.e. 10% of the paid up equity share capital) for the Financial Year 2022-23. The Company has fixed Friday, 22nd September, 2023 as the 'Record Date' for determining entitlement of members to receive final Dividend, for the year ended March 31 2023, if approved at the AGM. The final Dividend, if approved by the members in the AGM, subject to deduction of tax at source, will be paid / dispatched on or before 28th October 2023.
8. The dividend will be paid through electronic mode to those members whose updated bank account details are available. For members whose bank account details are not provided/updated, dividend warrants / demand drafts will be sent to their registered address. To avoid delay in receiving dividend, members are requested to register / update their bank account details.
9. Members may send their requests for change / updation of address, bank account details, email address, nominations, etc.: (i) For shares held in dematerialised form - to their respective Depository Participant; (ii) For shares held in physical form - to the Registrar & Transfer Agents ("RTA").
10. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company is taxable in the hands of members. The Company shall therefore be required to deduct tax at source("TDS") at the time of making the payment of dividend. Members are requested to submit the relevant documents to determine the applicable TDS rate, on or before Friday, 22nd September, 2023. Kindly note that no documents in respect of TDS would be accepted from members after Friday, 22nd September, 2023.
11. The relative explanatory statement required under Section 102 of the Companies Act, 2013 is given separately.
12. Relevant documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (i.e., except Sundays and Public Holidays) during business hours up to the date of the Meeting.
13. Members, who have not registered their e-mail IDs so far, are requested to register their e-mail IDs for receiving all communications from the Company electronically.
14. SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 has mandated the submission of PAN, KYC and nomination details by members holding shares in physical form by 30th September, 2023.
15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Members can contact Company's Registrar and Share Transfer Agents (RTA), Purva Shareregistry India Pvt. Ltd, for assistance in this regard. Address of RTA is as follows:

Purva Shareregistry India Pvt Ltd,

9 Shiv Shakti Ind. Estt, J R Boricha Marg,

Lower Parel (East), Mumbai 400 011

Tel. : 2301 2518 / 2301 6761.

E-mail : support@purvashare.com

16. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form, so that dividend when made through NECS/Dividend Warrants can capture the updated particulars.
17. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA in case the shares are held in physical form- Form SH-14 for making changes to their nomination details and Form ISR-3 to opt out of nomination along with the relevant documents to RTA. The relevant forms are available on the company's website at <https://fact.co.in/home/Dynamicpages?MenuId=2950>
18. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
19. Members seeking any information with regard to the accounts, are requested to write to the Company on or before 22nd September 2023 through email on investors@factltd.com.
20. The e-voting period begins on **26th September 2023** at **09.00 AM** and ends on **28th September 2023** at **05.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Record Date (cut-off date) of **22nd September, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
21. The Board of Directors of the Company has appointed Shri M.C. Sajumon, Practising Company Secretary, 68/567-C, Kombara Marriott, St.Benedict Road (West End), Kombara, Ernakulam North P.O, Kochi-682018 as Scrutiniser to scrutinise the remote e-voting in a fair and transparent manner.
22. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to, cfcocchin@gmail.com.
23. Shareholders who vote prior to the meeting date through remote e-voting, would not be entitled to vote at the meeting.

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

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

(I) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (iii) After entering these details appropriately, click on "SUBMIT" tab.
- (iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the EVSN for The Fertilisers and Chemicals Travancore Limited on which you choose to vote.
- (vii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (ix) After selecting the resolution, if you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) There is also a provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - I Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to

log on to www.evotingindia.com and register themselves in the “Corporates” module.

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/ IPads for better experience.
5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **5 (five) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@factltd.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 (five) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@factltd.com. These queries will be replied to by the company suitably by email.
8. Only those shareholders who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For shareholders holding shares in physical mode - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the RTA's email id support@purvashare.com.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

Explanatory Statement Under Section 102 of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting.**Item No. 5**

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilisers, vide Order No.95/1/2019-HR PSU dated 04-08-2023, notified the appointment of Shri. Taranjit Singh (DIN: 10278060), Chief Controller of Accounts, Department of Fertilizers, Ministry of Chemicals and Fertilizers, New Delhi, as part-time Government Nominee Director on the Board of Directors of FACT. In order to comply with the provisions of Companies Act 2013, Shri.Taranjit Singh was appointed as an Additional Director on the Board of Directors of FACT. He will hold office till the conclusion of the 79th Annual General Meeting of the Company.

Notice has been received under section 160 of the Companies Act 2013, proposing the candidature of Shri. Taranjit Singh as Director. He will be liable to retire by rotation. Shri Taranjit Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, and has given his consent to act as a Director.

Except Shri. Taranjit Singh, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, in the resolution.

Details of Shri.Taranjit Singh whose appointment is proposed at item No. 5 are provided in the Annexure to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the ordinary resolution set out as item no 5 of the Notice for approval of shareholders.

Item No. 6

Government of India, Ministry of Chemicals & Fertilisers, Department of Fertilizers vide Order No. F.No.78/2/2006-HR-I (pt. III) dated 20th June, 2023 notified the appointment of Shri. M Chandran (DIN: 07817614) New No 43/ Old No 20, Syed Abdulla Street, Mount Road, Anna Salai, Chennai-600002, as Non-Official Independent Director on the Board of Directors of FACT. In order to comply with the provisions of Companies Act 2013, Shri. M Chandran was appointed as Additional Director (Independent) on the Board of Directors of FACT. He will hold office till the conclusion of the 79th Annual General Meeting of the Company.

In the opinion of the Board of Directors, Shri. M Chandran fulfills the conditions specified for appointment as Independent Director of the Company as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Shri. M Chandran, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, in the resolution.

Details of Director whose appointment as Independent Director is proposed at item No. 6, is provided in the Annexure to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the ordinary resolution set out at item 6 of the Notice for approval of shareholders.

Item No. 7

Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers vide Order No. F.No.78/2/2006-HR-I (pt. III) dated 20th June, 2023 notified the appointment of Shri Keda Tanaji Aher (DIN: 07126654) House No. 203, Tirupati Niwas, Malegoan Road, Daulat Nagar, Tal/ Post – Deola, Distt- Nashik, Maharashtra-423102, as Non-Official Independent Director on the Board of Directors of FACT. In order to comply with the provisions of Companies Act 2013, Shri Keda Tanaji Aher was appointed as Additional Director (Independent) on the Board of Directors of FACT. He will hold office till the conclusion of the 79th Annual General Meeting of the Company.

In the opinion of the Board, Shri Keda Tanaji Aher fulfills the conditions specified for appointment as Independent Director of the Company as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Shri Keda Tanaji Aher, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, in the resolution.

Details of Director whose appointment as Independent Director is proposed at item No. 7, is provided in the Annexure to the Notice pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

The Board of Directors recommends the ordinary resolution set out at item 7 of the Notice for approval of shareholders.

Item 8

The Board has approved the appointment of M/s BBS & Associates, Cost Accountants, Cochin, as Cost Auditors to conduct the audit of cost accounts of the Company for the financial year 2023-24 on a remuneration of ₹ 85,000/- (₹65,000 for Cost Audit of Fertilisers and ₹ 20,000/- for Cost Audit of Caprolactam) plus out of pocket expenses (subject to a maximum of ₹ 10,000/-). As per Rule 14 of Companies (Audit and Auditors) Rules, 2014 read with Section 148(3) of the Companies Act 2013, the remuneration approved by the Board of Directors has to be ratified subsequently by the shareholders. Accordingly the consent of the members is sought through an ordinary resolution for ratification of remuneration payable to the Cost Auditors for the Financial Year 2023-24.

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

The Board of Directors recommends the ordinary resolution set out as item 8 of the Notice for approval of shareholders.

Annexure to the Notice dated 05-09-2023

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

Name	Ms Aparna S Sharma	Shri. Taranjit Singh	Shri. M Chandran	Shri. Keda Tanaji Aher
Age	56	56	62	52
Qualifications	Central Secretariat Service (CSS), MA (English)	Indian Civil Accounts Service	Bsc. Mathematics	Bachelor of Arts and Bachelor of Physical Education
Experience/ Brief Resume	See Website https://fact.co.in/home/Dynamicpages?MenuId=4	See Website https://fact.co.in/home/Dynamicpages?MenuId=4	See Website https://fact.co.in/home/Dynamicpages?MenuId=4	See Website https://fact.co.in/home/Dynamicpages?MenuId=4
Terms & Conditions of Appointment	As per GOI Order No.95/1/2019-HR-PSU dated 01-09-2020, Ms. Aparna S Sharma was appointed as a part time Government Nominee Director	As per GOI Order No. 95/1/2019-HR PSU dated 04-08-2023, Shri. Taranjit Singh was appointed as a part time Government Nominee Director	As per GOI Order F No.78/2/2006-HR-I (pt. III), Shri. M Chandran was appointed as a non-official Independent Director	As per GOI Order F No.78/2/2006-HR-I (pt. III), Shri. Keda Tanaji Aher was appointed as a non-official Independent Director
Remuneration	NIL	NIL	Sitting fees for attending meetings of the Board and Sub Committees of the Board	Sitting fees for attending meetings of the Board and Sub Committees of the Board
Date of First Appointment on the Board	30-09-2020	14-08-2023	23-06-2023	23-06-2023
Shareholding in the Company as on 31st March, 2023	NIL	NIL	NIL	NIL
Relationship / Other Directors/ Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel	Not related to other Directors / Key Managerial Personnel	Not related to other Directors/ Key Managerial Personnel	Not related to other Directors/ Key Managerial Personnel
No. of Meetings of the Board attended during 2022-23	3	0	0	0
Directorship of other Boards as on 31st March, 2023	NIL	NIL	Bhgala Livelihood Finserv Limited	1.Mahaswarajya Farmers Producer Company Limited 2. Deola Agro Producer Company Limited
Membership/ Chairmanship of Committees of other Boards as on 31st March, 2023	NIL	NIL	NIL	NIL

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 79th Annual Report on the business and operations and the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and Auditors Report thereon.

Your Directors are extremely happy to inform you that during the financial year 2022-23, the Company has achieved very good performance in the production, marketing and financial front. The Company has achieved highest ever turnover of ₹ 6198 Cr and earned a net profit of ₹ 612.99 Crore.

The Financial Year 2022-23 witnessed unprecedented volatility on the prices of fertiliser inputs like Ammonia, Phosphoric Acid, Sulphuric Acid, Natural Gas etc due to various geopolitical reasons. Your Company was able to successfully navigate the situation by taking appropriate business decisions, entering into long term contract for supply of fertiliser inputs and improvement in logistics.

During the Financial Year 2022-23, FACT celebrated its 75 years of fertiliser production and service to the nation.

Based on Market Capitalization, as on March 31, 2023, your Company is one among the top 500 listed Companies.

Performance Highlights;

- Net profit of ₹ 612.99 Cr.
- All time high turnover ₹ 6198.15 Cr.
- Total fertiliser production 10.73 Lakh MT.
- Production of 44,754 MT Caprolactam
- Sale of 995815 MT Fertilisers.
- Sale of 43,712 MT Caprolactam
- Long term contract with IOCL for supply of RLNG
- Established 172 PMKSK shops across marketing territories.
- Commissioning of CAPEX projects

1. Financial Results (Standalone)

Financial Results of the Company for the year ended March 31, 2023 is summarized below: ₹ in crore

Particulars	2022-23	2021-22
Net Sales	6198.15	4424.80
Other Income	135.57	111.23
Total Revenue	6333.72	4536.03
Total Expenses	5720.73	4100.59
Profit before Exceptional Items and Tax	612.99	435.43
Exceptional Items	0	-89.06
Earnings before interest, depreciation and Taxes (EBIDTA)	890.44	617.64
Interest	247.34	244.07
Depreciation	30.11	27.19
Profit for the year	612.99	346.38
Other comprehensive Income	-1.11	16.09
Total Comprehensive Income	611.88	362.47

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board of Directors of the Company (the Board) has formulated and adopted the Dividend Distribution Policy. The policy is hosted on the website of the Company and can be accessed through the link <https://fact.co.in/home/Dynamicpages?MenuId=914>

Dividend

For the financial year 2022-23, the Board has recommended a Dividend of ₹ 1 per equity share of face value of ₹10/- each. The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy. The dividend will be paid out of the profits for the year 2022-23.

The Dividend on equity shares is subject to the approval of shareholders at the Annual General Meeting scheduled to be held on 29 September 2023.

Based on the number of equity shares, as on date of this report, the dividend, if approved would result in cash outflow of ₹ 64.70 Crore.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit in the profit and loss account. No amount has been transferred to reserves for the Financial Year 2022-23.

Operations and Performance

Production

During the Financial Year 2022-23, the production of Factamfos increased marginally by 1643 tonnes as compared to previous year. The production of Ammonium Sulphate and Caprolactam increased by 108067 tonnes and 23919 tonnes respectively.

Production	(in MT) 2022-23	(in MT) 2021-22
Factamfos	828195	826552
Ammonium Sulphate	244732	136665
Caprolactam	44754	20835

Marketing

During the Financial Year 2022-23, the sale of Factamfos decreased by 10% as compared to previous year whereas the sale of Ammonium Sulphate increased by 52%. The sale of Caprolactam increased by 110% as compared to previous year.

Sale	2022-23 (In Lakh MT)	2021-22 (In Lakh MT)
Factamfos	7.43	8.32
Ammonium Sulphate	2.20	1.45
Caprolactam	0.44	0.21

The Company expanded fertiliser marketing area to the states of Maharashtra, Gujarat, West Bengal, Odisha and Bihar during the Financial Year 2022-23.

Memorandum of Understanding with Government of India

Your Company has been entering into a Memorandum of Understanding (MoU) with the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India, setting the performance parameters and targets every year. The evaluation of MoU performance for the Financial Year 2022-23 is yet to be completed.

The MoU for 2023-24 is under finalisation by the Govt. of India.

Management Discussion and Analysis Report

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

Roadmap for sustainability / Capital Projects

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

FACT is in the process of commissioning / implementing various CAPEX projects to enhance the production capacity and the sustainable growth of the Company in the long run.

During the financial year 2022-23, the Company has commissioned the following projects.

- New Ammonia Barge for transporting Ammonia between production Divisions and Cochin Port through inland waterways.
- Two additional Sulphuric Acid storage tanks of 5000 MT capacity each, at Cochin Division, Ambalamedu.

Reconstruction of Berth at Cochin Port utilising the financial assistance under ' Sagar Mala Scheme' is completed.

Other CAPEX projects including 1650 TPD NP project are progressing as per schedule. The NP project is expected to be commissioned during the year 2024-25.

Commissioning of the CAPEX project would result in an increase in fertiliser production of the Company from 10 lakh MT to 14 lakh MT and considerable increase in turnover and profit.

Sustainable Development

Your Company is giving priority on implementing several sustainable development activities. Fuel in driers of phosphate plants was changed from furnace oil to Re-gasified Liquefied Natural Gas (RLNG) in the year 2022-23. Changing the fuel to natural gas is a step towards conservation of energy as RLNG is a clean fuel, providing better efficiency in combustion.

Industrial Relations

During the Financial Year 2022-2023, cordial industrial relations were maintained across all Divisions of the Company. Pay revision for the period 1.1.2017 – 31.12.2026 effective from 1.4.2022, was implemented.

Corporate Governance

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

Business Responsibility and Sustainability Report

In accordance with Regulations 34(2)(f) of the SEBI Listing Regulations, the Securities and Exchange Board of India (SEBI), in May 2021 introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report (BRSR). BRSR is a significant step towards giving platform to the Companies to report the initiative taken by them in the areas of environment, social and governance. SEBI has mandated top 1000 Listed Companies, based on market capitalisation to publish BRSR from Financial Year 2022-23 onwards. Accordingly, your directors are glad to present the BRSR report of FACT for the financial year 2022-23 and it is part of the Annual Report of the Company.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, prepared in accordance with Section 129(3) of the Companies Act 2013 and relevant accounting standards form part of the Annual Report.

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

Material changes and commitment

There were no material changes and commitments affecting the financial position of the Company between the end of Financial Year (31st March, 2023) and the date of the report. Similarly, there was no change in the nature of business of the Company during the Financial Year 2022-23.

Associate Company or Joint Venture

FACT-RCF Building Products Limited (FRBL) is a Joint Venture (JV) Company of FACT. During the Financial Year 2022-23, Kerala Enviro Infrastructure Limited (KEIL) has ceased to be an Associate Company of FACT. In accordance with the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the associate company / joint ventures in Form AOC-1 is provided as part of the Annual Report.

Report on financial position and Performance of Joint Venture

During the Financial Year 2022-23, the financial results of FRBL shows a net loss of ₹.7.9 Crores. Due to the accumulated loss, the entire networth of FRBL has been eroded. The Company has created provisions for the entire investment made in FRBL.

ISO Certification

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

Pollution Control Activities

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

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

As per directions from Central Pollution Control Board (CPCB)&Kerala State Pollution Control Board (KSPCB), continuous online monitoring and web uploading are in progress. All analysers as per guidelines have been installed and the parameters are uploaded in KSPCB & CPCB websites. Caprolactam plant was continuously online during the Financial Year 2022-23.

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

Scheme for solid waste management is being implemented by providing separate Bin for metal scraps bio degradable and non-bio degradable wastes. The waste is collected and further segregated at designated facility.

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

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

Official Language

FACT continued to give top priority for the implementation of the Official Language Act and Rules issued by the Ministry of Home Affairs, Govt. of India from time to time. Meetings of Official Language Implementation Committee is being conducted regularly under the chairmanship of Chairman & Managing Director. In order to create enthusiasm in Official Language Hindi among the employees, FACT is regularly conducting Hindi Programmes and Competitions for the employees and officers of various Divisions of the Company. Hindi Fortnight Celebration and Official Language Seminar were conducted at corporate level.

The Company is organizing Official Language Workshops, Training Programmes, and Spoken Hindi Classes for employees on monthly basis to give awareness of Official Language Act and Rules. In order to do more official work in Hindi, the company is giving attractive Cash Incentives to the employees.

FACT won the First place for the excellent performance in Official Language from the Kochi Town Official Language Implementation Committee during the year 2020-21 which was awarded in December, 2022.

Azadi Ka Amrut Mahotsav

While India moves towards the dream of accomplishing good governance, development, global peace and spreading patriotic feelings throughout the Nation as part of the completion of 75 years of India's Independence, the employees of FACT also celebrated Azadi Ka Amrut Mahotsav by organising series of events like Blood donation campaign, Mini marathon, Dealers Meetings etc.

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

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

During the Financial Year 2022-2023, the Company procured material worth ₹ 268.60 crore from MSEs. Out of which ₹ 3.72 Cr (1.4%) is from MSEs owned by SC/ST entrepreneurs and ₹ 2.20 Crore (0.82%) is from women entrepreneurs. Most of the feed stocks and Fertiliser inputs procured by FACT are not available with the MSEs. FACT has paid all dues pertaining to MSEs and no amounts are pending to MSMEs as on date.

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

During the Financial Year 2022-23 FACT has conducted one vendor development programme, in co-operation with Government e-Marketplace (GeM) with special emphasis on procurement through GeM, seller registration in GeM etc.

Directors and Key Managerial Personnel

Appointments

Government of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers, vide Order No. 86/1/2017-HR-I dated 02nd March, 2023 notified the appointment of Dr. Jayachandran K as Director (Technical) on the Board of Directors of FACT.

The Department of Fertilizers, vide Order No. 95/1/2019-HR PSU dated 10th February 2023 notified the appointment of Shri Avtar Singh Sandhu as Part-time Government nominee director, on the Board of Directors of FACT.

The Department of Fertilizers, vide Order No. F.No.78/2/2006-HR-I (pt. III) dated 20.06.2023 also notified the appointment of Shri M Chandran and Shri Keda Tanaji Aher as Non-Official Part-time Directors (Independent Director) on the Board of Directors of FACT.

The Department of Fertilizers, vide Order No. 95/1/2019-HR PSU (pt. 2) dated 04.08.2023 also notified the appointment of Shri Taranjit Singh as Part-time Government Nominee Director on the Board of Directors of FACT.

Retirements and Resignations

On superannuation, Shri A S Kesavan Namboothiri, Director (Technical) ceased to be a Director of the Company with effect from 30th September 2022.

Consequent to the Order of the Govt. of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers, Ms. Deepika Jain ceased to be the Government Nominee Director on the Board of the Company with effect from 17th February 2023.

On completion of three year term Shri Rabinarayan Patra Independent Director retired from the Board of FACT with effect from 7th May 2023.

Consequent to the Order of the Govt. of India, Ministry of Chemicals & Fertilizers, Department of Fertilizers, Sri. Avtar Singh Sandhu ceased to be the Government Nominee Director on the Board of the Company with effect from 04th August 2023.

The Board places on record its appreciation for the valuable services rendered by Shri. A S Kesavan Namboothiri, Ms. Deepika Jain, Shri. Rabinarayan Patra and Sri. Avtar Singh Sandhu during their tenure as Directors of the Company.

Reappointment of Independent Directors

During the Financial Year 2022-23, no Independent Director was reappointed on the Board of the Company as per section 149 (10) of the Companies Act 2013.

Disqualification of Directors

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

Annual Evaluation of Board.

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

However, the Independent Directors in a meeting held on 30.03.2023 reviewed the performance of non-Independent Directors, reviewed the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board and reviewed the performance of the Chairperson of the Company as per Regulation 25(4) of SEBI (LODR) Regulations.

Declaration of Independent Directors

The Independent Directors made declaration of independence under sub-section (6) of Section 149 of Companies Act, 2013 during the Financial Year 2022-23.

Meetings of the Board

During the Financial Year 2022-23, five (5) meetings of the Board were convened and held. The details of the meetings of the Board of Directors are given in the report on Corporate Governance, which is part of this report. The intervening gap between the meetings was within the limit prescribed under the Companies Act 2013.

Secretarial Standards

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

AUDITORS

(1) Statutory Auditors and Statutory Auditor's Report

M/s. K Venkatachalam Aiyer & Co., Chartered Accountants, Kochi, was appointed as Statutory Auditors of the Company for the Financial Year 2022-23 by the Comptroller and Auditor General of India.

M/s Raja & Kumar, Chartered Accountants, Chennai, was appointed as Branch Auditors for the year 2022-23, for the Area / Regional Offices at Tamil Nadu and Kerala, by the Comptroller and Auditor General of India.

M/s CKS Associates, Chartered Accountants, Hyderabad, was appointed as Branch Auditors for the year 2022-23 for the Area / Regional Offices at Andhra Pradesh, Telangana and Karnataka States by the Comptroller and Auditor General of India.

Statutory Auditors has not made any qualification or adverse remarks on the Financial Statements for the Financial Year 2022-23.

(2) Cost Audit

As prescribed under section 148 of the Companies Act, 2013, read with the Companies (Cost Report and Audit) Rules 2014, cost accounting records are being maintained by the Company. M/s Rajendran, Mani & Varier, Cost Accountants, Kochi has been appointed as Cost Auditors of the Company for the year 2022-23. Cost Audit report for the Financial Year 2021-22 was filed with Ministry of Corporate Affairs on 28th September 2022.

(3) Secretarial Audit

M/s SVJS & Associates, Company Secretaries, Kochi, has been appointed as Secretarial Auditors of the Company for the year 2022-23. The report of the Secretarial Auditor is annexed to this report as Annexure-1. The Secretarial Auditor has made the following observations in their Secretarial Audit Report.

1. As per Regulation 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board." However, 700 shares held by the promoter and promoter group are not maintained in dematerialized form.
2. The Board of directors of the Company comprises of Executive and Non-Executive Directors. As per Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors. During the financial year 01.04.2022 to 31.03.2023, fifty per cent of the Board of directors of the Company does not comprise of Independent Directors and non-executive directors. The Company has not appointed a woman independent director upto 18/04/2022. Two Third of the members of the Audit Committee does not comprise of Independent Directors upto 06/05/2022. The members of the Nomination and Remuneration Committee do not comprise of non-executive directors and comprise of only one Independent Director upto 06/05/2022. The Nomination Remuneration Committee comprises of executive directors as well.

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

1. The entire promoter(s) and promoter group shares are in dematerialized form except for the 700 shares held by the nominee shareholders, holding on behalf of the President of India.
2. Being a Central PSU, the members on the Board of FACT are nominated by the Department of Fertilizers, Ministry of Chemicals & Fertilizers, Govt. of India. On appointment of woman Independent Director w.e.f 18.04.2022 and subsequent reconstitution of the Committees w.e.f. 06.05.2022, the Company complied with the SEBI (LODR) Regulations, 2015, except Regulation 17(1). The Company will comply the provisions of regulations 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, once the notification on appointment of Independent Directors is issued by the Government of India.

Audit Committee

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

Public Deposit

During the Financial Year 2022-23, the Company has not accepted any deposit from public.

Investor Education and Protection Fund (IEPF)

During the year 2022-23 no amount is required to be transferred to Investor Education and Protection Fund and therefore FACT has not transferred any amount to Investor Education and Protection Fund. No amount is pending for transfer to IEPF.

Contract or arrangement with related parties

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

Corporate Social Responsibility

FACT continued to give priority on various Social Responsibility measures during the Financial Year 2022-23. The Company has constituted a Board level Committee as per the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014. Annual Report on CSR as per the provisions of Companies (Corporate Social Responsibility Policy) Rules 2014 is annexed to this report as **Annexure-2A**.

Risk Management

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

Vigil Mechanism & Whistle Blower Policy

FACT is having a vigil mechanism for directors and employees to report their concerns. The Directors and employees can approach Chairman, Audit Committee of the Board directly and report their concern in appropriate case. The vigil mechanism and whistle blower policy is published in the web site of the Company www.fact.co.in and can be download using the link <https://fact.co.in/home/Dynamicpages?MenuId=45>

Code of Conduct

FACT is having a code of conduct known as FACT Code of business Conduct and Ethics applicable to the members on the Board and all senior executives of the Company. The code has been posted on the Company's website www.fact.co.in and can be download using the link <https://fact.co.in/home/Dynamicpages?MenuId=2959>

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

The Board members and Senior Executives of the Company have affirmed compliance of the code of Conduct for the Financial Year 2022-23.

Prevention of Insider Trading

No instances of insider trading have been reported on FACT shares till date. A Code of Conduct on Prohibition of Insider Trading is published in the website of the company and can be download using the link <https://fact.co.in/home/Dynamicpages?MenuId=849> .

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

Particulars of Investment made by the Company, are provided in the financial statement for the year 2022-23. During the Financial Year 2022-23, FACT has not provided any loan/guarantee or made any investment within the purview of Section 186 of the Companies Act 2013.

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

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

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

Number of complaints at the beginning of the year:	2
Number of complaints received during the year:	0
Number of complaints disposed of during the year:	2
Number of complaints at the end of the year:	0

Particulars of Employees

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

Vigilance

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

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

During the Financial Year 2022-2023, the Company has observed Vigilance Awareness Week with the theme Corruption free India for a developed Nation, from 31st October 2022 – 6th November, 2022, in line with the decision of Central Vigilance Commission and conducted several programs to create vigilance awareness.

Integrity Pact

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

The Right to Information Act, 2005

FACT is complying the provisions of the Right to Information Act, 2005 and the details relating to Public Information Officer, Assistant Public Information officer, Appellate Authority, Nodal officer etc. are published in the website of the Company www.fact.co.in and can be download using the link <https://fact.co.in/home/Dynamicpages?MenuId=472>

Annual Return

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

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

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

Director's Responsibility Statement

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

- (a) in the preparation of annual accounts for the year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of profit and loss statement for the year ended March 31, 2023.
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) the directors have prepared the annual accounts on a going concern basis.
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

General

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

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

Acknowledgement

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

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

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

For and on behalf of the Board of Directors.

(Kishor Rungta)
Chairman and Managing Director
DIN-00231106

Place : Udyogamandal

Date : 31.08.2023



Shri Kishor Rungta, CMD, launching the new ammonia barge 'Pearl of Periyar'.



Shri Kishor Rungta, CMD, inaugurating the FACT Co-operative Society Super Market at FACT Township, Udyogamandal.



Shri Kishor Rungta, CMD, planting a sapling at FACT Township in connection with the World Environment Day Celebrations 2023.



Shri Kishor Rungta, CMD, flagging off Bharat NPK, as part of the implementation of One Nation One Fertilizer

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

Fertilizer industry is one of the fastest growing basic industries in India. Indian Fertiliser Market is expected to grow at a Compound Annual Growth Rate of 4.7% between the years 2023 and 2028. The Market growth is being driven by increasing demand for food production and improvements in agriculture process. Decreasing fertility of the land and increasing population have raised the importance of fertiliser industry in India. The industry ensures production and supply of essential plant nutrients to farmers at affordable prices to increase farm productivity and to achieve food security of the nation.

In the global market also the demand for fertilisers has increased rapidly in the recent years as growing population has led to an increase in the demand for food. The decline in agricultural productivity due to various reasons is expected to further increase the demand for fertiliser. As rural areas develop, the land dedicated to agriculture decrease resulting in increased demand for fertilisers to maintain soil fertility to ensure high crop yields.

Fertilizer Industry has played a key role in the success of India's Green Revolution and subsequent self-reliance in food grain production. Fertilizers are expected to have a significant influence in raising average the agricultural yields. However, the average intensity of fertilizer use and yield per cultivated area in India remains much lower than most of the developed and emerging countries around the world.

Fertiliser industry is composed of three primary nutrients which are essential for the growth of plants namely Nitrogen, Phosphorus and Potassium and secondary nutrients. The primary objective of the industry is to ensure the inflow of both primary and secondary nutrients at the optimum level.

Government of India is closely monitoring the fertiliser industry in India and providing necessary support and guidance for its sustainable growth. The support of the Government of India to the industry ensures availability of fertiliser to farmers at reasonable prices.

The financial year 2022-23 was a challenging year for the fertiliser industry, not only in India, but all over the world. The year 2022-23 witnessed high volatility in the prices of fertiliser inputs and fertilisers in international market due to various geo political reasons. Prices of fertiliser inputs soared during the first and second quarters and showed a decreasing trend during the fourth quarter. Timely intervention of the Government of India, including increase in subsidy of fertilisers helped the fertiliser industry in India to maintain the production and supply of fertilisers in the country.

During the Financial year 2022-23, production of total Fertiliser Nutrients in India increased by 11.6% compared to the previous year.

Prices of fertiliser inputs like Ammonia, Sulphuric Acid, Phosphoric Acid etc. are showing a decreasing trend in the financial year 2023-24. The price has come down to the pre-covid levels and this is a good sign for fertiliser industry in India and also the global fertiliser market.

Growing demand for high efficiency fertilisers is creating lucrative opportunities for the fertiliser industry in India.

Volatility of input price, over dependence of import and lack of infrastructure facilities for handling and storage are the challenges being faced by the fertiliser industry in India.

About the Company

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

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

Installed capacity of FACT plants are given below.

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

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

FACT's objectives are:

- To produce and market Fertilisers & Caprolactam and other products efficiently and economically, besides achieving a reasonable and consistent growth.
- To effectively manage the assets and resources of the company to ensure a reasonable return on investment
- To focus on cost reduction and technology upgradation in order to become competitive in business.
- To constantly innovate and develop new products and services to satisfy customer requirements.
- To invest in new business lines, where profit can be made on a sustainable basis.
- To provide services to the farming community by organizing technical training, soil testing and other productivity improvement services in agriculture.

Operational Performance Segment wise / Product wise

a. Udyogamandal Complex:

The Udyogamandal Complex produced 208146 MT of Factamfos, (NP 20:20:0:13), which is 140% of the installed capacity. Ammonium Sulphate production during the year was 244732 MT, which is 109% of the installed capacity. This is against the production of 186192 MT and 136665 MT respectively in the previous year.

The production of Ammonium Sulphate was through Caprolactam route and Annual production of 244732 MT of Ammonium Sulphate during the year is the all-time highest production through Caprolactam route.

Nutrient wise production was 92044 MT of Nutrient Nitrogen as against 41629 MT of P_2O_5 . 65391 MT of Nutrient Nitrogen and 37238 MT of Nutrient P_2O_5 , in the previous year.

Petrochemical Unit: Caprolactam production was 44754 MT as against 20835 MT during the previous year. The year 2022-23 witnessed full year production of Caprolactum after re-commissioning of the plant.

b. Cochin Division:

The Cochin Division produced 620050 MT of Factamfos, (NP 20:20:0:13), which is 128% of the installed capacity. This is against the production of 640360 MT in the previous year.

The Cochin Division produced 124010 MT each of nutrient nitrogen and nutrient P_2O_5 , which is 127.85% of the installed capacity. The production of Nutrient Nitrogen and P_2O_5 during the previous year was 128072 MT.

The division also produced 234330 MT of Sulphuric Acid and 63050 MT of Phosphoric Acid as compared to 284495 MT of Sulphuric Acid and 57275 MT of Phosphoric Acid in the year 2021-22.

c. Marketing Division:

During the year the Company had achieved a total sales revenue of ₹. 6083 Crore from the sale of fertiliser which is an all-time record.

The Company also achieved remarkable sales of 1 Million tonnes of all fertilizers by the sale of 7.43 lakh MTs of *Factamfos*, 2.20 lakhs MTs of *Ammonium sulphate*, 17179 MTs of *FACT Organic* and 3120 MTs of *Organic Plus*.

FACT started ex-factory sales of Factamfos in Kerala and was able to sell 10115 MTs. This helped to spread the supply of Factomfos in the state of Kerala.

FACT had expanded the fertiliser marketing on PAN India basis by extending the operations in the states of Maharashtra, West Bengal, Odisha, Gujarat and Bihar. The company has also marketed fertilisers in association with other PSUs like Hindustan Insecticides Ltd. (HIL), Rashtriya Chemicals and Fertilizers Limited (RCF), Brahmaputra Valley Fertilizer Corporation Ltd. (BVFCL) during the year.

The Company could also achieve excellent sales in Chemicals and Petrochemical products with 110% growth in sale of Caprolactam and 14% growth in sale of Gypsum. Two new products – Cyclohexane and Cyclohexanone were also added for sale to increase the turnover.

d. FACT Engineering and Design Organisation (FEDO):

During the year 2022-23, FEDO focused on major jobs of external clientele and achieved substantial progress in completion of major jobs in the spectrum of design, engineering, procurement and inspection fronts as well as in the Projects and Constructions.

FEDO received new external orders for a value of ₹. 45.00 Crore as compared to ₹. 26.15 Crore during the year 2021-22. FEDO achieved a turnover of ₹.4.46 Crore as compared to ₹. 6.40 Crore in the previous year.

FEDO is also concentrating on the CAPEX project of FACT. During the year, projects like Construction of Sulphuric Acid Storage Tank at Cochin Division, Reconstruction of south Coal Berth at Willingdon Island etc. were completed. FEDO is actively participating in the ongoing CAPEX like construction of 1650 MT TPD NP plant at Cochin Division, construction of 10,000 MT Ammonia Storage Tank at FACT Cochin Division, construction of two Phosphoric Acid Storage Tank at Willingdon Island etc.

e. FACT Engineering Works (FEW):

FEW bagged External orders worth ₹.256.24 lakh compared to ₹.120.97 lakh during the Financial Year 2021-22.

FEW is planning to associate with credible Engineering firms to increase the business and turnover. The demand from the process industry for pressure vessels and heat exchangers for replacement as well as for capacity expansion is steady and it offers business opportunity to FEW.

FEW is assisting in the commissioning of CAPEX projects of FACT. One major achievement was the construction and commissioning of new Ammonia Barge 'Pearl of Periyar'. The Barge has been put to service for transportation of Ammonia.

Further details on Segment-wise or Product-wise Performance and Discussion on financial performance with respect to operational performance are furnished separately in the Annual Report.

Material developments in Industrial Relations / Human Resources

1. Industrial Relations

During the financial year 2022-2023, cordial industrial relations were maintained across all Divisions of the Company. Meetings were regularly held between Management and the Trade Unions and Officer Associations, to discuss and deliberate on various issues. Pay revision for the period 1.1.2017 –

31.12.2026 effective from 1.4.2022, was implemented. There was no loss of production during the year due to Industrial Relation issues.

2. Human Resources

The Company values Human Resources as an important asset and recognizes its contribution in achieving high levels of production and sales. 103 employees joined the permanent rolls of the Company during the year 2022-23. There were 1546 employees on permanent rolls as on 31.03.2023.

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

The Company has a well-structured and effective Employees Grievance Management System for redressing employee grievances. The basic objective of the Employees Grievance Redressal System is to provide an easily accessible machinery for settlement of grievances and to adopt measures to ensure expeditious settlement of grievances of all the employees. Three separate Grievance Committees are in place for employees in various cadres to consider and redress grievances.

3. Development of Scheduled Castes/ and Scheduled Tribes (SC/ST).

Regular in house training programmes are being arranged to employees including SC/ST employees through FACT Training Centre.

For engagement of Apprentices under the Apprentices Act, representation as per rules is provided. The representation for SC/ST in Apprentices as on 31.03.2023 is as follows:

Total No of Apprentices	GEN	OBC	SC	St
157	49	89	18	01

18 SC and 1 ST Apprentices underwent training during 2022-2023.

4 Steps taken for the welfare of SC/ST employees

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

The representation of SC/ST in recruitments during the year 2022-23 is given below:

Recruitment 01.04.2022-31.03.2023	Numbers Recruited	SC	ST
Managerial cadre	64	11	5
Non managerial cadre	39	6	1
Grand Total	103	17	6

The employment of Reserved categories as on 31.03.2023 is given below:

	Total	SC	ST	OBC	PWBD
No of Employees	1546	211	51	638	38
% of total employees		13.65	3.30	41.27	2.46

SC/ST Grievance Cell

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

Training

Maximum representation is ensured for SC/ST/OBC in all the training programs.

The following in house training programs were attended by SC/ST/OBC Categories of employees.

1. Training on Preventive Vigilance
2. Training on Effective Leadership & Managerial Effectiveness
3. Effectiveness of Human Resource Functions
4. Training on CVC Guidelines and CTE Observations
5. Awareness program on Sexual Harassment
6. Training on Vibration Analysis & Condition Monitoring
7. Talk on Productivity, Green Growth & Sustainability

Allotment of Residential Quarters

Due consideration is given for allotment of Residential Quarters to SC/ST employees. 27% of the quarters are presently occupied by SC/ST Employees. Details of the quarters allotted to SC/ST employees are furnished below:

Total number of quarters occupied by the employees in the Townships	SC Employees	ST Employees
510	110	29

Reservation of Dealership

FACT is having 5566 dealers for distribution of fertilisers. FACT is encouraging SC/ST category dealers to apply for the dealership in accordance with policy of Department of Fertilizers, Government of India.

Total number of dealers and the representation of SC/ST in dealership as on 31.3.2023 is given below.

S.NO.	STATE	TOTAL DEALER	SC	ST
1	Kerala	1634	15	2
2	Tamil Nadu	1093	59	0
3	Pondicherry	20	2	0
4	Karnataka	1498	41	32
5	Telangana	537	3	5
6	Andhra Pradesh	686	4	0
7	Maharashtra	21	0	0
8	Punjab	1	0	0
9	Odisha	23	0	0
10	West Bengal	38	0	0
11	Bihar	15	0	0
TOTAL		5566	124	39

Opportunities & Threats

Opportunities

- Premium product in the complex fertiliser segment
Factamfos NP 20:20:0:13 is the most preferred complex fertiliser containing sulphur in South Indian Market.
- Extensive Marketing network in Southern India
FACT is having extensive market network in South India. FACT's products are being marketed through dealer network of about 5566 dealers.
- Substantial infrastructure facilities
FACT is having infrastructure facilities like dedicated berth for importing of raw materials and facilities for movement of fertiliser input through road and water ways in barges.
- Operational efficiency and high capacity utilisation of plants.
FACT plants are capable of achieving 120% - 130% of its installed capacity.
- Scope for expansion and diversification
FACT is having scope for expansion of its activities to other States. Similarly, the Company can diversify to manufacture other grades of fertiliser. The Company can also enter into manufacturing and trading of various chemicals also.
- Availability of land resources for generating additional revenue
The Company is having land resources for generating additional revenue.
- Availability of RLNG at Kochi
Petronet LNG has set up a re-gasification / storage facility of Natural Gas at Kochi. FACT plants are connected with a pipeline of GAIL for transmission of re-gasified Natural Gas.

Threats

- Volatility in Raw Material prices
The Company does not have any control over the price of raw materials. All the major fertiliser inputs are imported and prices are highly volatile.
- High interest on Government of India Loan
Government of India is charging 13.5% interest on the loan availed. The liability in this regard is ₹.240 Crore approximately per annum. This will affect the profitability of the Company.
- Exchange rate variations
The Company is depending upon import for fertiliser inputs. The adverse impact in exchanging rate variations is a serious threat to the profitability of the Company.
- Fluctuation in availability of import raw materials and the logistic constraints
Any delay on receipt of import of raw materials will adversely affect the production of the Company.
- Seasonal nature of product demand
Fertiliser consumption is seasonal and dependent on rainfall in the region.

Risk and Concern

The fertiliser business is exposed to various risks arising from fluctuations in international raw material prices, foreign exchange rate, geo-political uncertainties etc., which can have an adverse impact on the

financial position and impact margins. Cyber security issues like information breach, unauthorized access, loss of sensitive or confidential information etc. also pose significant risks to the Company.

Internal Control systems and their adequacy

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

Key Financial Ratios

Key financial ratios of the Company for the financial year 2021-2022 and financial year 2022-2023 are given below

SL No	Particulars	2022-23	2021-22	Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year)
i	Debtors Turn Over Ratio	5.77	4.27	Due to reduction in the accrued subsidy as at the year end
ii	Inventory Turn Over Ratio	7.55	7.50	NA
iii	Interest Coverage Ratio	3.60	2.53	Due to increase in profit
iv	Current Ratio	1.08	0.98	NA
v	Debt Equity Ratio	3.27	6.16	The debt equity ratio improved due to the profit earned during the year
vi	Operating Profit Margin	0.14	0.16	NA
vii	Net Profit Margin	0.10	0.08	NA
viii	Return on Capital employed	0.19	0.16	NA

As on 31.03.2022 the networth was ₹ 567.26 Crore. During the Financial Year 2022-23, the Company earned a profit of ₹ 613 Crore and networth as on 31.03.2023 is ₹ 1164.16 Crore. The profit of the Company increased from ₹ 346 Crore to ₹ 613 Crore in 2022-23.

Outlook

The Company expects to continue the excellent production and marketing performance during the year 2023-24. Company is also planning to increase fertilizer trading activities. PAN India operations and tie up with other fertiliser PSUs would help the company to enhance the sale. Production and sale of Chemicals and petrochemical products are also expected to increase during the year 2023-24 and give good revenue to the Company. Tie up for supply of RLNG and other fertiliser inputs would ensure continuous supply of raw materials.

FACT is in the process of commissioning / implementation of various CAPEX projects for enhancing the production capacity and the sustainable growth of the Company in the long run.

Commissioning of the CAPEX project would result in increase in fertiliser production of the Company from 10 lakh MT to 14 lakh MT and considerable increase in turnover and profit.

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

Cautionary Statement

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

Place: Udyogamandal

Date : 31.08.2023

(Kishor Rungta)

Chairman & Managing Director

DIN-00231106



Shri Kishor Rungta, CMD, with the officials of Asian Blind Football Championship organized by Paralympic Committee of India



Shri Kishor Rungta, CMD, at the blood donation camp held at FACT Udyogamandal Club.



Shri Kishor Rungta, CMD flagging off the Mobile Healthcare Unit (MHU) launched as a CSR Initiative of FACT



Shri Kishor Rungta, CMD, inaugurating the FACT Hall at the Kerala Management Association, KMA House at Kochi.

REPORT ON CORPORATE GOVERNANCE

I Philosophy on Code of Governance

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

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

II Board of Directors

(a) Composition and Category

Sl. No	Name of Director	Period		Nature of Directorship /Category	No. of Directorship in other Board
		From	To		
1	Shri KishorRungta	02.02.2019	Continuing	Chairman& Managing Director- Whole time Functional (Executive) Director	2
2	Shri Anupam Misra	14.07.2020	Continuing	Director (Marketing) Whole time Functional (Executive) Director	NIL
3	Shri S Sakthimani	08.03.2021	Continuing	Director (Finance) Whole time Functional (Executive) Director	NIL
4	Shri K Jayachandran	03.03.2023	Continuing	Director (Technical) Whole time Functional (Executive) Director	1
5	Ms. Aparna S Sharma	30.09.2020	Continuing	Part-time Official Director (Non-Executive Director)	NIL
6	Shri Taranjit Singh	14.08.2023	Continuing	Part-time Official Director (Non-Executive Director)	NIL
7	Prof Anjula Murmu	18.04.2022	Continuing	Independent Director	NIL
8	Shri Keda Tanaji Aher	23.06.2023	Continuing	Independent Director	2
9	Shri M Chandran	23.06.2023	Continuing	Independent Director	1
10	Shri Rabinarayan Patra	07.05.2020	06.05.2023	Independent Director	NIL
11	Shri. A S KesavanNampoori	22.03.2021	30.09.2022	Director (Technical) Whole time Functional (Executive) Director	NIL
12	Ms Deepika Jain	29.09.2021	17.03.2023	Part-time Official Director (Non-Executive Director)	NIL
13	Shri Avtar Singh Sandhu	23.03.2023	04.08.2023	Part-time Official Director (Non-Executive Director)	NIL

(b) Disclosure pertaining to Directors

- i) Government of India vide Order F. No. 84/3/2017-HR-I dated 17.07.2023, has entrusted the additional charge of the Chairman and Managing Director in Madras Fertilizers Limited, to Shri.Kishor Rungta Chairman and Managing Director, FACT.
- ii) Government of India vide Order No. 84/1/2022-HR-PSU-HR-I dated. 15.05.2023, has entrusted the additional charge of the post of Director (Technical) Madras Fertilizers Limited to Dr. Jayachandran K Director (Technical), FACT.

No other Director on the Board of FACT is holding any Board level positions in other Listed Companies.

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

(c) Details of Board Meetings & Attendance of Directors

Sl. No	Board Meeting Number	Date	Venue	Filled Strength	Directors Present
1	517	22.04.2022	Kochi	8	7
2	518	06.05.2022	Kochi	8	8
3	519	05.08.2022	Kochi	8	7
4	520	11.11.2022	Kochi	7	5
5	521	03.02.2023	Kochi	7	6

(d) Attendance in Board meetings

Sl. No	Name of Director	Period	No: of Meetings held	No: of Meetings Attended
1	Shri Kishor Rungta	01.04.2022 to 31.03.2023	5	5
2	Shri Anupam Misra	01.04.2022 to 31.03.2023	5	5
3	Shri S Sakthimani	01.04.2022 to 31.03.2023	5	5
4	Shri K Jayachandran	03.03.2023 to 31.03.2023	0	0
5	Ms. Aparna S Sharma	01.04.2022 to 31.03.2023	5	3
6	Shri. Avtar Singh Sandhu	23.02.2023 to 31.03.2023	0	0
7	Shri Rabinarayan Patra	01.04.2021 to 31.03.2023	5	5
8	Ms Anjula Murmu	18.04.2022 to 31.03.2023	5	5
9	Shri. A S KesavanNampoori	01.04.2022 to 30.09.2022	3	3
10	Ms Deepika Jain	01.04.2022 to 17.02.2023	5	2

Shri Kishor Rungta, Chairman and Managing Director, Shri Anupam Misra, Director (Marketing), Shri S Sakthimani, Director (Finance), Shri A S Kesavan Nampoori, Director (Technical), Shri Rabinarayan Patra Independent Director and Prof Anjula Murmu, Independent Director attended the 78th Annual General Meeting of the Company held on 28.09.2022.

(e) Particulars of New Directors and Directors retiring by rotation and being re-appointed

Sl. No	Name of Director	Age	Date of Directorship	Remarks
1	Ms Aparna S Sharma	55	30.09.2020	Retiring by rotation and eligible for re-appointment
2	Shri Keda Tanaji Aher	52	23.06.2023	Appointed as Additional Director
3	Shri M Chandran	62	23.06.2023	Appointed as Additional Director
4	Shri Taranjit Singh	56	14.08.2023	Appointed as Additional Director

(f) Particulars of Directors under (e) above are as follows:
Ms Aparna S Sharma

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

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

Shri Keda Tanaji Aher

Shri Keda Tanaji Aher is a non-official Independent Director on the Board of FACT, appointed as per the notification of the Ministry of Chemicals and Fertilizers, Government of India. Shri. Keda Tanaji Aher is the Chairman of Deola Agro group, a farmer collective of 1000+ farmers from Nashik, Maharashtra. He has been working in social, cooperative, and education fields for the past 30 years. He has held a number of positions in several organisations including President - Nashik District Central Cooperative Bank, Chairman-Nashik District Labour Federation, Chairman- Deola APMC, Nashik, Chairman- Girija Education Trust, Deola.

Shri Keda Tanaji Aher is a member of Audit Committee of the Board.

Shri M Chandran

Shri. M Chandran is a non-official Independent Director on the Board of FACT, appointed as per the notification of the Ministry of Chemicals and Fertilizers, Government of India. He has been closely associated with social and health sectors for the past 20 years. He has a Bachelor Degree in Mathematics from University of Madras. Shri. M. Chandran is a Director of Bhagla Livelihood Finserv Limited. He is also a member of the Advisory Council for Tamilnadu in National Book Trust and a Trustee of Elaya Bharatham Seva Trust.

Shri M Chandran is a member of the Nomination and Remuneration Committee of the Board.

Shri Taranjit Singh

Shri. Taranjit Singh was appointed as Govt. Nominee Director on the board of the company. Shri. Taranjit Singh is the Chief Controller of Accounts, Department of Fertilizers, Ministry of Chemicals and Fertilizers, Government of India. He is an M.Tech (Mechanical Engineering) from Thapar Institute of Engineering and Technology, Patiala.

He has been a Member of Indian Civil Accounts Service, Govt. of India, since 1995 and has worked in different fields of Financial and Fiscal Management in Govt. of India. He has worked at Joint Secretary Level in various positions.

(g) List of Core Skills/ Experience/ Competencies Identified by the Board

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

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

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

1. Expertise in administration and management
2. Expertise in Finance and Accounting;
3. Law, Agriculture and Rural Economy;
4. Marketing
5. Engineering, Research and Development
6. Economics;
7. Public Sector Undertaking;
8. Business Management;
9. Risk Management;
10. Human Resources;
11. General Administration
12. Any other matter the special knowledge of, and practical experience, which would, in the opinion of the Board, be useful to the Company

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

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

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

Sl. No.	Director	Skills/Competency/Experience
1	Shri Kishor Rungta	Expertise in Administration and Management of a Schedule A PSE, Risk Management, Public Sector Undertaking, Costing, Research and Development & Business Management
2	Shri Anupam Misra	International Trade, Marketing, Sales & Distribution, Logistics Management, Business Management & Strategy, Public Sector Undertaking, Contracting, Negotiations, Trade and financing
3	Shri S Sakthimani	Finance, Public Sector Undertaking, Economics, Costing and Risk management
4	Dr Jayachandran K	Fertilizers and Chemicals, Engineering Research and Development, Human Resources & Agriculture and Rural Economy
5	Ms Aparna S Sharma	General Administration, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
6	Shri Taranjit Singh	General Administration, Finance, Fertilizers and Chemicals, Costing, Agriculture and Rural Economy & Public Sector Undertaking
7	Prof. Anjula Murmu	Academic/ General Administration/ Human Resources
8	Shri Keda Tanaji Aher	General Administration/ Human Resources
9	Shri M Chandran	Academic/ General Administration/ Human Resources

(h) Familiarization programme imparted to Independent Directors

FACT is providing Familiarization programme to Independent Directors. Details of familiarization programme imparted to independent directors can be accessed in the web link <https://fact.co.in/home/Dynamicpages?MenuId=1922>

III. Audit Committee

Sl.No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra – Chairman (upto 06-05-2023)	Independent Director
2	Ms Aparna S Sharma	Government Nominee Director
3	Prof Anjula Murmu	Independent Director
4	Shri. Anupam Misra (from 26-05-2023 to 05-07-2023)	Director (Marketing)
5	Shri Keda Tanaji Aher(From 05-07-2023)	Independent Director

Terms of reference of the Audit committee of the Board are as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of the meetings of Audit Committee.

Sl No	Audit Committee Meeting Number	Date	Number of Members	Number of Members Attended
1	84	06.05.2022	3	3
2	85	05.08.2022	3	2
3	86	11.11.2022	3	2
4	87	03.02.2023	3	3

IV. Nomination and Remuneration Committee

FACT is a Government Company (CIN: L24129KL1943GOI000371) in terms of Section 2 (45) of the Companies Act, 2013. The Board of Directors of FACT are nominated/appointed by the Government of India. The Government of India fixes the remuneration of Chairman and Managing Director and other Whole-time Functional Directors. The Company is not paying any remuneration to part-time official directors (Nominees of Government of India). However, Independent Directors are being paid sitting fee of Rs.20000/- for attending each meeting of the Board and Committee of the Board.

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

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

The role of Nomination and Remuneration Committee is as per the provisions of SEBI (LODR) Regulations, 2015; the Companies, Act, 2013 and DPE guidelines on Corporate Governance for Central Public Sector Enterprises.

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

Composition of the Nomination and Remuneration Committee is given below:

Sl.No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra – Chairman (upto 06-05-2023)	Independent Director
2	Prof Anjula Murmu	Independent Director
3	Shri Kishor Rungta	Chairman and Managing Director
4	Shri S Sakthimani (from 26-05-2023 to 05-07-2023)	Director (Finance)
5	Shri M Chandran (from 05-07-2023)	Independent Director

Details of the meetings of Nomination and Remuneration Committee

Sl.No	Date	Number of Members	Number of Members Attended
1	02.02.2023	3	3

Evaluation Criteria for Independent Directors

FACT being a Government Company, all appointments on the Board is made by Government of India, Ministry of Chemicals and Fertilizers, Department of Fertilizers. The performance evaluations of directors are done by the administrative ministry and hence FACT is not conducting annual evaluations of performance of independent directors.

V. Shareholders / Investors Grievance Committee / Stake Holders Relationship Committee

a) Composition

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

Sl.No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra – Chairman (upto 06-05-2023)	Independent Director
2	Shri Anupam Misra	Director (Marketing)
3	Shri S Sakthimani	Director (Finance)
4	Prof Anjula Murmu Chairman (from 26-05-2023)	Independent Director

The Complaints of Investors / shareholders are promptly attended to either by the Share Transfer Agent of the Company or by the Company directly and no complaints of Shareholders remain un-attended as on 31-03-2023.

b) Compliance Officer

Name and Designation of Compliance Officer is as follows;

Susan Abraham,

Company Secretary

The Fertilisers And Chemicals Travancore Limited,

Udyogamandal-683 501, Kerala;

e-mail – investors@factltd.com; Ph: 0484-2567620

c) Complaints Received

During the financial year 2022-23 FACT has received only one complaint from a shareholder through SEBI-SCORES and the same was addressed and settled.

d) Complaints Unattended

None of the complaints remain unresolved during the year.

e) Pending Complaints

None of the complaints are pending for redressal.

VI. Risk Management Committee

a) Terms of Reference

FACT is one among the top 500 listed Companies based on Market Capitalization. FACT has constituted a Risk Management Committee in line with SEBI (LODR) Regulations, 2015. The role of Risk Management Committee is as per the provisions of SEBI (LODR) Regulations, 2015, Companies Act, 2013 and the Risk Management Policy of the Company.

b) Composition

Sl.No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra – Chairman (upto 06-05-2023)	Independent Director
2	Prof Anjula Murmu (from 26-05-2023)	Independent Director
3	Shri Anupam Misra	Director (Marketing)
4	Shri S Sakthimani	Director (Finance)
5	Dr. Jayachandran K (from 26-05-2023)	Director (Technical)

c) Details of the meetings of Risk Management Committee

Sl No	Meeting Number	Date	Number of Members	Number of Members Attended
1	Meeting Number 3	11.11.2022	3	3
2	Meeting Number 4	30.03.2023	3	3

(B) Committee on Corporate Social Responsibility

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

SI.No	Name of Director	Nature of Directorship
1	Shri Rabinarayan Patra (upto 06-05-2023)	Independent Director
2	Prof Anjula Murmu (from 26-05-2023)	Independent Director
3	Shri Kishor Rungta	Chairman and Managing Director
4	Shri Anupam Misra (upto 26-05-2023)	Director (Marketing)
5	Dr. Jayachandran K (from 26-05-2023)	Director (Technical)

VI. Remuneration of Directors

Functional (Executive) Directors are appointed by Government of India and their remuneration and other terms and conditions are governed by the terms of appointment as decided by the Government. Remuneration paid to the Directors during the year 2022-2023 is as under:

SI No	Name of the Director	Salary and Allowances (in ₹)	Other benefit and perquisites (in ₹)	Total Remuneration (in ₹)
1	Shri. Kishor Rungta, Chairman & MD	42,01,238	7,78,581	49,79,819
2	Shri Anupam Misra Director (Marketing)	34,91,895	5,71,642	40,63,537
3	Shri S Sakthimani Director (Finance)	36,83,238	5,59,951	42,43,189
4	Dr Jayachandran K Director (Technical) (from 03.03.2023)	2,81,823	29,896	3,11,719
5	Shri A S Kesavan Nampoori Director (Technical) (upto 30.09.2022)	20,19,124	1,73,707	21,92,831
	Total	1,36,77,318	21,13,777	1,57,91,095

Part Time Government Nominee Directors are neither paid any remuneration nor paid sitting fee for attending Board Meetings. None of the Govt. Nominee Directors had any pecuniary relationship or transactions with the Company during the year 2022-23.

Sitting fee of ₹20,000/- per meeting has been paid to Independent Directors for attending meetings of the Board and sub committees of the Board. The sitting fee paid during the Financial Year 2022-23 is as follows

SI.No	Name of Director	Sitting Fee (in ₹)
1	Shri Rabinarayan Patra	2,90,000
2	Prof Anjula Murmu	2,10,000
	Total Sitting fee paid	5,00,000

VII. General Meetings

The date, time and venue of the last three Annual General Meetings were as follows:

Year	Date	Time	Venue	Details of Special Resolution
2019-2020	23.09.2020	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	NIL
2020-2021	22.09.2021	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	NIL
2021-2022	28.09.2022	11.00 AM	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	NIL

Postal Ballot

- On 13th June, 2022 Company has issued a notice of Postal Ballot along with explanatory statements for the appointment of Prof. Anjula Murmu as an Independent Director on the Board of FACT.
- SVJS and Associates, practicing company secretaries were the scrutinizer in postal ballot.
- As on date, the Company is not proposing to pass any resolution through postal ballot.

VIII. Means of Communications

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

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

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

IX. General Shareholders Information

- Information relating to the Annual General Meeting & Financial Calendar for 2023-2024 are given below:

79th Annual General Meeting	
Day	Friday
Date	29.09.2023
Time	11.00 am
Venue	Udyogamandal

Financial Calendar 2023-2024	
Ist Quarter Financial Results	Published on 10.08.2023
IIInd Quarter Financial Results	Will be published within 45 days from the end of the quarter.
IIIrd Quarter Financial Results	Will be published within 45 days from the end of the quarter
IVth Quarter Financial Results	Will be published within 60 days from the end of the Financial Year.

Dates of Book Closure	23.09.2023 - 29.09.2023
Dividend Payment Date	28.10.2023 (If declared at AGM)

Listing
The shares of the Company are listed in National Stock Exchange of India Ltd, Mumbai. Listing fee has been paid to the Stock Exchange up to the year 2022-2023

Stock code	
Name of Stock Exchange	Stock Code
National Stock Exchange of India Ltd, Mumbai	FACT

b) Market Price

During the Financial Year 2022-23, the share price of the Company touched ₹390.00 per share. The share price of the Company opened at ₹130.15 on April 1st, 2022 and closed at ₹205.40 on March 31st, 2023 in the National Stock Exchange of India Limited.

Month	High (₹)	Low (₹)
April 2022	144.50	125.00
May 2022	136.00	110.80
June 2022	130.75	82.35
July 2022	117.45	93.40
August 2022	125.45	113.60
September 2022	132.00	104.00
October 2022	124.90	107.35
November 2022	150.75	112.50
December 2022	373.00	141.55
January 2023	390.00	282.10
February 2023	312.45	221.45
March 2023	258.40	192.00

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

The relative performance of the monthly closing price of the Company's share vis-à-vis NSE-NIFTY during the year 2022-23 is given below



c) Share Transfer / Depository Agent

During the financial year 2022-23, BgSE Financials Limited, Stock Exchange Towers, 51, 1st Cross, J.C.Road, Bangalore 560 027 was the Registrar and Share Transfer Agent (RTA) of the Company. With effect from 1st April 2023 Purva Sharegistry (India) Pvt. Ltd, Unit No. 9, Shiv Shakti Industrial Estate ,J.R. Boricha Marg, Mumbai was appointed as the new RTA of the Company.

d) Distribution of Shareholding as on 31.03.2023

Shareholding of Nominal Value of Rs. 10/-	Share holders		Amount (₹)
	Number	% to Total	
Up to 500	43244	95.45	3,15,70,950
501 – 1000	1316	2.91	1,04,08,710
1001 – 2000	460	1.02	69,84,800
2001—3000	118	0.26	30,25,190
3001— 4000	48	0.11	17,14,070
4001—5000	38	0.08	18,15,090
5001—10000	44	0.10	30,66,470
10001 –50000	23	0.05	46,30,270
50001 and above	9	0.02	640,75,04,190
Total	45300	100.00	647,07,19,740

During the financial year 2022-23, FACT shares were actively traded on National Stock Exchange. Based on Market Capitalization as on March 31st, 2023, FACT is one among the top 500 listed Companies.

e) De-materialization of shares and liquidity

The summarized position of shareholders in Physical and Demat segment as on 31.03.2023 is as under

Type of Shareholding	Shareholders (Folios)		Shareholding (%)	
	Number	%	Number	%
Holding in NSDL	12626	27.87	640796395	99.03
Holding in CDSL	27356	60.39	3299847	0.51
Holding in physical	5318	11.74	2975732	0.46
Total	45300	100.00	647071974	100.00

f) Plant Locations

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

g) Address for correspondence by Shareholders:

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

h) Credit Rating

During the financial year 2022-2023 CARE Ratings Limited has given rating on the bank facilities of the Company as follows

Long term Rating - CARE A- Stable

Short term Rating - CARE A2

i) Share Transfer Committee & Share Transfer System

In terms of Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, transfer of securities held in physical mode has been discontinued w.e.f. April 01, 2019. The Shares of FACT are compulsorily traded in De-mat form. All requests for transmission of shares received are processed by the Share Transfer Agent. The Share Transfer Committee comprises of Chairman and Managing Director and Director (Finance).

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

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

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

k) Certificate from Company Secretary In Practice

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

l) Annual Secretarial Compliance Report

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

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

m) Other Disclosures

- a. During the year 2022-23, the Company has not entered into any materially significant related party transactions that may have potential conflict of interest with the Company at large.
Policy on Related Party Transactions of the Company can be accessed in the web link: <https://fact.co.in/home/Dynamicpages?MenuId=46>
- b. The Company has complied with requirements of listing agreement and guidelines of the Stock Exchanges/ SEBI/ other Statutory Authorities, except as provided in (c) below.
- c. During the year 2022-23, The National Stock Exchange of India Limited has imposed fine of, ₹27,95,420/- for non-compliance of Regulations 17(1), 18 (1), 19(1) and 23 of SEBI (LODR) Regulations 2015 relating to composition of the Board and sub-committees of the Board. Since the Board of Directors are nominated by Government of India and Composition of the Board is beyond

the control of the Company, a request has been submitted to the Stock exchange for waiver of fine. During the year 2020-21 and 2021-22, The National Stock Exchange of India Limited has imposed fines of, ₹18,50,880 and ₹29,15,780/- for the same non-compliance.

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

- d. The Company has formulated a Vigil Mechanism in terms of Regulation 46(2)(e) of SEBI (LODR) Regulations, 2015. This policy is available at website of the Company at <https://fact.co.in/home/Dynamicpages?MenuId=45>
- e. The company does not have any subsidiary. Hence it does not have a policy for determining material subsidiary.
- f. The company neither has commodity price risk nor is involved in commodity hedging activities.
- g. The company has not raised any fund through preferential allotment or qualified institutions placement.
- h. The Independent Directors have made declaration of independence under sub-section (6) of Section 149 of Companies Act, 2013 during the financial year 2022-23.
- i. All the recommendations made by the sub-committees of the Board have been accepted by the Board
- j. None of the Directors has incurred any disqualification as provided under section 164 of the Companies Act, 2013
- k. Details of Statutory Audit fee and expenses, as per the Financial Statements for the year 2022-23 are given below. The Statutory Auditors of the Company has not rendered any services to the joint ventures/Associate Company of FACT.

SI No	Particulars	Amount (in Lakhs)
1	For Statutory Audit	10.60
2	For Other Services	7.60
3	For Expenses	0.35
	Total	18.55

n) Compliance of Corporate Governance requirements and guidelines issued by DPE:

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

CFO / CEO's CERTIFICATION

We Certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations:
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity Company pertaining to financial reporting and they we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the financial statements.
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over reporting.

(S Sakthimani)
Chief Financial Officer
DIN: 07482308

(Kishor Rungta)
Chairman & Managing Director
DIN [00231106](#)

DECLARATION OF COMPLIANCE OF CODE OF BUSINESS CONDUCT AND ETHICS

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

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

Place: Udyogamandal
Date: 31.08.2023

(Kishor Rungta)
Chairman & Managing Director
DIN-[00231106](#)

SVJS & Associates

Company Secretaries

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

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To

The Members

The Fertilisers and Chemicals Travancore Limited

Eloor P. O., Udyogmandal

Alwaye, Ernakulam

Kerala - 683501

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) As informed to us, the following other laws are specifically applicable to the Company.
 - 1. Fertiliser (Control) Order, 1985;
 - 2. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
 - 3. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
 - 4. Batteries (Management and Handling) Rules, 2001;
 - 5. The Industries (Development and Regulation) Act, 1951 and the Regulations and Bye-laws framed thereunder;
 - 6. The Water (Prevention and Control of Pollution) Act 1974 and the Regulations and Bye-laws framed there under;
 - 7. The Air (Prevention and Control of Pollution) Act, 1981 and the Regulations and Bye-laws framed there under;
 - 8. The Environment (Protection) Act, 1986 and the Regulations and Bye-laws framed there under;
 - 9. The Factories Act, 1948 and the Regulations and Bye-laws framed there under;
 - 10. The Boilers Act, 1923 and the Regulations and Bye-laws framed thereunder;
 - 11. Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;

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

- (i) Secretarial Standards relating to Board (SS 1) and General Meetings (SS 2) issued by The Institute of Company Secretaries of India and as per our observation the Company has generally observed these Secretarial Standards.;
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited;

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

1. *As per Regulation 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board." However, 700 shares held by the promoter and promoter group are not maintained in dematerialized form.*

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

We report that

The Board of directors of the Company comprises of Executive and Non-Executive Directors. As per Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors. During the financial year 01.04.2022 to 31.03.2023, fifty per cent of the Board of directors of the Company does not comprise of Independent Directors and non-executive directors. The Company has not appointed a woman independent director upto 18/04/2022. Two

Third of the members of the Audit Committee does not comprise of Independent Directors upto 06/05/2022. The members of the Nomination and Remuneration Committee do not comprise of non-executive directors and comprise of only one Independent Director upto 06/05/2022. The Nomination Remuneration Committee comprises of executive directors as well.

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

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

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

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

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

- (i) Public/Right/Preferential issue of shares / debentures/ sweat equity
- (ii) Redemption/buy-back of securities
- (iii) Merger/amalgamation/reconstruction, etc.
- (iv) Foreign technical collaborations

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

For SVJS & Associates
Company Secretaries

Sd/-

Sreekumar P.S.

Partner

FCS. 8130

CP. No. 8067

Peer Review Certificate No.: 648/2019

Kochi

11.08.2023

UDIN:F008130E000792958

'Annexure A'

To
The Members
The Fertilisers and Chemicals Travancore Limited
Eloor P. O., Udyogmandal
Alwaye, Ernakulam
Kerala - 683501

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

1. Maintenance of the Secretarial records is the responsibility of the management of the Company. Our responsibility as Secretarial Auditors is to express an opinion on these records, based on our audit.
2. During the audit, we have followed the practices and process as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our report.
3. The correctness and appropriateness of financial records and Books of Accounts of the Company have not been verified.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of management. Our examination was limited to the verification of the procedures and compliances on test basis.
6. While forming an opinion on compliance and issuing the Secretarial Audit Report, we have also taken into consideration the compliance related actions taken by the Company after 31stMarch 2023 but before issue of the Report.
7. We have considered actions carried out by the Company based on independent legal/professional opinion as being in compliance with law, wherever there was scope for multiple interpretations.

For SVJS & Associates
Company Secretaries

Sd/-

Sreekumar P.S.

Partner

FCS. 8130

CP. No. 8067

Peer Review Certificate No.: 648/2019

Kochi
11.08.2023
UDIN: F008130E000792958

SVJS & Associates

Company Secretaries

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, the representations made by the Management, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2023** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Kishor Kumar Rungta	00231106	02/02/2019
2	Rabinarayan Patra	00917044	07/05/2020
3	Anupam Misra	07637439	14/07/2020
4	Aparna Sachin Sharma	07798544	30/09/2020
5	Sakthimani Seshamani	07482308	08/03/2021
6	Anjula Murmu	09565841	18/04/2022
7	Krishnanunni Jayachandran	10062573	03/03/2023
8	Avtar Singh Sandhu	10078787	23/03/2023

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

For SVJS & Associates
 Company Secretaries

Sd/-
Sreekumar P.S.

Partner

FCS. 8130

CP. No. 8067

Kochi
 11.08.2023

UDIN: F008130E000792936

Peer Review Certificate No.: 648/2019

FORM NO. AOC – 2
Annexure – 2

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

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

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

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

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

Sl. No.	Particulars	Details
a)	Name (s) of the related party	FACT RCF Building Products Limited
	Nature of relationship	Joint Venture
b)	Nature of contracts/ arrangements/ transaction	Supply of petrol/diesel and meals
c)	Duration of the contracts/ arrangements/ transaction	NA
d)	Salient terms of the contracts or arrangements or transaction	Transactions on Arm's length basis
e)	Date of approval by the board	03.08.2017 & 17.11.2017
f)	Amount paid as advances, if any	Nil
g)	Amount incurred during the year	Rs.48,346/-

Place: Udyogamandal
 Date : 31.08.2023

(Kishor Rungta)
 Chairman and Managing Director
 DIN-00231106

Annual Report on CSR Activities of FACT

Annexure 2 A

1. Brief outline on CSR Policy of the Company:

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

2. Composition of CSR Committee:

Sl. No	Name of Director	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri. Rabinarayan Patra (upto 06-05-2023)	Independent Director	1	1
2	Shri Kishor Rungta	C& MD	1	1
3	Shri Anupam Misra (upto 26-05-2023)	Director (Marketing)	1	1
4	Prof. Anjula Murmu (from 26-05-2023)	Independent Director	0	0
5	Dr. K Jayachandran (from 26-05-2023)	Director (Technical)	0	0

- Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company. [https://fact.co.in/images/upload/CSR-POLICY--FACT\(1\)_103.pdf](https://fact.co.in/images/upload/CSR-POLICY--FACT(1)_103.pdf)
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. NA
- Average net profit of the company as per sub-section (5) of section 135: ₹ 235.70 Crore
 - Two percent of average net profit of the company as per sub-section (5) of section 135: ₹471.39 lakh
 - Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL
 - Amount required to be set-off for the financial year, if any: ₹50.21 lakh
 - Total CSR obligation for the financial year [(b)+(c)-(d): ₹421.18 lakh
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Total amount spent for the financial year	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)
	Amount	Date of transfer	
Rs. 35.31 Lakh	Rs. 385.87 Lakh	28.04.2023	NIL

(a.1) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project. State.District.	(6) Project duration.	(7) Amount allocated for the project (in lakhs).	(8) Amount spent in the current financial Year (in lakhs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in lakhs.).	(10) Mode of Implementation Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
										Name	CSR Registration number
1	Development of Schools and Special Schools in Ernakulam District	Promotion of education/	Yes	Ernakulam, Kerala	3 Years	301.34	NIL	301.34	Yes		
2	Mobile health unit in Kochi	Promotion of health care	Yes	Ernakulam, Kerala	3 Years	25.12	NIL	25.12	No	Helpage India	CSR 0000901
3	Vaibhav Upskilling Programme	Promotion of education	Yes	Ernakulam, Kerala	3 Years	6.41	NIL	6.41	No	Seva Kiran Charitable Society	CSR 00029310,
4	Ekal Vidyalayas	Promotion of education	Yes	Wayanad, Kerala	3 Years	22	NIL	22	No	Friends of Tribals Society	CSR 00001898
5	Promotion of Health Care and Preventive Healthcare and improvement of sanitation	Promotion of health care	Yes	Ernakulam, Kerala	3 Years	16	NIL	16	Yes		
6	Sponsoring Students with Disabilities	Promotion of education	Yes	Ernakulam, Kerala		5	NIL	5	No	Disha Rehabilitation Centre	CSR 00011912
7	Scholarships To Students	Promotion of education	Yes	Ernakulam, Kerala		10	NIL	10	No	Kerala Management Association	CSR 00019002
	Total					385.87	NIL	385.87			

(a.2) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project. State.District.	(6) Amount spent for the project (in Rs.)	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
							Name	CSR Registration number
1.	Supply of Water To Manjummel	i) Eradicating hunger, making available safe drinking water	Yes	Ernakulam, Kerala	8,29,270	Yes		
2.	Supply of National Flags in relation to Har Ghar Tiranga	vi) Measures for the benefit of armed forces	Yes	Ernakulam, Kerala	73,750	No	Kendriya Sainik Board	CSR00011199
3.	CSR Support To Asian Blind Football	vii) Training to promote Paralympic sports	Yes	Kochi	7,00,000	No	Paralympic Committee of India	CSR 00009842
4	Expenses incurred in connection with Blood Donation Camp, Udyogamandal Club	i) Promotion of health care	Yes	Ernakulam, Kerala	28,187	Yes		
5	Param Innovation Project	ix) Contribution to incubators or research and development projects in the field of science	No	Bangalore	9,50,000	No	Janaseva Trust	CSR00006302
6	Super Specialty Medical Camp-	l) Promotion of health care	Yes	Ernakulam, Kerala	9,50,000	No	Saukhyam Charitable Trust	CSR 00003267
	Total				35,31,207			

- (b) Amount spent in Administrative Overheads: NIL
- (c) Amount spent on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the financial year (a+b+c): Rs. 35,31,207.00
- (e) Excess amount for set off, if any: NIL
- 7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: NIL
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL
- 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
If Yes, enter the number of Capital assets created/acquired - NA
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA
- 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. – NA
- 10. Responsibility Statement
The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

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

(Prof Anjula Murmu)
(Chairman CSR Committee).
DIN :- 09565841

Place: Udyogamandal

Date: 31.08.2023

SVJS & Associates

Company Secretaries

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

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members

The Fertilisers and Chemicals Travancore Limited

1. The accompanying Corporate Governance Report prepared by **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** having CIN: L24129KL1943GOI000371 and having registered office at Eloor P. O., Udyogmandal, Alwaye, Ernakulam, Kerala – 683501 (hereinafter referred to as 'the Company'), contains details as required by the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2023.

Managements' Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Our Responsibility

4. The procedures for verification that have been selected depend on judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t. executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors' Register as on March 31, 2023 and verified that at least one independent woman director was on the Board during the year;
 - iv. Obtained and read the minutes of the annual general meeting held on September 28, 2022;
 - v. Obtained and read the minutes of the Board of Directors and the committees of the Board of Directors, held April 1, 2022 to March 31, 2023;
 - vi. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
 - vii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this certificate did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

5. Based on the procedures performed by us, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2023 except as follows:

- a) *As per Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board of directors shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors. During the financial year 01.04.2022 to 31.03.2023, fifty per cent of the Board of directors of the Company does not comprise of Independent Directors and non-executive directors. The Company has not appointed a woman independent director upto 18/04/2022. Two Third of the members of the Audit Committee does not comprise of Independent Directors upto 06/05/2022. The members of the Nomination and Remuneration Committee do not comprise of non-executive directors and comprise of only one Independent Director upto 06/05/2022. The Nomination Remuneration Committee comprises of executive directors as well.*
- b) *As per Regulation 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, "the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board." However, 700 shares held by the promoter and promoter group are not maintained in dematerialized form.*

Other matters and Restriction on Use

6. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose.

We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For SVJS & Associates
Company Secretaries

Sd/-

Sreekumar P.S.

Partner

FCS. 8130

CP. No. 8067

Kochi
11.08.2023

UDIN: F008130E000792936

Peer Review Certificate No.: 648/2019

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

SI No	Details	
1	Corporate Identity Number (CIN) of the Listed Entity	L24129KL1943GOI000371
2	Name of the Listed Entity	The Fertilisers and Chemicals Travancore Ltd
3	Year of incorporation	1943
4	Registered office address	Eloor Udyogamandal, Ernakulam District, Kerala - 683501
5	Corporate address	Eloor Udyogamandal, Ernakulam District, Kerala - 683501
6	E-mail	investors@factltd.com
7	Telephone	0484-2567620
8	Website	www.fact.co.in
9	Financial year for which reporting is being done	01-04-2022 to 31-03-2023
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd
11	Paid-up Capital	Rs. 647.07 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Susan Abraham Company Secretary susan@factltd.com 0484-2567620
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	99%
2	Professional, Scientific and Technical	Architecture, engineering activities, technical testing and analysis activities	1%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product / Service	NIC Code	% of total Turnover
1	Complex Fertilisers	31052000	72
2	Ammonium Sulphate	31022100	14
3	Caprolactum	29337100	11

III. Operations

16 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	12	15	27
International	NIL	NIL	NIL

17 Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	9
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity? Nil

c. A brief on types of customers

The ultimate customers of the Company for fertilisers are the farmers and the agriculturists. The sales of fertilisers to the farmers are effected through the company's depot and the dealer network. The customers for petrochemical products are Nylon Manufactures.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	617	549	88.97	68	11.10
2.	Other than Permanent (E)	61	53	86.88	8	13.11
3.	Total employees (D + E)	678	602	88.79	76	11.20
WORKERS						
4.	Permanent (F)	929	888	95.58	41	4.41
5.	Other than Permanent (G)	665	557	83.75	108	16.24
6.	Total workers (F + G)	1594	1445	90.65	149	9.34

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	16	14	87.5	2	12.5
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	16	14	87.5	2	12.5
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	22	22	100	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	Total differently abled workers (F + G)	22	22	100	0	0

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25
Key Management Personnel	5	1	20

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-2023 (Turnover rate in currentFY)			FY 2021-2022 (Turnover rate in previous FY)			FY 2020-2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.27	10.52	9.41	12.15	3.14	11.18	10.38	4.72	9.79
Permanent Workers	15.51	11.90	15.35	13.98	13.04	13.93	14.2	7.92	13.88

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	FACT-RCF Building Products Private Limited	Joint Venture	50 %	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
(ii) Turnover (in Rs.) – ₹ 6198 Crore.
(iii) Net worth (in Rs.) – ₹ 1164 Crore.

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22_ Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	No	No	No	No	No	No
Investors (Other than shareholders)	Yes	No	No	No	No	No	No
Shareholders	Yes	1	No	No	No	No	No
Employees and workers	Yes	6	5	No	7	7	No
Customers	Yes	25	25	No	No	No	No
Value Chain Partners	No	No	No	No	No	No	No
Other (please specify)	No	No	No	No	No	No	No

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate change & International conflicts	Risk	Climate change & conflicts can lead to changes, affecting raw materials availability	Raw materials planning & movement planned accordingly.	1. Exchange rate variation 2. Non-availability of raw material 3. Lack of demand for finished products Can affect plant operations and business

2	Pollution	Risk	It can have a negative impact on the business operations as well as the surrounding community.	Fuel changed to RLNG Online analysers for continuous monitoring of parameters are installed and data is uploaded online to CPCB and KSPCB servers. Training sessions on Industrial pollution and an awareness on Environment are being conducted.	
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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure uestions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://fact.co.in//images/upload/BRSR-Policy_120								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All fertilizer plants are certified for ISO 14001:2015 and ISO 9001:2015. FACT Cochin Division is also certified for ISO 45001:2018. FACT Udyogamandal Division is also certified for ISO 50001:2018.								
5. Specific commitments, goals and targets set by the entity with defined time lines, if any.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6. Performance of the entity against the along-with reasons in case the same are not met.	Not Applicable								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report highlighting ESG related challenges, targets and achievements (<i>listed entity has placement of this disclosure</i>)	The Company is taking steps to reduce the carbon emissions. The feedstock and fuel has been changed to RLNG, the green fuel. The Company is taking steps to utilise renewable energy for its operations.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Dr. Jayachandran K. Director (Technical)								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Senior management of the Company reviews the policies									On a continuous basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance Certificate on laws applicable is provided by all the division heads.									Half yearly								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		No							

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

NOT APPLICABLE

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1:- Business should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable

Essential Indicators

1. Percentage coverage by training and awareness programme on any principles during the financial year

Segment	Total no: of training / awareness programme conducted	Topics covered	% of persons in respective category covered by the programme
Board of Directors	1	Orientation and awareness sessions for the Directors	100%
Key Managerial Personnel	2	Regular awareness programmes	100%
Employees other than BOD and KMP	9	FACT conducts various internal and external training programmes to its employees through FACT Training and Development Centre	10%
Workers	NIL	NIL	NIL

2. Details of fines / penalties /punishment/award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

MONETARY					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
NON - MONETARY					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes. FACT is having a separate Vigilance Department. This department strives to improve the quality management system within FACT by creating a corruption free environment for each individual to strive for high level performance towards achieving the Vision and Mission of FACT. Company is having a Whistle Blower Policy. Web link for accessing the policy is <https://fact.co.in/home/Dynamicpages?MenuId=45>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	NIL	NIL
KMP	NIL	NIL
Employees	NIL	NIL
Workers	1	NIL

6. Details of complaints with regard to conflict of interest

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Total number of awareness programmes held	Topics / principles covered under training	% of value chain the partners covered (by value of business done with such partners) under the awareness programme
1	Training to work through GeM Portal	15%
22 Dealer Training Programs	1) FCO norms 2) POS training 3) Fertilizer Recommendation for various crops and its Balanced use	25 %

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same. – Yes

The Board of FACT comprises of optimum combination of executive and non-executive Directors. The Chairman & Managing Director and three functional directors are appointed by Government of India through the selection process of Public Enterprise Selection Board. All part time official Directors are Joint Secretary or Additional Secretary level officials in the Ministry of Chemicals and Fertilizers. All Independent Directors are also being appointed by the Government of India. These Directors are not required to hold any shares in FACT. Details of other Directorship etc are notified to the Board on first appointment and at the beginning of the Financial Year. While considering agenda items at the meeting of the Board, Directors having interest on that item would not participate on the deliberations and their presence are not counted for quorum

Principle 2:- Business should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and Social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	<i>Current Financial Year(2022-23)</i>	<i>Previous Financial Year(2021-22)</i>	<i>Details of improvements in environmental and social impacts</i>
R&D	35.67 lakhs	75.97 lakhs	a) Formulated Bio-enriched organic manure consisting of all the three primary nutrients and microorganism incorporated in a single product. Microorganism converts complex nutrients into simple nutrients for the availability of the plants. It is organic in nature. Hence, significantly lowers the carbon footprint. b) Formulated 100% water soluble fertilizer which is environmentally friendly and can significantly improve the crop nutrient uptake. Water soluble fertilizers allow farmers to easily adjust nutrient concentrations to the plant's changing needs over their growth cycle. Farmers prefer drip irrigation as it reduces cost of crop cultivation by almost 30% besides increasing the average productivity of fruits and vegetables by almost 40%.

Conversion of fuel in Dryer from Furnace Oil to greener fuel RLNG in NP Plants.	168 lakhs	72.14 lakhs	RLNG is greener fuel therefore, emissions to the environment is reduced
Construction of Ammonia Barge	1244 lakhs	NIL	New liquid Ammonia barge "Pearl of Periyar" of capacity 350 MT was commissioned to transport liquid Ammonia between production divisions. This reduces the transportation of Ammonia by trucks through congested city roads, reducing the environment impact on general public and improving public safety
RLNG Conversion of burners in Combustion chamber of Factamfos Plants at UC	10 lakhs	158 lakhs	RLNG is a cleaner and safer fuel and reduce carbon emission

- 2 a). Does the entity have procedures in place for sustainable sourcing? Yes
 b). If yes, what percentages of inputs were sourced sustainably? 100
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E- waste (c) Hazardous waste and (d) other waste.
 - a) Plastics (including packaging): Safely disposed to authorized re-processors through MSTC (Metal Scrap Trading Corporation).
 - b) E-waste: is being disposed safely through authorized re-processors through MSTC.
 - c) Hazardous waste: Is being disposed safely through authorized re-processors approved by KSPCB and through MSTC.
 - d) Bio-medical waste are safely disposed through IMA – IMAGE facility .
 - e) Other waste:
 Wastes such as Paper, Glass, metal scrap etc. are collected from the place of generation and stored in designated storage facility available within the premises.
 Metal scrap are being disposed/sold through MSTC.
4. Whether Extended Producer Responsibility (EPP) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. - No

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details.
 No
2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.
 Not applicable in view of answer to 1 above

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing Industry) or providing services (for service industry).

Indicate Input Material	Recycled or reused input material to total material	
	Current year (2022-23)	Previous year (2021-22)
Ammonium Sulphate	0.36%	0.12%
NP 20:20:0:13	0.077%	0.0012%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	Current year (2022-23)			Previous year (2021-22)		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics(including packing)	NIL	NIL	65.71 MT	NIL	NIL	71.44 MT
e-waste	NIL	NIL	0.2 MT	NIL	NIL	6.98 MT
Hazardous waste	NIL	NIL	810.27 MT	NIL	NIL	332.79 MT
Other waste	NIL	NIL	0.003 MT	NIL	NIL	0.009MT

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate Input Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Ammonium Sulphate	0.37%
NP 20:20:0:13	0.07%

PRINCIPLE 3 :- Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	549	549	100	549	100	NA	0	NIL	0	NIL	0
Female	68	68	100	68	100	68	100	NIL	0	NIL	0
Total	617	617	100	617	100	68	11.02	NIL	0	NIL	0
Other Than Permanent Employees											
Male	53	53	100	53	100	NA	0	NIL	0	NIL	0
Female	8	8	100	8	100	8	100	NIL	0	NIL	0
Total	61	61	100	61	100	8	13.11	NIL	0	NIL	0

b. Details of measures for the well-being of workers

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	888	888	100	888	100	NA	NA	NIL	0	NIL	0
Female	41	41	100	41	100	41	100	NA	NA	NIL	0
Total	929	929	100	929	100	41	4.30	NIL	0	NIL	0
Other Than Permanent Workers											
Male	557	336	60.32	557	100	NA	NA	NIL	0	NIL	0
Female	108	46	42.59	108	100	108	100	NA	NA	NIL	0
Total	665	382	57.44	665	100	108	16.24	NIL	0	NIL	0

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial year		
	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	0	23.96	Y	0	20.27	Y
Others Please specify - GMC	100%	100%	Y	100%	100%	Y

3. Accessibility of workplaces

The premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. - Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy. – Yes

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	50%	100%	(2*100)/0	66.67%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Categories of Employees	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	YES. Comprehensive Employee Grievance redressal Mechanism is in operation to redress the grievances of employees
Other than Permanent Workers	YES, Comprehensive Employee Grievance redressal Mechanism is in operation to redress the grievances of employees
Permanent Employees	YES, Comprehensive Employee Grievance redressal Mechanism is in operation to redress the grievances of employees
Other than Permanent Employees	YES, Comprehensive Employee Grievance redressal Mechanism is in operation to redress the grievances of employees

Web link for Grievance redress policy – <http://192.168.20.129/HRM/Grievance-Management-System.pdf>

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial year		
	Total employees / workers in respective category (A)	No of workers in respective category, who are part of associations or union (B)	% (B / A)	Total employees / workers in respective category (A)	No of workers in respective category, who are part of associations or union (B)	% (B / A)
Total permanent employees	617	560	90.76	599	530	88.48
Male	549	500		533	472	
Female	68	60		66	58	
Total permanent workers	929	929	100	961	961	100
Male	888	888	100	924	924	100
Female	41	41	100	37	37	100

8. Details of training given to employees and workers

Category	FY 2022-23 Current Financial Year					FY 2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	655	93	14.20	80	12.21	665	40	6.02	29	4.36
Female	79	9	11.40	14	17.72	78	1	1.28	2	2.56
Total	734	102	13.80	94	12.81	743	41	5.52	31	4.17
Workers										
Male	803	36	4.50	0	0	791	24	3.03	1	0.13
Female	30	0	0	2	6.67	23	0	0	0	0
Total	833	36	4.32	2	0.24	814	24	2.95	1	0.12

9. Details of performance and career development reviews of employees and worker:

Category	Total (A)	FY 2022-23 Current Financial Year				Total (D)	FY 2022-23 Previous Financial Year			
		On Health and safety measures		On skill upgradation			On Health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	617	617	100	617	100	599	599	100	599	100
Other than permanent	61	61	100	61	100	70	70	100	70	100
	678	678	100	678	100	669	669	100	669	100
Workers										
Permanent	929	929	100	929	100	961	961	100	961	100
Other than permanent	665	665	100	665	100	622	622	100	622	100
	1594	1594	100	1594	100	1583	1583	100	1583	100

10. Health and safety management System:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes, Occupational health and safety management system covers safety of process plants and equipment, Health and safety of employees and workers, Safe transportation and storage of hazardous chemicals.

The safety management system involves identifying, assessing and managing the risks with the goal of ensuring the safety of employees, customers and the general public. The safety management system covers policies and procedures, risk management, safety performance monitoring and assessment, employee training and awareness, incident reporting and investigation, continuous improvement and emergency preparedness and response.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non routine basis by the entity?

Work related hazards are identified and mitigation measures are managed through well-established work permit system, Job Safety Analysis are prepared for high risk work such as work at height, demolition, critical erection etc. Hazard Identification and Risk Assessment (HIRA) has been carried out in all departments and Control Measures has been suggested to minimize the risk.

Routine safety inspection is carried out at each work site to identify work related hazards. Safety audits are conducted yearly by internal and external authorities and hazards identified will be rectified immediately.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No) - YES

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Financial Year	FY 2021-22 Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	07 (Nos) [FR – 3.75]	16(Nos) [FR – 8.82]
	Workers	29(Nos) [FR - 45.535]	23(Nos) [FR – 22.6]
Total recordable work-related injuries	Employees	32	59
	Workers	30	35
No. of fatalities	Employees	0	0
	Workers	0	1
High consequences work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	1	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

a) Safety Inspections

In order to prevent accidents in the plants, Safety Inspections were carried out by safety committee members every quarter of the year. Unsafe actions of workers and unsafe conditions in the plants were highlighted in the reports. The reports along with actions to be taken were sent to concerned departments for corrective action.

b) Near Miss & Accident reporting

A system for near miss reporting was introduced in the year 2019 and Near miss reporting boxes are placed in all prominent locations of factory along with near miss reporting form both in Malayalam and English.

c) Safety induction Training

Safety induction training is being imparted to all newly joined employees, Trainees, contract workers and visitors. Refreshment training and work specific trainings are also provided. Safety training cards are issued to all contract labours including truck drivers. Safety violations noticed by the safety officers are noted in the training card.

d) Safety Sign Boards

Safety Sign Boards describing required mandatory PPEs to be worn by all before entering plant premises, other work specific safety warnings and safety practices are displayed in prominent locations of the factory.

e) Risk Assessments Study of plants

Hazard Identification and Risk Assessment (HIRA) of all critical routine and non-routine jobs has been carried out. Measures to eliminate high hazards identified in HIRA have been taken by changing the method of execution of the job and by providing job specific Personal protective equipments. HIRA register has been prepared for all plants and departments. Regular updation of the register is being done by the concerned department heads.

f) Truck safety Inspection

Safety Audit of Acid and ammonia trucks are carried out before issuing entry pass and training was given to the crew by safety officers on yearly basis. All documents, physical condition of trucks, display of information panels, availability of proper PPEs and competency of drivers are ensure during the inspection.

13) Number of Complaints on the following made by employees and workers

	FY <u>2022-23</u> Current Financial Year			FY <u>2021-22</u> Previous Financial year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NA	-	NIL	NA	-
Health & Safety	NIL	NA	-	NIL	NA	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100 %

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Provided fixed life lines on all roofs with fragile roofing sheets. As first phase, fixed life lines systems were installed in Phosphoric acid plant and on product godown roofs. A contract has been invited for installing the fixed life line systems on all remaining roofs

Leadership Indicators

1) Does the entity extend any life insurance or any compensatory package in the event of death of

- A. Employees (Y/N): Yes
- B. Workers (Y/N): Yes

2) Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Documentary evidence of payment of statutory dues are collected from the value chain partners while releasing the payments due to them

3) Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	Total no. of affected employees/ workers		No. of employees/workers that rehabilitated and placed in employment or whose members have been placed in suitable employment	
	FY <u>2022-23</u> (Current Financial Year)	FY <u>2021-22</u> (Previous Financial Year)	FY <u>2022-23</u> (Current Financial Year)	FY <u>2021-22</u> (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4) Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

No

5) Details on assessment of value chain partners:NA

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	NIL
Working Conditions	NIL

6) Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners: Nil

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1) Describe the processes for identifying key stakeholder groups of the entity: Identified based on operations of the Company.

NIL

2) List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

FACT is having an internal assessment process on division/department wise to identify the key stakeholder groups.

Stakeholders group	Whether identified as vulnerable or marginalized	Channels of communication (email, SMS, newspaper, meetings etc)	Frequency of engagement (annually/half yearly/quarterly/ others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees/workers	Yes	RTI, Grievance mechanism	Others	Resolving Issues
Trade Unions	Yes	RTI, Grievance mechanism	Others	Resolving Issues
Local Communities / Suppliers / Vendors / Dealers / Shareholders	No	RTI, Grievance mechanism	Others	Resolving Issues

Leadership Indicators

1) Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Management of the Company is entrusted with the Chairman and Managing Director under the supervision of the Board.

All the stakeholders can meet or consult with the CMD or the officials authorized by the CMD.

The feedback / requirements based on such consultation is reported to the Board.

2) Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Inputs received from workers or employees are incorporated in the safety policy of the Company. Inputs from the suppliers or vendors are helpful for sourcing the materials. Feedback from the dealers are considered while framing the marketing policy.

3) Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/ marginalized stakeholder group :

NIL

Principle 5:- Business should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY_2022-23 Current Financial Year			FY_2021-22 Previous Financial year		
	Total (A)	No. of employees workers covered (B)	% (B / A)	Total (C)	No. of employees workers covered (D)	% (C / D)
Employees						
Permanent	734	17	2.32	743	7	0.94
Other Permanent	0	0	0	0	0	0
Total	734	17	2.32	743	7	0.94
Workers						
Permanent	833	5	0.60	814	8	0.98
Other Permanent	0	0	0	0	0	0
Total Workers	833	5	0.60	814	8	0.98

2. Details of minimum wages paid to employees and workers, in the following format.

100% of employees and workers of FACT are paid more than or equal to the minimum wages as applicable in their respective jurisdiction.

Category	FY_2022-23 Current Financial Year					FY_2021-22 Previous Financial year				
	Total (A)	Equal Minimum		More Minimum		Total (D)	Equal Minimum		More Minimum	
		No. (B)	Wage% (B / A)	No. (C)	Wage% (C / A)		No. (E)	Wage% (E / D)	No. (F)	Wage% (F / A)
Employees										
Permanent	617	0	0	617	100	599	0	0	599	100
Male	549	0	0	549	100	533	0	0	533	100
Female	68	0	0	68	100	66	0	0	66	100
Other Permanent	61	0	0	61	100	70	0	0	70	100
Male	53	0	0	53	100	64	0	0	64	100
Female	8	0	0	8	100	6	0	0	6	100
Workers										
Permanent	929	0	0	929	100	961	0	0	961	100
Male	888	0	0	888	100	924	0	0	924	100
Female	41	0	0	41	100	37	0	0	37	100
Other Permanent	665	0	0	665	100	622	0	0	622	100
Male	557	0	0	557	100	529	0	0	529	100
Female	108	0	0	108	100	93	0	0	93	100

3) Details of remuneration/salary/wages, in the following format

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median salary/ wages of respective category
Board of Directors (BoD)	4	264165	NIL	NA
Key Managerial Personnel	4	264165	1	159468
Employees than BoD KMP	544	97604	69	92665
Workers	889	45729	40	31515

4) Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5) Describe the internal mechanisms in place to redress grievances related to human rights issues.

FACT is committed to conduct its business in a fair and transparent manner by adjusting the highest standard of professionalism, honesty, integrity, and ethical behavior. FACT has adopted a code of conduct applicable to all employees. FACT is providing a safe and positive work environment.

On receipt of any concern through letter or e-mail, the same will be addressed by the concerned department /division of the Company.

6) Number of Complaints on the following made by employees and workers

	FY_2022-23 Current Financial Year			FY_2021-22 Previous Financial year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL		2	2	
Discrimination at Work Place	NIL	NIL		NIL	NIL	
Child Labour	NIL	NIL		NIL	NIL	
Forced Labour / Involuntary Labour	NIL	NIL		NIL	NIL	
Wages	1	2		2	2	
Other human rights related issues	5	3		3	3	

7) Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Grievance Redressal Committees are constituted with sufficient members from the vulnerable/marginalized groups

8) Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9) Assessments for the year:

	% of your plants and offices that were assessed
Child labour	100 %
Forced/involuntary labour	100 %
Sexual harassment	100 %
Discrimination at workplace	100 %
Wages	100 %
Others – please specify	NIL

10) Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at question 9 above. –

No significant risks/concerns was noticed or reported during the assessments.

Leadership indicators

- 1) Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
NIL
- 2) Details of the scope and coverage of any Human rights due-diligence conducted.
NIL
- 3) Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes
- 4) Details on assessment of value chain partners
NIL

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NIL
Discrimination at workplace	NIL
Child Labour	NIL
Forced Labour/Involuntary Labour	NIL
Wages	NIL
Others – please specify	NIL

- 5) Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 4 above
NIL

Principle 6 - Business should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	574034 GJ	497572 GJ
Total fuel consumption (B)	15355548 GJ	10932745 GJ
Energy consumption through other sources (c)	492780 GJ	546200 GJ
Total energy consumption (A+B+C)	16422362 GJ	11976517 GJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	2.65 * 10 ⁻⁴ GJ/₹	1.93 * 10 ⁻⁴ GJ/₹

No independent assessment/evaluation/assurance has been carried out by an external agency on energy consumption

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes

Ammonia Complex is a designated consumer (Registration No. FTZ0029KL). PAT cycle II target was 0.959 Million Tonne of Oil Equivalent (MTOE). During the assessment year (2018-2019) plant was unproductive and hence exempted due to "low capacity utilization". Unit has not included in the new PAT cycle by Bureau of Energy efficiency

Petrochemical plant has been notified as the designated consumer on 7th Sep 2022. Base line data collection for assigning the energy reduction targets need to be carried by BEE

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(I) Surface water	11776569	10206255
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	11776569	10206255
Total volume of water consumption (in kilolitres)	11776569	10206255
Water intensity per rupee of turnover (Water consumed / turnover)	1.90 * 10 ⁻⁴ kl/₹	1.65 * 10 ⁻⁴ kl/₹

No independent assessment/evaluation/assurance has been carried out by an external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Nox	MT	Nil	Nil
Sox	MT	485.65	469.27
Particulate matter (PM)	MT	251.47	306.86
Persistent organic pollutants (POP)	NIL	NIL	NIL
Volatile organic compounds (VOC)	NIL	NIL	NIL
Hazardous air pollutants (HAP)	NIL	NIL	NIL
Others – Ammonia	MT	50.21	59.9
CO	MT	0.93	1.98

No independent assessment/evaluation/assurance has been carried out by an external agency

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format.

Parameter	unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	268150.214	200537.137
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not applicable	Not applicable

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details. Yes

The fuel used in boilers and furnaces in the unit has been changed over to the green, eco-friendly and energy efficient fuel – RLNG, contributing to reduction in GHG emission. In addition, the process design itself incorporates steps towards reduction in GHG emission in various production processes in the unit.

8. Provide details related to Waste management by the entity, in the following format.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)		
E-waste (B)	1.79	7.154
Bio-medical waste (C)	0.0035	0.009
Construction and demolition waste (D)	320.4	352.44
Battery waste (E)	1.145	0.562
Radioactive waste (F)	Nil	Nil
Other Hazardous waste (G)		
a. Spent Catalyst	18	21.8
b. Sulphur muck	522.58	433.06
c. Waste oil	3.55	5.875
d. Lead scrap	6.98	Nil
e. ETP sludge	758.6	725.8
Other Non-hazardous waste (H)	Nil	Nil
Total (A+B+C+D+E+F+G+H)	1633.05	1546.70

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	6.38	4.545
Waste oil		
(ii) Re-used	90	120
(iii) Other recovery operations	Nil	Nil
Total	96.38	124.545
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	842.64	567.56
Total	842.64	567.56

No independent assessment/evaluation/assurance has been carried out by an external agency

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

A comprehensive solid waste management plan is being followed in the organization. As a part of this plan, all the solid wastes generated other than hazardous waste is collected from the place of generation and is stored in designated storage facility available within the premises. Metal scrap, E-waste and Plastic waste are being disposed/sold through Metal Scrap Trading Corporation (MSTC). Bio-medical waste are Safely disposed through IMA – IMAGE facility . Used Battery/ waste are Safely disposed to the authorized re-processors through buy-back policy .

Hazardous waste – Five categories of Hazardous wastes are generated in FACT, namely – Spent Catalyst, Sulphur muck, Waste Oil, Lead scrap and ETP Sludge. Hazardous wastes are Safely disposed to authorized re-processors. Waste oil is recycled as lubricant for conveyor idlers and other machinery.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national Wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

No

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil	Nil	Nil	Nil	Nil	Nil

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

Yes

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption(A)	6830 GJ	9200 GJ
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	6830GJ	9200GJ
From non-renewable sources		
Total electricity consumption(D)	567204 GJ	488372 GJ
Total fuel consumption (E)	15355548 GJ	10932745 GJ
Energy consumption through other sources (F)	492780 GJ	546200 GJ
Total energy consumed from non-renewable sources (D+E+F)	16415532 GJ	11967317 GJ

No independent assessment/evaluation/assurance has been carried out by an external agency

2. Provide the following details related to water discharged.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(I) To Surface water		
- No treatment	Nil	Nil-
With treatment – please specify level of Treatment (Lime treatment in Effluent Treatment Plant)	1959708	1926303
(ii) To Groundwater		
- No treatment	Nil	Nil-
With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil-
With treatment – please specify level of treatment	894142	679287.40
Total water discharged (in kilolitres)	2853850	2605590.4

No independent assessment/evaluation/assurance has been carried out by an external agency

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NIL	NIL
Total Scope 3 emissions per rupee of turnover		NIL	NIL

intensity (optional)-the relevant metric may be selected by the entity		NIL	NIL
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NIL	NIL

No independent assessment/evaluation/assurance has been carried out by an external agency

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable to FACT

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

SI. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Switching over to greener fuel.	The fuel used for combustion in the furnace of NP 20:20:0:13 plants were changed over from Furnace oil to green, eco-friendly and energy efficient fuel – RLNG.	a) Reduction in pollutants discharge to the environment. b) Reduction in fuel consumption Study in progress.
2.	Using Ammonium Sulphate purge liquor of another plant as raw material input for product manufacture.	Ammonium Sulphate purge liquor generated in Ammonium Sulphate Plant is used as input to substitute a part of Ammonia & sulphuric acid requirement in Factamphos Manufacture.	Reduces the effective raw material consumption. Handling and disposal cost of the purge liquor is saved.
3.	Recycle of Waste oil generated in all plants.	Waste oil generated from rotating equipments is used as lubricant in conveyor idlers and other machinery	Consumption of fresh lubricants is reduced.
4.	Purchase of renewable energy.	Renewable energy is purchased through PTC to substitute a part of the power requirement.	Reduces Carbon foot print of the organization
5.	Recycle of effluent water.	A part of effluent from NP plant is recycled for diluting the strong Phosphoric acid and for scrubbing gases in knock out chamber. A part of effluent from PAP plant is recycled to attack tank in PAP	Reduces fresh water consumption
6.	Study for utilisation of sludge generated from effluent treatment plant for production of blended fertiliser	Study is in progress to develop a fertiliser named a blended fertiliser FACTHOME 10:10:10, from effluent treatment plant's sludge, with a nutrient content of 10:10:10 (NPK) and minor quantities of secondary nutrients, as a value added product.	

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

FACT is having Business Continuity and Disaster Management plan. Disaster Management Plan has been prepared with objectives such as i) identifying the hazards or disaster potential scenario. ii) localizing any accidents that may occur and if possible contain them to minimize the harmful effects of accidents iii) providing adequate details of the technical and organizational procedures, detailed the emergency response procedures and measures to minimize damage to life, property and environment. iv) providing detailed procedures for evacuation, rescue and treatment of casualties. v) defining clearly the roles and responsibilities of those involved in emergency response. vi) making a realistic assessment of resources both human and material required in handling the emergency in house and additional resources/skills that may be required under mutual aid from neighboring industries/ installations or other external agencies. vii) ensuring that manpower, equipment including communication and personal protective equipment, material and financial resources necessary to carry out on-site emergency plan are readily available for immediate activation of the plan in the event of accident. viii) safeguarding victims by evacuating them to a safer place and rehabilitating the affected persons.

FACT has a well-defined On-Site Emergency Plan (OSEP) that outlines the procedures, mechanisms, and resources available to respond to various kinds of emergencies.

The OSEP includes the following elements:

1. Risk assessment study reports which identifies the potential hazards and risk faced by the organization and surrounding communities
2. Communication protocol for communicating with employees stake holders and the general public
3. Safe evacuation routes and procedures for employees and customers
4. Continuity of essential operations during and after a disaster
5. Emergency response team with duties and responsibilities
6. Recourses available
7. Regular training and mock drills
8. Review and updates

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No adverse impact to the environment arising from Value Chain of the Company since necessary actions have already been taken in the process design of operating plants.

9. Percentage of value chain partners (by value of business donor with such partners) that were assessed for environmental impact

Nil

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. 5
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S.No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/associations (State/National)
1	The Fertiliser Association of India	National
2	Standing Conference of Public Enterprises	National
3	All India Management Association	National
4	Kerala State Productivity Council	State
5	National Safety Council – Kerala chapter	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

3. Details of public policy position advocated by the entity

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain	Frequency of review by Board (Annually/ Half yearly/ Quarterly /Others please specify)	Web link if available
Nil	Nil	Nil	Nil	Nil	Nil

Principle 8 :- Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL	NIL	NIL	NIL	NIL	NIL

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

SL No.	Name of Project for which R&R is ongoing	State	District	No of project affected families (PAF)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
NIL	NIL	NIL	NIL	NIL	NIL	NIL

3. Describe the mechanism to receive and redress grievances of the community: Directly to the Company
 FACT is committed conduct its business in an ethical manner protecting the interest of the community.
 FACT is having a mechanism to receive and redress the grievances of the community. Any on having a grievance can approach the Company directly by letter, e-mail, personal representation etc. On receipt of any concern or grievance from the community, the same will be redressed by the concerned Division / Department of the Company.
4. Percentage of input materials (inputs to total inputs by value) sourced from suppliers

	Current Financial Year 2022 -23	Previous Financial Year 2021-22
Directly sourced from MSMEs/ small producers	2.32%	6.20%
Sourced directly from within the district and neighboring districts	76.29%	34.45%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference to question no 1)

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: NIL
3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)
 YES
- (b) From which marginalized /vulnerable groups do you procure?
 MSEs including those owned by SC/ST and women entrepreneurs
- (c) What percentage of total procurement (by value) does it constitute?
 10% approximately
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1	NIL	NIL	NIL	NIL

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of Case	Corrective action taken
NIL	NIL	NIL

6. Details of beneficiaries of CSR Projects:

CSR project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Supply of water to Manjummel	Not quantifiable	NIL
Supply of National flags in relation to Har Ghar Tiranga	Not quantifiable	NIL
CSR Support to Asian Blind Football	Not quantifiable	NIL
Expenses incurred in connection with Blood donation camp, Udyogamandal club	Not quantifiable	NIL
Param Innovation Project	Not quantifiable	NIL
Super Speciality Medical Camp	Not quantifiable	NIL

PRINCIPLE 9. Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback:
FACT is having a dealer network and the products are sold through dealers. FACT sales officers meet the dealers and consumers regularly. The Consumer complaint and feedback is received through the dealers and sales officers. The Minor complaints are redressed at sales officer level and the major complaints are reported to higher authorities.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. No: of consumer complaint in respect of following:

	FY (Current Financial year)		Remarks	FY (Previous Financial year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	Nil	Nil		Nil	Nil	
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	25	Nil		Nil	Nil	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Other	Nil	Nil		Nil	Nil	

4. Details of instances of product recalls on account of safety issues:

	Number Reasons for recall	Number Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. In IT Policy of the Company cyber security and mitigating risk related to data privacy is laid out. It can be accessed through the web link.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NIL

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Website of the Company www.fact.co.in.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Conducted following Farmer Education Programs to teach the farmers for balanced use of fertilisers and to convey the message for scientific recommendation of fertilizers for various crops, issuing Soil Health cards etc.

- a) Agriculture seminar
- b) Squad program
- c) Soil sample collections
- d) Agriculture Exhibition
- e) Field Demonstration
- f) Dealer Meet

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

NIL

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?

Yes. FACT is printing literature/ leaflets with detailed product information, recommendation of fertiliser dosage for various crops, crop-specific information etc. and these leaflets are distributed to the farmers during Seminar and other meetings.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact:
- b. Percentage of data breaches involving personally identifiable information of customers.

No identifiable data breaches have been noticed during the reporting period.

K. VENKATACHALAM AIYER & Co.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT
To the Members of The Fertilisers and Chemicals Travancore Limited**Report on the Audit of the Standalone Ind AS Financial Statements****OPINION**

We have audited the accompanying Standalone Ind AS Financial Statements of The **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

1. We draw attention to Note #2.3 of the Standalone Ind AS Financial Statements regarding the restatement of the opening balance of Property, Plant & Equipment on April 1, 2021 valued at Rs. 47,956 lakhs.

Our opinion is not modified in respect of the above matter.

Other Matters

- Company has a system of obtaining balance confirmations relating to the customers and vendors. However, only a few customers and vendors have responded with confirmation.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

SI No	Key Audit Matter	Auditors' Response
1	<p>Accounting of subsidy income from Government of India under DBT Scheme:</p> <p>Under Direct Benefit Transfer (DBT) scheme of Government of India (GoI), the Company is entitled to receive subsidy only upon sale of fertilizer by the dealer to the ultimate beneficiary through Point of Sale (PoS) devices. However, the Company continues to account subsidy as income at the time of sale to dealers as in the earlier scheme, considering the reasonable certainty that the sale will take place and subsidy will be received based on the industry practice and past experience. Refer Note #28 to the Standalone Ind AS Financial Statements</p>	<p>Our principal audit procedures included the following:</p> <ul style="list-style-type: none"> ▫ Analysed the scheme framed by the Department of Fertilizers (DoF) notified through Notification F. No. D(FA)/2016/DBT dated March 17th, 2017. ▫ Reviewed the agreement with dealers. ▫ Performed analytical review procedures on the subsidy claim lodged by the Company from the inception of the DBT scheme and subsidy accounted by the Company. ▫ Analysed post Balance Sheet sales through PoS devices in Integrated Fertiliser Management System (iFMS) to assess the sales trend. ▫ Considered the ageing of the stock with the dealers for which sales not reported in the iFMS and assessed the conservative approach adopted by the Company. ▫ Compliance with Ind AS 20 on 'Accounting for Government Grants and Disclosure of Government Assistance' ▫ Method consistently followed by the Company from year to year.

SI No	Key Audit Matter	Auditors' Response
2	<p>Property, Plant & Equipment:</p> <p>Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgment of estimates and application of accounting policies that have significant effect on the amounts recognized in the Standalone Ind AS Financial Statements.</p>	<ul style="list-style-type: none"> We examined whether the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and our observations are shown in clause (i)(a) to Annexure A to this report. Reviewed the report of the committee that studied the Impairment of the assets. Reviewed the capitalisation made during the year under review Reviewed the valuation report of the assets held for sale. Reviewed the report on the physical verification of Property, Plant and Equipment carried out by the Management and comments of the branch auditors in their report regarding physical verification conducted at depots/zonal offices. The deficiencies in the physical verification process are reported in clause (i)(b) of Annexure A to this report. The deficiencies in the reconciliation of land as per documents with the books of accounts and consequent effect on the verification of completeness and correctness of the land are reported in clause (i)(c)(iv) of Annexure A to this report

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

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

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- i Identify and assess the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- i 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)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial control system in place and the operating effectiveness of such controls.
- i Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- i Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- i Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- i Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS Financial Statements maybe influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

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

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

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

Other Matters

1. We did not audit the financial statements of five states comprising marketing offices of the Company included in the Standalone Ind AS Financial Statements of the Company, whose financial statements reflect total revenue of Rs. 2,40,896.66 lakhs for the year ended on that date, as considered in the Standalone Ind AS Financial Statements and total assets not quantifiable in the absence of certified trial balance of the areas as at March 31, 2023. The Company has submitted certain "financial schedules" only which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Standalone Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these states and our report, in so far as it relates to the aforesaid states, is based solely on the reports of other auditors.
2. Our opinion on the Standalone Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters, with respect to our reliance on the work done and the reports of the other auditors and the Standalone Ind AS Financial Statements / Financial Information certified by the Management, except on the limitation of scope

reported by other auditors due to non-provision of the trial balance of the states audited by them and their inability to ensure the correctness of the financial schedules due to this.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable;
2. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in "**Annexure B**" a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.
3. The company does not have the required number of Independent Directors on its Board due to vacancy arising out of end of term of the existing independent directors, from June 2019 onwards hence being non-compliant with relevant Regulations of SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015. A penalty had been levied on the Company for this non-compliance.
4. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the internal audit reports of the Company relating to the fourth quarter and portions of internal audit reports relating to the third quarter for the financial year 2022-23.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and returns generally adequate for the purpose of our audit have been received from the units/ marketing offices not audited by us.
 - c) The reports on the accounts of the five states of the Company audited under Section 143(8) of the Act by other auditors have been given to us and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flows Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from five states not audited by us, subject to the limitation of scope by other auditors.
 - e) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
 - f) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Standalone Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure C**".
 - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in the Standalone Ind AS Financial Statements. (Refer Note #48 of the Standalone Ind AS Financial Statements).
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2023.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), 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 by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditor's Report is not applicable vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs.

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBV1894

Place: Kochi

Date: May 5, 2023

**Annexure A to the Independent Auditors' Report of even date to the members of
The Fertilisers and Chemicals Travancore Limited on the Standalone Ind AS
Financial Statements for the year ended March 31, 2023**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the
Independent Auditors' Report of even date to the members of

The Fertilisers and Chemicals Travancore Limited ("the Company") on the Standalone Ind AS
Financial Statements as of and for the year ended March 31, 2023]:

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

- i. In respect of the Company's Property, Plant & Equipment and Intangible Assets:
- a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant & Equipment, and relevant details of right of use assets.
B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) Major portion of the Property, Plant & Equipment have been stated to be physically verified by the Management during the year and are not observed by us. However, we report that the physical verification has to be done on a systematical order and the procedure needs to be strengthened. As explained to us, no material discrepancies were noticed on such physical verification.
 - c) i) In our opinion and according to information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/ registered sale deeds of immovable properties included in Property, Plant & Equipment, we report that, out of the 1498.97 acres of land held by the Company, we have been informed that the original title deeds of immovable properties of 768.34 acres of land are submitted to District Court, Ernakulam, pledging 80.50 acres of land as a security against claim of a contractor (Refer Note #2.2 and Note #48.2 to the Standalone Ind AS Financial Statements), title deeds of 374.65 acres of land submitted to a bank for pledging 36.08 acres as security against credit facilities sanctioned (confirmation received from bank for custody of title deeds for 361.66 acres only) (Refer Note #2.8 to the Standalone Ind AS Financial Statements). We have verified the original title deeds of 41 parcels of freehold land having an aggregate area of 156.24 acres in the name of the Company. We had verified the conversion of leasehold to freehold title of 143.22 acres of land (Refer Note #2.3 to the Standalone Ind AS Financial Statements).
ii) We have not verified the documents in respect of the remaining lands as the title deeds are not made available for our verification/ confirmations are not received.
iii) Further, based on the information provided to us, title deeds in respect of the following freehold and leasehold immovable properties are not held in the name of the Company.

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

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

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

iv] The Company has not reconciled the value of the land as per the financial statements with the cost of acquisition of the land as per the title deeds and the additional compensation paid for the acquisition of land. Hence, we could not verify the completeness and correctness of the amount disclosed in the financial statements with respect to these title deeds. However, the management confirms that the said non reconciliation will not affect the financial position and financial performance of the Company for the year ended March 31, 2023.

- d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use asset) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a] The inventories have been physically verified by the Management as at year-end. In our opinion, the coverage and procedure of such verification by the management though appropriate, frequency needs to be increased. Discrepancies in the nature of excess physical stock compared to book records were noticed in case of bulk materials of Rock Phosphate and Sulphur which is more than 10% of total raw material stock as on date of inspection. These have been properly dealt in the books of accounts by the Company.
- b] The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on the basis of security of current assets in the form of bill discounting facility. The Company has confirmed that they are not required to submit any quarterly return/ statements with the bank in respect of this facility. Hence, we are unable to comment on its agreement with the books of accounts of the company.
- iii. No.
- a] The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/ unsecured, to companies, firms LLPs' or any other parties during the year. Hence reporting under clause 3(iii)(a)(A) & (B) of the Order is not applicable.
- b] The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured/ unsecured, to companies, firms LLPs' or any other parties during the year. Hence reporting under clause 3(iii)(b) of the Order is not applicable.
- c] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(c) of the Order is not applicable.
- d] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(d) of the Order is not applicable.
- e] The Company has not made any loans and advances in the nature of loans during the year and hence reporting under clause 3(iii)(e) of the Order is not applicable.
- f] The Company has not made any loans and advances in the nature of loans during the year including any amounts of loans granted to promoters, related parties as defined in clause (76) of section 2 of the Act and hence reporting under clause 3(iii)(f) of the Order is not applicable.

- iv. The Company has not made any loans, investments, guarantees, and security to the parties covered under section 185 & 186 of the Act during the year. Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Act and rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable. However, we report that advance from customers includes an amount of Rs. 346.44 lakhs outstanding for more than 365 days as on the balance sheet date. As per the information given by the Company, the goods/services are not made against these advances due to non-placement of orders, disputes and other reasons. Also, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal for any contravention in this regard.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete
- vii. In respect of statutory dues:
- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. As per the information and explanation given to us and based on our verification of documents produced before us, there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable except the following:

SI No	Name of the statute	Nature of dues	Amount (Rs in Lakhs)*	Period to which amount relates
1	Income Tax Act, 1961	Income Tax and interest due thereon	140.76	1995-96 to 1998-99
2	Income Tax Act, 1961	Income Tax and interest due thereon	13.26	1997-98
3	Income Tax Act, 1961	Income Tax and interest due thereon	79.03	1995-96
4	The Central Sales Tax Act, 1956	Central Sales Tax and interest due thereon	6.68	2013-14
5	The Central Sales Tax Act, 1956	Central Sales Tax and interest due thereon	20.65	2014-15
6	The Central Sales Tax Act, 1956	Central Sales Tax and interest due thereon	5.31	2015-16
7	The Employee Provident Fund Act, 1952	Employer provident fund contribution	3.37	2022-23

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

- b) The details of dues towards Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and goods and services tax which have not been deposited as at March 31, 2023, on account of disputes are given below:

Name of the statute	Nature of dues	Demand-net of payment (Rs in Lakhs)	Period to which dispute relates	Forum where dispute pending
Customs Act, 1962	Customs duty and interest due thereon	36.77	1990-92	Rectification application filed by the Department before CESTAT
Kerala Value Added Tax Act, 2003	Kerala Value Added Tax	83.40	2006-07	Special leave petition before Supreme Court by Commercial taxes Department, Govt. of Kerala
Central Excise Act, 1944	Excise duty, interest and penalty against utilization of CENVAT credit against duty payable.	10,976.57	2010-11 to 2013-14	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Central Excise Act, 1944	Excise duty, interest and penalty on shortage of raw material written off.	106.17	2003-04	High Court of Kerala (Stay order granted)
Finance Act, 1994	Service tax and interest thereon, up front premium on shares	346.81	2003-04	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Finance Act, 1994	Service tax and interest thereon on training fee.	14.54	2012-13	Customs, Excise and Service Tax Appellate Tribunal, Bengaluru
Madhya Pradesh Entry Tax	Entry Tax	3.67	1980-84	Board of Revenue (Commercial Tax Tribunal) Gwalior
Sales Tax Act, Punjab	Sales Tax	85.28	1999 -00 and 2000-01	Deputy Excise and Taxation Commissioner (Appeals) Patiala
Sales Tax Act, Orissa	Sales Tax	63.00	1985-1992	Sales Tax Tribunal, Orissa, Cuttack
Kerala Value Added Tax Act, 2003	Penalty u/s 47(6) of the Kerala Value Added Tax, Act, 2003	7.68	2011-12	Kerala Value added Tax Appellate Tribunal, Ernakulam
Income Tax Act, 1961	Tax demand due to disallowance	1.32	2005-06	Commissioner of Income Tax (Appeals), Kochi
Income Tax Act, 1961	Interest on Income Tax	2.94	2001-02	Commissioner of Income Tax (Appeals), Kochi

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

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

Nature of borrowing, including debt securities	Name of the lender	Amount not paid on due date (in lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Loan	Government of India	Rs. 1,77,048.75*	Principal	368	Refer Note No. 22 (2) to the Standalone Ind AS Financial Statements
Loan	Government of India	Rs. 1,43,409.49	Interest	368	

*The Company has submitted a Financial Restructuring proposal for an amount of Rs.1,28,273 lakhs to Department of Fertilisers, Government of India. Principal includes Rs. 48,775.75 lakhs as interest converted as loan.

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

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

d] On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

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

f] The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

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

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

xi. a] Based upon the audit procedures performed and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year

b] No report under section 143(12) of the Act has been filed by us Auditors in Form ADT - 4 during the year and till the audit report date.

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

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

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties and the details of the related party

transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

- xiv. a) In our opinion, the Company has an internal audit system to commensurate with the size and the nature of its business.
- b) We have considered the furnished internal audit reports of the audits conducted for the year under audit, issued to the Company during the year and till date, in determining the nature, timing, and extent of our audit procedures. The internal audit reports for the fourth quarter and portions of internal audit report for the third quarter have not been received and hence not considered.
- xv. In our opinion, during the year Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) In our opinion, the Company is not a core investment company as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
- d) In our opinion, there is no core investment company within the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payments of financial liabilities, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating the Company is not capable of meeting its liabilities existing at the date of balance sheet date as and when they fall due within a period of one year from the balance sheet date except the Government of India loan including accrued interest of Rs. 3,20,458.24 lakhs which has fallen due as on March 31, 2022 for which the Company has submitted a restructuring plan pending approval. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantees nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b] The Company has ongoing projects commitment of Rs. 385.87 lakhs. The Company has transferred Rs. 385.90 lakhs on April 28, 2023.

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

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBV1894

Place: Kochi

Date: May 5, 2023

**Annexure B to the Independent Auditors' Report of even date to the members of
The Fertilisers and Chemicals Travancore Limited on the Standalone
Ind AS Financial Statements for the year ended March 31, 2023**

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

SI No	C & AG Directions	Observations/findings
1	<p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated</p>	<p>Company has implemented SAP ERP system in order to make information processing fully integrated and centralised. It enables integrated processing of most of the accounting transactions. However, certain accounting transactions relating to the subsidy income, valuation of inventory, depreciation of the assets and certain year end provisions are processed directly in the financial module. Such transactions and balances are adequately supported by relevant documents maintained/ calculations maintained in excel work books. The integrity of the accounts is taken care of and no financial implications is envisaged.</p>
2	<p>Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).</p>	<p>According to information and explanations given to us, during the year, there was no restructuring of existing loans of the Company or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to Company's inability to repay the loan. However, we report that the company submitted a financial restructuring proposal to Department of Fertilisers, Government of India with respect to the Government of India loan and no decision was taken by the Government on this proposal as on the balance sheet date.</p>
3	<p>Whether funds (grants/subsidy etc.) received /receivable for specific schemes from Central /State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation</p>	<p>According to information and explanations given to us, during the year, the Company received freight subsidy against the freight expenses incurred for the transportation of the fertilizers from plant/ port to the depots and DBT subsidy against the ultimate sale of fertilizers to the beneficiaries. These funds are properly accounted as per Ind AS 20 and utilized as per the terms and conditions of the scheme.</p> <p>The company has not received / has receivable from any other fund for specific schemes of central/ state agencies during the year.</p>

SI No	C & AG Sub Directions	Observations/findings
1	State the impact of revision of subsidies for fertilizers products viz. NPK, Ammonium Sulphate and imported MoP in valuation of its closing stock.	<p>As per Company's accounting policy, inventories are valued at lower of cost or net realizable value ("NRV"). In respect of fertilisers which are subsidised/are sold at prices lower than cost, subsidy being a component of revenue is included while arriving at the NRV.</p> <p>Considering the steep fall in prices of raw materials, the company has estimated that the subsidy rates to be announced by the government for the period starting from April 1, 2023 will be substantially lower matching with the prevailing raw material prices and accordingly valued the closing stock of complex fertilisers ("NPK") as on March 31, 2023 are valued at NRV of Rs. 42,554.50 lakhs whereas closing stock of ammonium sulphate ("AS") is valued at cost at Rs. 8,180.57 lakhs except for stock in transit via rail to Karnataka at Rs. 388.64 lakhs which is valued at NRV.</p> <p>However, had the closing stock been valued at the existing subsidy rates as on March 31, 2023, the entire closing stock of fertilisers (NPK & AS) would have been valued at cost and the notional impact would be increase in the closing stock value of fertilisers (NPK & AS) by Rs. 7,676.94 lakhs.</p>

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBV1894

Place: Kochi

Date: May 5, 2023

**Annexure C to the Independent Auditors' Report of even date to the members of
The Fertilisers and Chemicals Travancore Limited on the Standalone Ind AS Financial
Statements for the year ended March 31, 2023**

[Referred to in paragraph 4(g) under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date]

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

We have audited the internal financial controls over financial reporting of the **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** ('the Company') as of March 31, 2023 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, reasonably adequate internal financial controls system over financial reporting with reference to these Standalone Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Ind AS Financial Statements 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 ICAI.

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBV1894

Place: Kochi

Date: May 5, 2023

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

Confidential

Report/2-151/DGA/(AF&WR)/Acts/FACT/2023-24/3150
Dtd. 31.08.2023

To

The Chairman & Managing Director
The Fertilizers and Chemicals Travancore Limited
Eloor, Udyogamandal, Kochi 63 501, (Kerala)

Sub: Comments by the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Accounts of The Fertilisers and Chemicals Travancore Limited (Standalone) for the year ended 31 March 2023.

Sir,

The NIL comments are being sent herewith on the financial accounts of The Fertilisers and Chemicals Travancore Limited (Standalone) for the year ended 31 March 2023 under Section 143(6) (b) of the Companies Act 2013.

Kindly acknowledge receipt.

Yours faithfully,
(Sd/-)

(Sanjay Kumar Jha)

Director General of Audit

(Agriculture, Food & Water Resources)

Encl: as above

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LTD FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of The Fertilisers and Chemicals Travancore Ltd for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 5 May 2023.

1, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of The Fertilisers and Chemicals Travancore Ltd for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the Comptroller & Auditor General of India

(Sd/-)

(Sanjay K. Jha)

Director General of Audit

(Agriculture, Food & Water Resources)

Place: New Delhi

Date: 31.08.2023

Balance Sheet as at 31st March 2023

₹ In Lakh

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022	As at the beginning of 01.04.2021
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	2	78,166.94	78,227.21	73,113.91
Capital Work in Progress	2A	10,459.40	4,251.40	5,498.34
Investment Property	2B	5.77	5.77	9.30
Right-of-use assets	2C	3,159.87	3,256.99	3,294.13
Other Intangible Assets	2D	45.68	76.47	112.32
Financial Assets				
i Investments in Associates & Joint Ventures	3A	0.00	407.99	534.20
ii Other Investments	3B	11,286.23	9,380.47	8,092.90
Loans	4	0.00	3.28	4.52
Other Financial Assets	5	12,718.04	928.65	3,279.51
Other Non Current Assets	6	1,518.09	0.00	4.89
		117,360.02	96,538.23	93,944.02
CURRENT ASSETS				
Inventories	7	97,812.18	66,179.70	51,563.96
Financial Assets				
Trade Receivables	8	47,887.48	17,522.98	10,438.13
Cash and Cash equivalents	9	4,957.83	18,205.92	17,878.46
Other Bank Balances	10	226,989.30	169,440.47	148,808.35
Other Financial Assets	11	18,756.23	55,475.06	19,993.52
Current Tax Assets	12	182.85	232.55	1,039.05
Other current Assets	13	25,419.77	46,268.79	36,669.03
		422,005.64	373,325.47	286,390.50
Non-current Assets held for Disposal	14	4,065.02	4,065.02	4,065.02
TOTAL ASSETS		543,430.68	473,928.72	384,399.54
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	64,707.20	64,707.20	64,707.20
Other Equity	16	62,682.49	1,495.44	(34,750.43)
		127,389.69	66,202.64	29,956.77

Balance Sheet as at 31st March 2023

₹ In Lakh

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022	As at the beginning of 01.04.2021
LIABILITIES				
NON CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	17	510.00	1,020.00	1,530.00
Lease Liabilities	18	2,985.82	2,966.79	2,882.19
Other Financial Liabilities	19	30.74	2,523.48	17.92
Provisions	20	19,003.53	18,142.77	18,966.42
Other Non Current Liabilities	21	1,128.96	1,140.89	628.45
		23,659.05	25,793.93	24,024.98
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	22	180,398.57	179,502.33	177,558.75
Lease Liabilities	23	276.68	268.76	264.46
Trade Payables	24			
(i) Dues to Micro, Small and Medium Enterprises		429.50	103.38	99.70
(ii) Dues to Others		37,372.87	57,694.74	37,344.75
Other Financial Liabilities	25	164,734.88	134,334.18	104,669.72
Other Current Liabilities	26	5,749.55	5,079.59	4,812.48
Provisions	27	3,419.89	4,949.17	5,667.93
		392,381.94	381,932.15	330,417.79
TOTAL EQUITY AND LIABILITIES		543,430.68	473,928.72	384,399.54

Statement of Significant Accounting Policies 1

Explanatory Information on Financial Statements 38-59

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-

V.Ramachandran

Partner

Membership No.020504

Sd/-

S Sakthimani

Director (Finance) & Chief Financial Officer

DIN 07482308

Sd/-

Kishor Rungta

Chairman & Managing Director

DIN 00231106

Sd/-

Susan Abraham

Company Secretary

Place: Kochi

Date: 05.05.2023

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

₹ In Lakh

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
I Revenue from Operations	28	619,814.73	442,480.27
II Other Income	29	13,557.68	11,123.39
III Total Income (I+II)		633,372.41	453,603.66
IV Expenses			
Cost of Materials Consumed	30	417,898.38	277,086.11
Purchase of Stock in Trade	31	503.70	297.78
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	(44,894.63)	655.94
Employee Benefit Expenses	33	28,818.53	23,176.04
Finance Cost	34	24,733.73	24,440.68
Depreciation and Amortization Expenses	2,2B,2C,2D	3,011.13	2,718.71
Other Expenses	35	142,003.04	81,684.65
Total Expenses (IV)		572,073.88	410,059.91
V Profit / (Loss) before exceptional items and tax (III - IV)		61,298.53	43,543.75
VI Exceptional Items (Income /(Expenses))	36	-	(8,906.20)
VII Profit / (Loss) before Tax (V+VI)		61,298.53	34,637.55
VIII Tax Expenses		0.00	0.00
IX Profit / (Loss) for the Year (VII-VIII)		61,298.53	34,637.55
X Other Comprehensive Income			
(I) Items that will not be reclassified to Profit or loss			
(a) Equity instruments through Other Comprehensive Income-net change in fair value	16	1497.77	1161.35
(b) Remeasurement of defined benefit plan		(1,608.31)	447.90
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		0.00	0.00
Other Comprehensive income for the year (X)		(110.54)	1,609.25
XI Total Comprehensive Income for the year (IX+X)		61,187.99	36,246.80
XII Earnings per Equity Share			
Basic/Diluted per Equity Share (₹)	37	9.47	5.35
Statement of Significant Accounting Policies	1		
Explanatory Information on Financial Statements	38-59		

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

Sd/-

V.RamachandranPartner
Membership No.020504

Sd/-

S SakthimaniDirector (Finance) & Chief Financial Officer
DIN 07482308**For and on behalf of the Board of Directors**

Sd/-

Kishor RungtaChairman & Managing Director
DIN 00231106

Place: Kochi

Date: 05.05.2023

Sd/-

Susan Abraham

Company Secretary

Statement of Cash Flow for the year ended 31st March 2023

₹ In Lakh

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A Cash flow From Operating Activities		
Net Profit / (Loss) before Tax	61,298.53	34,637.55
Adjustments for:		
Depreciation / Impairment loss on Assets	3,011.13	2,718.71
Exceptional items	-	8,906.20
(Profit) / Loss on Sale of Asset	(838.28)	0.58
Interest Income	(11,226.71)	(8,991.96)
Dividend Income	(38.88)	(25.92)
Interest and Finance Charges	24,733.73	24,440.68
Provision for Doubtful Trade receivables	70.21	144.92
Provision for other doubtful receivables	18,301.45	-
Provision for Bad / Doubtful Advances	2.32	39.40
Provision for Obsolescence	2,394.53	193.22
Amount written off- Deferred Government Grants	(0.94)	(0.93)
Expenditure towards Corporate Social Responsibility	421.18	106.28
Change in Provision	(2,276.83)	(1,094.51)
Adjustment for Non cash items	(44.38)	(3.41)
Operating Profit before Working Capital Changes	95,807.06	61,070.81
Adjustment for :		
Inventories	(34,027.01)	(14,808.96)
Trade Receivables	(30,434.71)	(7,229.77)
Loans	3.28	1.24
Other Current Assets	2,545.25	(9,639.16)
Other Non Current Assets	(1,518.09)	4.89
Other Financial Assets	38,826.19	(35,426.87)
Trade Payables	(19,995.75)	20,353.67
Other liabilities	4,668.24	155.31
	(39,932.60)	(46,589.65)
Cash Generated from Operations	55,874.46	14,481.16
(Direct Tax Paid)/ Refund received	49.70	806.50
Paid for Corporate Social Responsibility	(421.18)	(106.28)
Net Cash from Operating Activities	55,502.98	15,181.38
B Cash Flow from Investing Activities		
Acquisition of Property, plant and equipment/CWIP	(9,267.66)	(6,381.98)
Proceeds from the sale of Property, plant and equipment	1,154.86	0.27
Acquisition of intangible assets	(9.80)	(3.11)
(Investment in)/Withdrawal of Bank deposits	(69,338.22)	(18,281.26)
Interest Received	9,119.35	8,937.29
Dividend Received	38.88	25.92
Net Cash from investing Activities	(68,302.59)	(15,702.87)

Statement of Cash Flow for the year ended 31st March 2023 ₹ In Lakh

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
C Cash Flow from Financing Activities		
Net Proceeds /(Repayment) of Working capital facilities and short term loans	386.24	1,433.58
Interest Paid	(834.72)	(584.63)
Net Cash from Financing Activities	(448.48)	848.95
Net increase in Cash and Cash Equivalent (A+B+C)	(13,248.09)	327.46
Cash and Cash Equivalent as at 1st April (Opening Balance)	18,205.92	17,878.46
Cash and Cash Equivalent as at 31st March (Closing Balance)	4,957.83	18,205.92
Closing Cash and Cash Equivalents		
Represented By :		
Cash on hand	2.66	2.33
Balances with banks	22.09	286.08
Deposit with Bank (less than 3 month maturity)	4,933.08	17,917.51
Total	4,957.83	18,205.92

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

Sd/-

V.Ramachandran

Partner

Membership No.020504

Sd/-

S Sakthimani

Director (Finance) & Chief Financial Officer

DIN 07482308

For and on behalf of the Board of Directors

Sd/-

Kishor Rungta

Chairman & Managing Director

DIN 00231106

Sd/-

Susan Abraham

Company Secretary

Place: Kochi

Date: 05.05.2023

Statement of changes in equity
A. Equity share capital
(1) 2022-23

Particulars	Balance as at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2022	Changes in equity share capital during the year 2022-23	Balance as at 31.03.2023
Equity shares of ₹10 each	64707.20	NIL	64707.20	NIL	64707.20

(2) 2021-22

Particulars	Balance as at 01.04.2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2021	Changes in equity share capital during the year 2021-22	Balance as at 31.03.2022
Equity shares of ₹10 each	64707.20	NIL	64707.20	NIL	64707.20

Particulars	Reserves & Surplus								Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
	Share application money pending allotment	Equity component of financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings									
Balance as at 01.04.2022	-	-	2.64	-	51.72	(1910.23)	(6,070.59)	-	9,421.90	-	-	-	-	-	-	1,495.44
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at the beginning of the current reporting period	-	-	-	-	51.72	(1910.23)	(6,070.59)	-	9,421.90	-	-	-	-	-	-	1,495.44
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.94)	(1608.31)	61,298.53	-	1,497.770	-	-	-	-	-	-	61,187.05
Balance as at 31.03.2023	-	-	2.64	-	50.78	(3518.54)	55,227.94	-	10,919.67	-	-	-	-	-	-	62,682.49

B. Other Equity (1) 2022-23

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

Sd/-
V.Ramachandran
 Partner
 Membership No.020504

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

Place: Kochi
 Date: 05.05.2023

Particulars	Reserves & Surplus								Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
	Share application money pending allotment	Equity component of financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings									
Balance as at 01.04.2021	-	-	2.64	-	52.65	(2358.13)	(88684.14)	-	8260.55	-	-	-	-	-	-	(82706.43)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	47956.00	-	-	-	-	-	-	-	-	47,956.00
Restated balance as at the beginning of the current reporting period	-	-	-	-	52.65	(2358.13)	(40708.14)	-	8260.55	-	-	-	-	-	-	(34,750.43)
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.93)	447.90	34637.55	-	1,161.35	-	-	-	-	-	-	36,245.87
Balance as at 31.03.2022	-	-	2.64	-	51.72	(1910.23)	(6070.59)	-	9421.90	-	-	-	-	-	-	1495.44

B. Other Equity (2) 2021-22

**Fund received towards Indo EEC Fertiliser Education Project
For and on behalf of the Board of Directors

Sd/-
Kishor Rungta
 Chairman & Managing Director
 DIN 00231106

Sd/-
Susan Abraham
 Company Secretary

**Fund received towards Indo EEC Fertiliser Education Project

NOTE 1

Statement of Significant Accounting Policies forming part of Financial Statements for the Year ended 31st March 2023

1. Corporate Information

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

The Company is engaged in the,

- (i) Manufacturing and marketing of fertilizers and Petrochemicals,
- (ii) Engineering Consultancy and Design and
- (iii) Fabrication and Erection of Industrial Equipments.

2. Basis for preparation of financial statements

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

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

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

All amounts included in the standalone financial statements which also include the accompanying notes are presented in Indian Rupees (₹) and all values are rounded to the nearest lakh (₹ 00,000), except when otherwise indicated.

2.1 Use of Estimate & Judgements

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

2.2 Current versus non-current classification

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

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

- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

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

3. Significant Accounting Policies

1) Property Plant and Equipment

- a) All Property, Plant and Equipment are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- b) All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.
- c) Land purchased/acquired and under the possession of the company are treated as free hold land.
- d) Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset
- e) Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.
- f) Spares costing (Unit value of '10 lakh and above), and other components which are required to be replaced at intervals, meeting the recognition criteria, have been classified as Plant and equipment and are depreciated separately based on the useful lives of the corresponding item of the Property, Plant & Equipment .
- g) The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- h) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue.

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

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

Depreciation

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

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

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

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

Impairment

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. When the recoverable amount of previously impaired assets exceeds its carrying amount, the value of asset is reinstated by reversing the impairment loss considered in prior years limited to lower of its recoverable value or carrying amount at the depreciated historical cost.

Capital Stores

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

Exemption Availed Under Ind AS 101

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

ii) Capital Work In Progress

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

iii) Investment Property

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

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

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

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

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

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

iv) Intangible Assets

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

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

Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalized as intangible assets and amortized over a period of 5 years or life of the facility whichever is earlier.

Exemption Availed Under Ind AS 101

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

v) Inventory Valuation

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

Materials in process are not valued.

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

Materials in transit / under inspection are valued at cost

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the lowest slab of the approved price for the next financial year reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. For assessing the closing stock of gypsum, the saleable quantity is assessed on the basis of physical verification conducted at the end of the financial year.

vi) Commitments

Capital

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

Other Commitments

Disclosure is considered in respect of those non-cancellable contractual commitments (i.e. cancellation of

which will result in a penalty disproportionate to the benefits involved) based on the professional judgement of the management which are material and relevant.

vii) Borrowing Cost

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

viii) Investments

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

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

ix) Revenue Recognition

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

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

Other income is recognized on an accrual basis

Dividend income is recognized when right to receive dividend is established

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

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

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

Insurance and other miscellaneous claims are recognized on receipt/ acceptance of claim. Contractual pass through incentives, benefits, etc. are recognized on receipt basis.

x) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the contract lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

At the commencement date, Company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.

The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised as revenues as per lease terms since such rentals are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

xi) Foreign Currency Transactions:

Receivables and payables in foreign currency as on the reporting date including forward exchange contracts are restated at the rate prevailing at that date.

The premium in respect of forward exchange contracts is recognized in the year of contracts.

Variations arising on account of fluctuations in foreign exchange rates are treated as revenue (gain/loss (-))

xii) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee are recognised as an expense during the period when the employees render the services

Post-Employment Benefits

Defined Contribution Benefits

Contributory Superannuation Scheme with an annual contribution of ₹ 100 by the Company, aimed to provide superannuation benefits to the employees, has been treated as Defined contribution Plan.

Defined Benefit Plans

The company's contribution to the Provident Fund is remitted to separate trust established for this purposes

based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the company and charged to Statement of Profit and Loss. As a matter of prudence Company provides for certain expenses of the fund such as audit fees & expenses, bank charges etc.

The company operates defined benefit plan for gratuity and leave encashment. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and the gratuity fund in respect of regular employees is administered through a fund maintained by insurance company.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'.

xiii) Grants

Government grants in the nature of promoters' contribution are credited to Capital reserve and treated as part of Shareholders funds.

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

Revenue grants relating to revenue expenses are deducted from the respective expenses.

In respect of revenue grants released by Government, the treatments in the accounts are considered as per the respective schemes notified by the Government. Other revenue grants relating to revenue expenses are considered as income and credited to statement of Profit and Loss.

xiv) Taxes

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised using the Balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax assets is recognized for the carry forward of unused tax losses and unused tax credits to the extent it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized, subject to management judgement. The company reassess unrecognized deferred tax assets at the end of each reporting period.

xv) Goods and Services Tax

Goods and Service Tax credit on eligible materials and services is recognised on receipt of such items at intended locations.

xvi) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) Ref Note No 44

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable corporate expenses.

Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

xvii) Contract Operations

In contract operations revenue is recognized on percentage of completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date. Foreseeable losses on contract activities are recognized fully irrespective of the progress of work. The amount of estimated liquidated damages is reduced from revenue.

In the case of Total responsibility jobs/Deposit work/Cost plus contracts, contract revenue is determined by adding the aggregate cost plus fixed percentage fees there on as agreed with the Customer.

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to a earlier periods, exceeding ₹5 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

Research and development expenses (other than cost of Property, plant and equipment acquired) are charged as an expense in the Statement of Profit And Loss in the year in which they are incurred.

xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Show Cause notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the company, these are classified as disputed obligations.

The treatment in respect of disputed obligations, in each case, is as under:

- i) a provision is recognized in respect of present obligations where the outflow of resources is probable
- ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent Assets are not recognized in the financial statements, however where the inflow of economic benefits are probable as at the end of the reporting period, a brief description of the nature of the contingent assets along with its estimated financial effect is disclosed in the financial statements.

xxi) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining

assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

xxii) Financial Instruments

Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories, those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and those measured at a mortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

Initial recognition

The Company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recognised in profit and loss.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets:

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through Profit and Loss(FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss.

Investments in Joint Venture

Investment in Joint venture is recognised at fair value through FVOCI

Impairment of financial assets

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

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

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

Subsequent measurement

The subsequent measurement of financial liabilities of the Company depending on their classification is described below:

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial Assets and Financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to set off the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

Loans and borrowings including bank overdrafts

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

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

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

xxiii) Exemption as per Ind AS 101

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition to Ind AS. The same is applicable even for Investment property and intangible assets.

Company has also reviewed the necessary adjustments required to be done in accordance with paragraph D21 of the standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1st April 2016 as fair value through OCI.

xxiv) Statement of Cashflow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period.

xxvi) Dividend

The Company recognizes a liability to pay dividend to shareholders when the distribution is authorized and the same is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

xxvii) Exceptional Items

Exceptional items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

Notes Forming part of financial statement

Note 2 Non Current Assets-Property, Plant and Equipment (PPE):

Particulars	DEEMED COST / COST										DEPRECIATION			IMPAIRMENT LOSS		NET BLOCK	
	As at 01.04.2022	Additions during the year	Disposal/Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to revaluation	As at 31.03.2023	Upto 01.04.2022	For the year	On Disposal/Deduction during the year	On Adjustment during the year	Upto 31.03.2023	Upto 01.04.2022	(Withdrawal)/Provision during the year	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Tangible Assets																	
Land	49,552.26	6.80	-	-	-	-	49,559.06	-	-	-	-	-	-	-	-	49,559.06	49,552.26
Buildings	2,046.12	-	-	(0.59)	-	-	2,045.53	352.82	64.04	-	-	416.86	-	-	-	1,628.65	1,693.29
Plant and Equipment	36,966.95	2,931.24	(0.60)	(556.22)	-	-	39,341.37	11,265.13	2,510.73	(0.02)	(243.37)	13,532.48	-	-	-	25,808.90	25,701.81
Furniture and Fixtures	58.46	9.20	-	-	-	-	67.66	12.24	3.89	-	-	16.13	-	-	-	51.53	46.22
Vehicles	377.58	-	(4.08)	(1.93)	-	-	371.57	96.62	36.45	(1.82)	-	131.25	-	-	-	240.32	280.96
Office equipment	993.21	97.85	(0.05)	-	-	-	1,091.01	496.18	147.60	-	-	643.78	-	-	-	447.23	497.02
Others:-																	
Roads & Culverts	338.17	-	-	-	-	-	338.17	100.07	10.30	-	-	110.37	-	-	-	227.80	238.09
Railway Sidings	15.62	-	-	-	-	-	15.62	-	-	-	-	-	-	-	-	15.62	15.62
Misc. Assets	235.81	13.75	-	-	-	-	249.56	130.43	17.98	-	-	148.41	-	-	-	101.15	105.38
Retired Asset	509.09	-	(556.17)	558.74	-	-	511.66	412.53	11.56	(242.48)	243.37	424.99	-	-	-	86.67	96.56
Minor Assets	34.04	0.82	-	-	-	-	34.86	34.03	0.82	-	-	34.85	-	-	-	-	-
Total	91,127.31	3,059.66	(560.90)	(0.85)	4.03	-	93,626.07	12,900.05	2,803.37	(244.32)	-	15,459.12	-	-	-	78,166.94	78,227.21
Previous year	83,495.20	7,628.93	(0.85)	4.03	-	-	91,127.31	10,381.27	2,518.27	-	0.51	12,900.05	-	-	-	78,227.21	25,157.91

- 2.1) Company has agreed to mortgage 408 acres of land held vide patta no. 7030 in survey no. 205 in Puthencruz village, Ernakulam District, Kerala State to the Government of India against the plan loan sanctioned by the Government of India during the year 2015-16.
- 2.2) Out of 1498.97 acres (Previous year 1498.97 acres) of land held by the Company, 14.26 acres, for which right of use asset is recognised (Previous year 14.26 acres) are held under lease hold right from Cochin Port Trust, for which lease agreement is under finalization. 80.50 acres of land has been provided as security towards arbitration award in the dispute between the Company and M/s ABC & Sons Ltd (Refer Note, 48.2).
- 2.3) The land held by the company also include 143.22 acres which were under leases from Government of Kerala. During the year 2019-20, company had sold 481.79 acres of Land, as approved by Union Cabinet, Government of India @ ₹1 Crore per acre for 150 Acres (in lieu of free hold right accorded by the Government of Kerala over 143.22 acres of lease hold land) and remaining 331.79 acres @ ₹ 2.4758 Crore per acre as assessed by the District Collector. On receipt of the valid order from revenue department during the year, Company has accounted the 143.22 acres of land as freehold land, at its fair value ₹47956 lakhs, as restatement of opening balance of PPE and Other Equity as on 01.04.2021.
- 2.4) Title deeds are yet to be registered/ received, in respect of 42.26 acres of Land. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the respective year.
- 2.5) During the year 2022-23, Company has disposed off the old thermal plant (14 MW area and 12 mw area), water treatment plant, concentration section of phosphoric acid plant, filtration section of effluent treatment plant and the old sulphuric acid day tank in Cochin Division, as scrap. These items of Property, Plant & Equipment with written down value of ₹312.18 lakhs has been disposed at a sale consideration of ₹1138.01 lakhs (including related spares)
- 2.6) Railway siding includes siding held jointly with M/s Bharat Petroleum Corporation Limited (Kochi Refinery) with written down value ₹4.27 lakh (Previous year ₹ 4.27 lakh).
- 2.7) Company has given land ranging from 2.50 hectares to 4.1344 hectares to Kochi Metro Rail Limited on leave and license basis for the period from 22.10.2013 to 21.10.2022. Renewal of agreement for the appropriate area is pending as on the reporting date.
- 2.8) Plant & Equipment includes value of 6 numbers of Ammonia bullets fixed on the barges of contractor of the company for transportation of Ammonia, with net Written Down value of 2.66 lakh.
- 2.9) First charge has been created on 36.08 acres of land (Previous year- 36.08 acres of land), in the State of Kerala, as security for Fund/Non Fund Based working capital arrangement with State Bank of India.
- 2.10) The above includes assets procured with EEC grant with book value - 54.91 lakh (previous year - 55.85 lakh).
- 2.11) Depreciation is charged on Property, plant and equipment based on the useful life of assets prescribed under the Schedule II of the Companies Act 2013 except for the following assets, for which depreciation is charged based on the estimated useful life ascertained on evaluation by the concerned technical team of the Company.

i) DCS for Fertiliser Plant	10 Years
ii) Analysers	5 Years
iii) Rejuvenation of caprolactam plant	15 years

Note No. 2A Non Current Assets- Capital Work in Progress

₹ In Lakh

	As at 31.03.2023	As at 31.03.2022
Capital Work in Progress	10,109.19	4,035.11
Goods in Transit / Goods pending inspection /Capital Stores	350.21	216.29
	10,459.40	4,251.40

Note No. 2B . Non Current assets - Investment Property

Particulars	As at 31.03.2023	As at 31.03.2022
Opening Balance		
Land	5.77	6.50
Building	0.00	3.30
Total	5.77	9.80
Addition/ (Deletion)		
Land	0.00	(0.73)
Building	0.00	(3.30)
Total	0.00	(4.03)
Closing Balance		
Land	5.77	5.77
Building	0.00	-
Total	5.77	5.77
Depreciation		
Building		
Opening Balance	-	0.50
Adjustments	0.00	(0.50)
Current Year	-	-
Closing Balance	-	-
Net Block		
Land	5.77	5.77
Building	0.00	0.00
Total	5.77	5.77

During the year 2011-12 Company by way of leave and license basis, has made available to GAIL (India) Ltd, at Udyogamandal/Cochin Division, 2.40 acres of land and right to use of 0.33 acres for laying pipelines for a period of 35 years for an upfront premium of ₹ 479 lakh and yearly license fee of ₹ 100. The Leave and license agreement is yet to be executed.

As per the Joint Venture agreement with Rashtriya Chemicals & Fertilisers Ltd (RCF), the Company during 2008-09, has made available, 11 acres of land at Cochin Division on lease basis to FACT-RCF Building Products Ltd, for a period of 20 years for an upfront premium of ₹ 1000 lakh and yearly rent of ₹10.

During the year 2021-22, company has entered into a Leave and License agreement with Kochi Salem Pipeline Private Limited (KSPPL) by allotting 30 cents of land to KSPPL at Udyogamandal for a period of 15 years with effect from 10-01-2022.

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Rental Income from investment property	124.69	77.23
Direct operating expenses to income generating property	0.00	0.00
Less: Reimbursement of expenses	0.00	0.00
Profit arising from Investment Property before depreciation	124.69	77.23
Depreciation	-	-
Profit arising from Investment Property	124.69	77.23

Reconciliation of fair value

Particulars	As at 31.03.2023	As at 31.03.2022
Fair Value of Investment property		
Opening Balance		
Freehold Land	2,642.19	2,723.78
Buildings	-	26.42
Total	2,642.19	2,750.20
Additions/(Deletions)		
Freehold Land	264.22	(81.59)
Buildings	0.00	-26.42
Total	264.22	-108.01
Closing Balance		
Freehold Land	2,906.41	2,642.19
Buildings	-	-
Total	2,906.41	2,642.19

Fair Value of Freehold Land is based on the notification issued by the Government of Kerala in their website. Management assumes the original cost of the Building as fair value

Note 2C Right of use Assets

₹ In Lakh

Particulars	GROSS CARRYING AMOUNT					DEPRECIATION			NET CARRYING AMOUNT	
	As at 01.04.2022	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	As at 31.03.2023	Up to 01.04.2022	For the year	Up to 31.03.2023	As at 31.03.2023	As at 31.03.2022
Right of use Assets	3,577.18	0.00	0.00	70.04	3,647.22	320.19	167.16	487.35	3,159.87	3,256.99
Total	3,577.18	0.00	0.00	70.04	3,647.22	320.19	167.16	487.35	3,159.87	3,256.99

1. The above includes, leased land from Cochin Port Trust taken for the purpose of storage, handling of raw materials and for setting up a dock for barge operations. The lease agreement is pending execution. The recognition of Right of use Asset and lease liability has been made based on the draft agreement agreed upon based on the sanction from Ministry of Shipping, Government of India, dated 14.11.2014. (Refer Note-40)

Note No. 2D Non Current Assets- Other Intangible Assets

Particulars	Deemed Cost							Amortization					Impairment Loss			Net Block	
	As at 01.04.2022	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to Revaluation	As at 31.03.2023	Up to 01.04.2022	For the year	On Disposal/ Deduction during the year	On adjustment during the year	Up to 31.03.2023	Up to 01.04.2022	(Withdrawal)/ provision during the year	Up to 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	200.84	9.80	0.00	0.00	0.00	0.00	210.64	124.37	40.59	0.00	0.00	164.96	0.00	0.00	0.00	45.68	76.47
Total	200.84	9.80	0.00	0.00	0.00	0.00	210.64	124.37	40.59	0.00	0.00	164.96	0.00	0.00	0.00	45.68	76.47
Previous year	197.73	3.11	0.00	0.00	0.00	0.00	200.84	85.41	38.96	0.00	0.00	124.37	0.00	0.00	0.00	76.47	112.32

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note No. 3A Non Current Asset - Financial Assets - Investments in Associates & Joint Ventures		
Particulars	As at 31.03.2023	As at 31.03.2022
In Joint Venture		
FACT-RCF Building Products Ltd		
3,52,27,000 (Previous year 3,28,70,000) Equity Shares of ₹ 10/- each	3,522.70	3,287.00
Less: Provision for diminution in the value of investment	(3,522.70)	(3,287.00)
	0.00	0.00
In Associate		
Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) equity shares of `10/- each fully paid-up	0.00	407.99
Refer Note 1 below)	-	407.99
Investment in Associates & Joint Venture	-	407.99
Reconciliation of fair value measurement of the investment in unquoted equity shares		
FACT-RCF Building Products Ltd		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Kerala Enviro Infrastructure Ltd		
Opening balance	407.99	534.20
Total gains and losses recognised in OCI	-	(126.21)
Reclassification of the Investment	(407.99)	-
Closing Balance	-	407.99

1. The Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 has reduced to 15.91% on account of additional investment by other share holders. As the investments as on 31.03.2023, is less than 20%, the investment has been re-classified as 'Other Investments'.

Note No. 3B Non Current Asset - Financial Assets - Other Investments

Particulars	As at 31.03.2023	As at 31.03.2022
Investment in unquoted equity shares:		
Travancore Cochin Chemicals Ltd.,		
6,81,820(Previous year 6,81,820)Equity Shares of ₹10/- each including 3,40,910 Bonus shares.	245.74	160.16
Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) equity shares of ₹10/- each fully paid-up- (Refer Note 3A- 1)	462.88	0.00
Capexil Agencies Ltd.		
15 (Previous year 15) Equity Shares of ₹1000/- each fully paid up	0.15	0.15
Less: Provision for diminution in the value of investment	(0.15)	(0.15)
	0.00	0.00
Indian Potash Ltd.		
6,48,000 (Previous year 6,48,000) Equity Shares of ₹10/- each fully paid-up, including 459000 (previous year 459000) Bonus Shares	10,576.59	9,219.29
	11,285.21	9,379.45
Shares in Co-Operative Societies:		
FACT Co-operative Society Ltd		
10,001 (Previous year 10,001) shares of ₹10/- each fully paid-up	1.00	1.00
Meherabad Co-operative Housing Society Ltd		
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01
Good Earth Housing Society Ltd.		
10 (Previous year 10) shares of ₹50/- each fully paid-up	0.01	0.01
₹500 (Previous year ₹ 500)	1.02	1.02
Other Investments	11,286.23	9,380.47

Aggregate amount of unquoted investments	11,286.23	9,788.46
Reconciliation of fair value measurement of the investment in unquoted Equity shares		
Travancore Cochin Chemicals Ltd		
Opening balance	160.16	148.70
Total gains and losses recognised in OCI	85.58	11.46
Closing Balance	245.74	160.16
Kerala Enviro Infrastructure Ltd		
Opening balance	-	-
Total gains and losses recognised in OCI	54.89	-
Reclassification of the Investment	407.99	
Closing Balance	462.88	-
Capexil Agencies Ltd.		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Indian Potash Ltd		
Opening balance	9,219.29	7,943.18
Total gains and losses recognised in OCI	1,357.31	1,276.11
Closing Balance	10,576.60	9,219.29
Note : Shares of Co-operative societies are retained at book value.		
Note No. 4. Non current Assets - Financial assets-Loans		
Particulars	As at 31.03.2023	As at 31.03.2022
Loan to Employees		
Unsecured Considered Good	0.00	3.28
	0.00	3.28
Note :Loans to employees Nil (Previous year 3.28 lakh) towards festival advance paid during 1996-97, and being recovered at the time of separation from Company's service or release of 1997 arrears, whichever is earlier.		
Note No. 5. Non current Assets - Financial assets- Other Financial Assets		
Particulars	As at 31.03.2023	As at 31.03.2022
Security deposit		
Unsecured Considered Good	907.08	716.72
Amount pledged for Letter of Credit, Bank Guarantee and Fund based arrangements *	199.00	200.00
Deposit held towards Capex projects *	11,600.00	0.00
Other Deposits	11.96	11.93
Advances to Related Parties		
Considered doubtful	3,618.00	3,617.52
Less : Provision for Doubtful Advances	(3,618.00)	(3,617.52)
	0.00	0.00
Advance against Equity Pending allotment	0.00	235.70
Less : Provision for Doubtful Advances	0.00	(235.70)
	0.00	0.00

Advance to Others Unsecured Considered Doubtful	25,755.79	25,758.29
Less : Provision for Doubtful Advances	(25,755.79)	(25,758.29)
	0.00	0.00
	12,718.04	928.65
<i>*with more than 12 months maturity from the reporting date</i>		
Movement in Provisions		
Provision for bad & doubtful loans and advances		
Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	29,611.51	25,115.07
Provision released during the year	-240.04	-26.00
Provisions made during the year	2.32	4,522.44
Provision at the end of the year	29,373.79	29,611.51
1. Provision for doubtful loans and advances include ₹25450.98 lakh (Previous year ₹ 25450.98 lakh) towards interest accrued upto 31.03.2022, on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable (Refer note 13.2, 29.1 & 48.2)		
Note No. 6. Non current Assets - Other Non Current Assets		
Particulars	As at 31.03.2023	As at 31.03.2022
Capital Advances (Secured Considered Good)	1,518.09	-
	1,518.09	-
Deferred tax assets (net)		
The Company has a deferred tax asset of ₹ 20242 lakh (Previous year ₹ 40760 lakh) as on 31.03.2023 on account of unabsorbed depreciation and accumulated loss. The deferred tax liability as on 31.03.2023 is ₹ 3145 lakh (Previous year ₹ 3274 lakh). Even though there is net deferred tax asset of ₹ 17098 lakh as on 31.03.2023 (Previous year ₹ 37487 lakh), the same is not considered in the Books of Accounts, as a matter of prudence.		
Note No. 7. Current Assets - Inventories		
Particulars	As at 31.03.2023	As at 31.03.2022
Raw Materials	14,215.61	26,995.06
Raw materials-in -transit	5,917.48	3,729.73
	20,133.09	30,724.79
Work-in-progress	5,406.85	4,193.33
Finished Goods	64,527.36	20,846.25
Stock-in-trade (in respect of goods acquired for trading)	0.00	0.00
Stores and Spares		
Machinery Spares	10,248.81	10,070.62
General Stores	2,805.83	3,325.12
Stores & Spares-in -transit	232.57	167.38
	13,287.21	13,563.12
Retired Spares	453.50	453.50
Total Inventories	103,808.01	69,780.99
Less: Provision towards obsolescence and storage losses	5,995.83	3,601.29
	97,812.18	66,179.70

Notes

- Current Assets include inventories and trade receivables pledged as Primary Security for Fund/ Non Fund based Working Capital arrangement with Banks amounting to ₹ 78500.00 Lakh. The utilisation of this arrangement as on reporting date is ₹ 5113.56 Lakh.
- Inventory of finished goods, raw material, stores and spares and work in progress are valued as per the Accounting Policy of the Company
- Finished Goods includes 21.36 lakh MT of saleable gypsum (Previous Year 22.00 lakh MT) amounting to ₹ 11977.68 lakh (Previous year ₹ 10161.25 lakh). During the current year, Company has changed the accounting policy of assessing the closing stock of gypsum. For assessing the closing stock of gypsum as on 31.03.2023, the saleable quantity has been assessed on the basis of physical verification conducted at the end of the financial year, as against the prior policy of arriving year end stock based on the technical study as on 30.09.2018 as adjusted by the production, consumption, despatch and sales, till the year end. The increase in the value of inventory as on 31.03.2023 due to the change in the accounting policy is ₹ 98.49 lakhs. The retrospective application of the change in policy is impracticable.
- Valuation of closing stock of factamfos and ammonium sulphate (at certain locations) is valued at net realisable value, estimated with 50% of subsidy rate prevailing as on 31.03.2023, pending notification of new subsidy rates by the Government of India for the year 2023-24
- Stores & Spares in transit includes Stores & Spares at site pending inspection ₹ 214.61 lakh (Previous year ₹ 116.13 lakh)
- During the year 2021-22, company had detected irregularities in the physical stock to the tune of 543.60 MT of Factamfos and 60.50 MT in Ammonium Sulphate at Chikmagalur Depot valued at ₹ 218.50 lakhs. Company had provided for the entire amount of ₹ 218.50 lakhs. The Company has since realised an aggregate amount of ₹ 63.85 lakhs being the sale value of 256.95 MT of Factamfos from various dealers during the year in connection with the above. However, the company has maintained the provision of ₹ 218.50 lakhs pending completion of investigation. Company has taken steps for recovery from transporters, dealers and warehouse (Refer Note. 13.3, 24.1, 25.2, 27.1 & 35.5)
- During the year, ₹ 2235.79 lakhs additional provision is made on account of the change in the accounting estimate being followed for the provision for obsolete /non moving stores & spares. 90% provision has been made for non-moving stock of stores & spares, ageing five years and more, as on 31.03.2023, as against ageing of 10 years and more, which was being followed. The effect of the change in future periods is not disclosed because estimating it is impracticable.

Movement in Provisions

Provision towards obsolescence and storage losses (including provision towards Retired spares)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	3,601.29	3,408.08
Provisions made during the year	2,394.54	193.21
Released during the year	0.00	0.00
Provision at the end of the year	5,995.83	3,601.29

Note No. 8. Current Assets - Financial assets-Trade Receivables

Particulars	As at 31.03.2023	As at 31.03.2022
From related party		
Unsecured		
Credit impaired	297.72	297.72
Less: Provision for Doubtful Debts	(297.72)	(297.72)
	0.00	0.00
Others		
Unsecured		
Credit impaired	1,672.17	1,656.27
Less: Provision for Doubtful Debts	(1,672.17)	(1,656.27)
	0.00	0.00
Sundry Debtors		
Secured , considered good	11.09	425.82
Unsecured , considered good	7,616.46	4,085.74
	7,627.55	4,511.56
Subsidy Receivable		
Unsecured		
Considered doubtful	411.33	411.33
Unsecured Considered good	40,259.93	13,011.42
Less: Provision for Doubtful subsidy	(411.33)	(411.33)
	40,259.93	13,011.42
	47,887.48	17,522.98
Movement in Provisions		
Provision for doubtful Trade receivables		
Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	2,365.32	2,240.55
Provisions released during the year	(49.71)	(20.02)
Provisions made during the year	65.62	144.79
Provision at the end of the year	2,381.23	2,365.32

Note No. 9. Current Assets - Financial assets-Cash and Cash Equivalents

Particulars	As at 31.03.2023	As at 31.03.2022
Balances with Banks	22.09	286.08
Cash on hand	2.66	2.33
Short Term Deposit with Banks*	4,933.08	17,917.51
	4,957.83	18,205.92

* Original maturity of three months or less

Cash and Cash Equivalents include ₹ 538.89 lakh (Previous year 500.07 lakh) received towards work on Deposit basis, lying in a specified account to meet the corresponding liabilities.

Note No. 10 Current Assets - Financial assets-Other Bank Balances

Particulars	As at 31.03.2023	As at 31.03.2022
Short Term Deposit with Banks *	0.00	7,503.48
Amount pledged for Letter of Credit, Bank Guarantee and Fund based arrangements *	77,713.73	96,328.62
Deposit earmarked for capex projects *	149,275.57	65,608.37
	226,989.30	169,440.47

* Maturing within 12 months from the reporting date

1. Out of the deposits earmarked for capex projects, lien has been marked on deposits amounting to ₹ 29756.07 lakhs (Previous Year- ₹ Nil) towards margin money.

Note No. 11. Current Assets - Financial Assets-Other Financial Assets

Particulars	As at 31.03.2023	As at 31.03.2022
Security Deposits:		
Unsecured , considered good	37.91	60.01
Amount receivable against Service Orders	612.12	657.19
Other Accrued Income	17,336.16	54,175.10
Amount receivable from LIC under group Gratuity scheme	652.31	290.52
Township Dues (Net of provision for doubtful dues)	104.28	289.80
Others	13.45	2.44
	18,756.23	55,475.06

1. Other Accrued income includes ₹10278.27 lakh (Previous Year ₹ 49337.93 lakhs) being 90% of the unclaimed DBT subsidy (accounted on recoverability basis), estimated at 50% of the rates as per the notification No.23011/12/2022-P&K, dated 02.11.2022, on account of significant fall in raw material prices, pending notification of new subsidy rates by the Government of India for the year 2023-24. It will have an effect in the calculation of accrued income (subsidy) and Net Realisable Value of Finished Goods. (Refer Note No.28.1)

Note No. 12. Current Assets - Current Tax Assets

Particulars	As at 31.03.2023	As at 31.03.2022
Income Tax (Net of provision)	182.85	232.55
	182.85	232.55

Note No. 13. Current Assets -Other Current assets

Particulars	As at 31.03.2023	As at 31.03.2022
Dues from:		
Statutory Authorities	47,476.54	41,280.14
Less: Provision for doubtful receivables	(27,418.54)	-
	20,058.00	41,280.14
Contractors	4,277.74	4,130.46
Employees	400.84	268.34
Pre Paid Expenses	651.95	562.34
Others	31.24	27.51
	25,419.77	46,268.79

- Dues from statutory authorities include (i) Nil (net of provision) (Previous year ₹ 18301.45 lakh) towards Kerala Value Added Tax paid on procurement of Regasified Liquefied Natural Gas, (ii) ₹ 1411.12 lakhs (Previous year ₹ 1411.12 lakhs) (net of provision) being KVAT refund receivables, and (iii) ₹ 72.97 lakh (Previous Year ₹ 72.97 lakh) towards the amount paid against disputed demands pending appeal. In view of the uncertainty in the reimbursement of Value Added Tax (VAT) paid on Regasified Liquefied Natural Gas (RLNG) by the Government of Kerala, Company has made provision during the year, for the entire VAT receivables on RLNG, ₹ 27418.54 lakhs as on 31.03.2023. The VAT reimbursement receivable on the RLNG procurement up to 31.03.2022 ₹ 18301.45 lakh has been charged as 'Provision for doubtful receivables' and VAT incurred on RLNG procurement during the year 2022-23, ₹ 9117.09 lakhs has been accounted as consumption of raw material / fuel in the Statement of Profit & loss.
- Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹ 9.46 lakh (Previous year ₹ 1.32 lakh) and an amount of ₹1353.19 lakh (Previous year ₹1353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14, as per which the company is entitled to adjust an amount of ₹ 2798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon' District Court, Ernakulam which has since stayed the award. The case is transferred to Commercial Court. Accordingly the Company demanded the banks to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon. High court of Mumbai for realization of amount, which are pending. However an amount of ₹1353.19 lakh only has been retained pending disposal of the case.
- Other Current Assets, dues from contractors include ₹ 476.89 lakhs (previous year ₹ 476.89 lakhs) charged to transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations. (Refer Note- 7.6, 24.1 & 25.2)

Note No. 14. Current Assets -Non-current Assets held for Disposal

Particulars	As at 31.03.2023	As at 31.03.2022
Retired assets held for disposal	4,065.02	4,065.02
	4,065.02	4,065.02

Retired assets held for disposal' includes Ammonia and Urea Plant at Cochin Division, which the Company had decided to scrap during the year 2009-10. These retired assets are retained in books at the written down value of ₹ 4065.02 lakhs (previous year- ₹ 4065.02 lakhs), which is lower than the estimated Net realisable value. The Company could not complete the disposal process since the matter is pending before the Court.

Note No. 15. Equity- Equity Share Capital

Particulars	As at 31.03.2023	As at 31.03.2022
Authorised: 100,00,00,000 (Previous year 100,00,00,000) Equity Shares of ₹10/-each	100,000.00	100,000.00
Issued, Subscribed and fully Paid up: 64,70,71,974 (Previous year 64,70,71,974) Equity Shares of ₹10/- each fully paid up	64,707.20	64,707.20

Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year

Particulars	As at 31.03.2023	As at 31.03.2022
Number of shares at the beginning of the year	647,071,974	647,071,974
Number of shares issued during the year	Nil	Nil
Number of shares at the end of the year	647,071,974	647,071,974

Notes

The Company has only one class of equity shares having par value of ₹ 10 per share. Each share holder is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding

1. Rights, Preference and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital. - Nil / Not Applicable
2. Shares held by shareholders holding more than 5% of shares:

Particulars	As at 31.03.2023	As at 31.03.2022
The Government of India Number of shares	582,364,776	582,364,776
Percentage of Total Shares	90.00%	90.00%
Special National Investment Fund constituted by the Government of India Number of shares	55,400,424	55,400,424
Percentage of Total Shares	8.56%	8.56%
3. The Government of India had transferred 55400424 equity shares of ₹10 each to Special National Investment Fund on 6th August 2013.		
4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.		
I. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
II. Aggregate number and class of shares allotted as fully paid up by way of Bonus shares	Nil	Nil
III. Aggregate number and class of shares bought back Nil	Nil	Nil

5. Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL

6. Shares held by promoters at the end of the year

Promoter name	No. of Shares (Equity shares)	%of total shares	% Change during the year
Government of India	582364776	90.00%	NIL
Total	582364776	90.00%	NIL

Note No. 16. Equity - Other Equity

Particulars	As at 31.03.2023	As at 31.03.2022
Capital Reserves:		
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64
	2.64	2.64
Other Reserves:		
Deferred Government Grant :		
Indo EEC Fertiliser Education Project		
Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	51.72	52.65
Less: Amount transferred to Statement of Profit & Loss	0.94	0.93
Closing balance	50.78	51.72
Equity Instruments through other Comprehensive Income		
Particulars	As at 31.03.2023	As at 31.03.2022
Opening Balance	9,421.90	8,260.55
Additions/(Deletions) during the Year	1,497.77	1,161.35
Closing Balance	10,919.67	9,421.90
Retained Earnings:		
Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	(7,980.82)	(91,022.27)
Add Changes in Accounting Policy / Prior Period items as per Ind AS	0.00	47,956.00
Add :Profit/ (Loss) during the year	61,298.53	34,637.55
Add: Remeasurement of defined benefit plan	(1,608.31)	447.90
Less: Dividend Paid	-	-
Closing balance	51,709.40	(7,980.82)
Other equity	62,682.49	1,495.44

1. As a part of the sales consideration of 481.79 acres of Land sold to Government of Kerala during the year 2019-20, ₹ 47956 lakhs being fair value of the 143.22 acres of lease hold land converted as freehold, has been restated in the opening balance of PPE and Other Equity as on 01.04.2021, in line with the provisions of IndAS 8. (Refer Note 2.3)

2. For the Financial Year 2022-23, the Board of Directors have recommended a final dividend of ₹ 1.00 per equity share (Previous Year Nil) which is subject to approval by shareholders of the Company.

Note No. 17 Non Current Liabilities - Financial Liabilities - Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
Term loans		
Secured		
From the Government of India (Refer Note 22.2)	0.00	0.00
Unsecured		
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 1 below)	510.00	1,020.00
	510.00	1,020.00

1. The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF has settled the entire liability to the bankers, to the extent of ₹5100 lakh including 50% share of the Company ₹ 2550 lakh on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan with a repayment period of five years, starting from the year 2020-21. The Company has paid three instalments due as per the agreement. The principal amount payable ₹ 510 lakhs (Previous year ₹ 510 lakhs) during the year 2023-24 has been classified under Current Liabilities - Financial Liabilities -Other Financial Liabilities . The remaining amount has been classified under Non Current Liabilities - Financial Liabilities - Borrowings. Interest rate applicable on the loan for the year 2022-23 is 7.38% p.a (Previous year- 6.50% p.a)

Note No. 18. Non Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Lease Liabilities (Refer Note-40)	2,985.82	2,966.79
	2,985.82	2,966.79

Note No. 19. Non Current Liabilities - Other Financial Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Dues to employees	-	2,491.45
Others	30.74	32.03
	30.74	2,523.48

1. As per the decision of Government of India, during the year 2021-22 Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include Nil (previous year ₹ 2491.45 lakhs) towards 1997 arrears payable after one year (refer Note- 25.1 & 36.1)

Note No. 20 Non Current Liabilities - Provisions

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
(i) Provision for gratuity	10,045.13	10,556.85
(ii) Provision for leave encashment	8,680.28	7,328.40
Decommissioning of Assets in Leased Properties	278.12	257.52
	19,003.53	18,142.77

Note No. 21 Non Current Liabilities - Other Non current Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Advance Rent Received	1,128.96	1,140.89
	1,128.96	1,140.89
As at the beginning of the year	1,308.72	786.99
Advance received	170.16	680.27
Released to Statement of Profit and Loss	(167.84)	(158.54)
As at the end of the year	1,311.04	1,308.72
Current	182.08	167.83
Non Current	1,128.96	1,140.89
	1,311.04	1,308.72

Note No. 22 Current Liabilities - Financial Liabilities -Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
Secured :		
Bills discounted	2,839.82	1,943.58
Current maturities of Long-term debt :		
Term loan from Government of India (Refer Note 2 below)	128,273.00	128,273.00
Interest on the above converted as loan	48,775.75	48,775.75
	177,048.75	177,048.75
Unsecured:		
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 17.1)	510.00	510.00
	180,398.57	179,502.33

- The bills discounted are secured against the corresponding trade receivables
- A plan loan of ₹100000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, ₹.100000.00 lakh along with the earlier loan ₹28273 lakhs and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the letter dated 12.01.2016, of the Ministry of Finance, GOI, sanctioning the loan, the total outstanding liability of the Company is ₹183672.00 lakh. The Company entered into an agreement with the Department of Fertilizers(DOF), GOI, agreeing to mortgage 408 acres of Company's land to secure repayment of the entire loan together with interest at the rate of 13.50% per annum on the amount outstanding as on 31.03.2017. The loan amount was reconciled and loan outstanding along with interest accumulated (upto 31.03.2017) has been arrived at ₹177048.75 lakh as on 31.03.2017. The loan along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022. Accordingly, the entire principal amount, being ₹177048.75 lakhs (previous year- ₹177048.75 lakhs) has been classified under Current Liabilities-Current maturities of Long term Debt. The outstanding principal and interest as on 31.03.2022, has been confirmed with the balance of Government of India.

Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹28273.00 lakhs into equity and conversion of loan amounting to ₹100000.00 lakhs as interest free loan, repayable in yearly installments. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016

Note No. 23 Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Lease Liabilities (Refer Note-40)	276.68	268.76
	276.68	268.76

Note No. 24. Current Liabilities - Financial Liabilities - Trade Payables

Particulars	As at 31.03.2023	As at 31.03.2022
Trade payables		
(i) Dues to Micro, Small and Medium Enterprises (Refer Note: 38)	429.50	103.38
(ii) Others	37,372.87	57,694.74
	37,802.37	57,798.12

- Trade payables, others include ₹ 290.02 Lakhs (previous year ₹ 290.02 Lakhs)withheld from transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and ₹ 65.24 lakhs (previous year ₹ 65.24 Lakhs) withheld from warehouse. (Also Refer Note 7.6, 13.3, 25.2)

Note No. 25. Current Liabilities - Financial Liabilities -Other Financial Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Interest accrued on borrowings (Refer Note 22.2 & 17.1)		
Term Loan from Government of India	143,409.49	119,507.90
Inter-corporate Loan	41.86	44.44
Dues to employees	5,669.39	5,101.56
Trade Deposit from customers	4,321.43	4,116.39
Other liabilities	11,292.71	5,563.89
	164,734.88	134,334.18

- As per the decision of Government of India, during the year 2021-22, Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹5036.14 lakhs (previous year- ₹ 4738.64 lakhs) towards 1997 arrears, payable with in one year (refer Note- 19.1 & 36.1)
- Other liabilities include amount charged from transport contractors as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and amount withheld from warehouse. (Also Refer Note 7.6, 13.3 & 24.1)

Note No. 26. Current Liabilities - Other Current Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Statutory dues	1,168.16	975.41
Advance from Customers	4,399.31	3,936.35
Advance Rent Received	182.08	167.83
	5,749.55	5,079.59

Note No. 27. Current Liabilities - Provisions

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
(i) Provision for gratuity	2,039.97	2,331.83
(ii) Provision for leave encashment	891.68	2,098.79
Provision towards other Contractual Obligations	239.60	239.60
Other provisions	248.64	278.95
	3,419.89	4,949.17

- Other provisions include ₹ 211.62 lakhs (aggregate provision ₹ 218.50 lakhs, net of GST ₹ 6.88 lakhs) provided towards shortage of finished goods noticed in certain warehouses in Karnataka State (Refer Note 7.6 & 35.5)

Trade Receivables Ageing Schedule

₹ In Lakh

Particulars	Not Due as on 31.03.2023	Outstanding for following periods from due date of payment					As at 31.03.2023	
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) Undisputed Trade receivables – considered good	13232.58	33211.67	1,326.35	60.28	55.50	0.05	47,886.43	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	3.38	0.99	95.05	52.63	1,566.49	1,718.54	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	1.05	1.05	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	662.68	662.68	
TOTAL	13,232.58	33,215.05	1,327.34	155.33	108.13	2,230.27	50,268.70	

Trade Receivables Ageing Schedule

₹ In Lakh

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment					As at 31.03.2022
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	9430.53	7,903.97	90.72	54.69	41.95	0.05	17,521.91
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	2.90	53.08	52.63	29.33	1,562.03	1,699.97
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	1.07	1.07
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	665.35	665.35
TOTAL	9,430.53	7,906.87	143.80	107.32	71.28	2,228.50	19,888.30

Note No. 28 Revenue from operations

Particulars	As at 31.03.2023	As at 31.03.2022
Sale of products		
Own Products	313,949.27	265,984.22
Traded Products	1,056.97	5,212.45
	315,006.24	271,196.67
Subsidy/Concession on Fertilisers	304,261.07	170,578.53
	304,261.07	170,578.53
Sale of Services		
Gross income from contracts and other services	547.42	705.07
Total Revenue from operations	619,814.73	442,480.27
Sale of own products comprises of:		
Factamfos 20-20-0-13	190,131.63	197,219.67
Ammonium Sulphate	41,043.90	24,137.05
Caprolactam	69,641.71	33,366.86
Gypsum	3,176.52	2,275.53
Others	9,955.51	8,985.11
Total	313,949.27	265,984.22
Sale of traded products:		
Muriate of Potash	-	4,745.26
Organic Manures	1056.97	467.19
Total	1,056.97	5,212.45
Subsidy/Concession on Fertilisers		
Factamfos 20-20-0-13	256,446.53	157,027.53
Ammonium Sulphate	47,813.52	11,420.95
Muriate of Potash	0.67	1,942.11
Imported Complex Fertilisers	0.35	80.28
City Compost	-	107.66
Others	-	-
Total	304,261.07	170,578.53

- Consequent to the implementation of Direct Benefit Transfer (DBT) subsidy scheme, subsidy income on fertilisers is recognised at the time of sale to dealers. However, the subsidy claim is generated at the rate applicable on the date of sale of fertilisers to ultimate beneficiary. The subsidy portion of the 90% of the stock with dealers (considering the recoverability), pending sale to ultimate beneficiary as on 31.03.2023, estimated at 50% of the subsidy rates rate prevailing as on 31.03.2023, on account of fall in raw material prices, pending notification of new subsidy rates by the Government of India for the year 2023-24 is ₹10278.27 lakh (Previous Year ₹ 49337.93 lakh). It will have an effect in the calculation of accrued income (subsidy) and Net Realisable Value of Finished Goods. (refer Note 11.1)

Note No. 29 Other income

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest income:		
On deposits with banks	11,150.32	8,854.59
On loans, advances, claims, overdues (Refer Note 1 below)	76.39	137.37
Dividend income		
Other than joint venture	38.88	25.92
Other non-operating income		
Excess provisions written back	54.05	228.76
Transfer from deferred Government grants:		
On EEC project	0.94	0.94
Rent & Compensation towards Right of use	617.59	515.92
Profit on sale of fixed Assets	838.28	0.18
Miscellaneous income	781.23	1,359.71
	13,557.68	11,123.39

1. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹78489.75 lakh including interest till 31.03.2013 before the arbitrator. The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17308.04 lakh including interest as on 31.12.2013. As per the award, the mobilisation advance paid by the Company to the contractor along with interest of 2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court, Ernakulam which has since stayed the award. Company has been accounting interest on mobilization advance and creating equivalent provision until 31.03.2022. Considering the uncertainty in the receipt of the interest on mobilization advance, Company has discontinued accounting of the interest income from the financial year 2022-23 and the corresponding provision thereon. The interest on mobilization advance for 2022-23 amounting to ₹5385.59 lakhs has been disclosed as Contingent Asset under note No 50

Note No. 30. Cost of materials consumed

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Raw Material	412,999.93	272,805.16
Packing Material	4,898.45	4,280.95
	417,898.38	277,086.11

Note : The physical verification of raw materials has been carried out on or around 31st March 2023. The differences over book figures in the case of raw material for the financial year 2022-23 has been adjusted in consumption (Excess(-)/ Shortage). Current year ₹ (-) 2419.53 lakh (Previous year ₹ (-) 339.04 lakh).

Note No. 31 Purchases of Stock-in-trade

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Complex Fertilisers/ Organic Manures	503.70	297.78
	503.70	297.78

Note No. 32 .Changes in inventories of finished goods , stock-in-trade and work-in-progress

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening stock		
Finished Goods	20,846.25	17,294.21
Stock-in-trade	0.00	5,052.19
Work-in progress	4,193.33	3,349.12
	25,039.58	25,695.52
Closing stock		
Finished Goods	64,527.36	20,846.25
Stock-in-trade	0.00	0.00
Work-in- progress	5,406.85	4,193.33
	69,934.21	25,039.58
Changes in inventories: (Increase)/ Decrease	(44,894.63)	655.94

Note No. 33 Employee benefits expense

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries and Wages	21,280.62	15,758.53
Contribution to Provident Fund	1,908.42	1,705.21
Leave encashment (Net of Provision)	2,299.20	2,404.72
Gratuity	1,303.15	1,395.66
Staff welfare expenses	2,027.14	1,911.92
	28,818.53	23,176.04

1. During the year, Company has implemented 2017 pay revision of the Board level and below Board level executives and Non-unionized supervisors and of the workmen, with effect from 01.04.2022, as per the Department of Fertilizers order dated 14.12.2022 and 23.12.2022 respectively.

2. Performance Related pay (PRP) is applicable during the financial year 2022-23 ,subject to Board Approval. A provision of ₹ 2507.67 lakhs has been made towards PRP during the year.

Note : Remuneration to Directors, including retirement benefits paid during the year

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Shri Kishor Rungta, Chairman and Managing Director (From 02.02.2019)	49.80	48.96
Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	40.64	29.99
Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	42.43	29.39
Shri.Kesavan Nampoothiri A.S, Director (Technical) (From 22.03.2021 up to 30.09.2022)	21.93	28.93
Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)	3.12	0.00
	157.92	137.27

Note No. 34 Finance costs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest		
Interest on loans from the Government of India (Refer Note 22.2)	23901.58	23901.58
Interest -others	577.02	291.20
Other Finance costs	1.29	0.31
Finance Cost on lease liability	253.84	247.59
	24,733.73	24,440.68

Note No. 35 Other expenses

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Consumption of stores and spare parts	4,778.82	4,100.19
Power and Fuel	75,153.17	42,787.51
Rent	445.53	436.27
Repairs and maintenance to buildings	274.67	178.18
Repairs and maintenance to machinery	4,121.96	4,603.01
Insurance	346.29	260.11
Rates and Taxes	110.15	110.04
(Gain)/Loss on exchange rate variation (net)	2,620.96	192.94
Material and other direct charges on contracts	115.13	316.45
Auditors' Fees and Expenses (Refer note 1 below)	20.82	24.52
Freight , Handling and other charges	24,655.81	21,286.06
Bad debts written off	15.04	18.88
Provision for doubtful receivables & advances	18,373.98	184.32
Damages/Shortages/(Excess) of Stores , Spares & Products (Net	23.03	24.84
Provision for obsolescence of stores (Net) (Refer Note 7.7)	2,394.53	193.22
Research and Development Expenditure (Refer note 2 below)	35.67	75.97
CISF Expenses (including salaries)	3,298.07	2,843.37
Directors' Sitting Fees	5.00	1.60
Loss on Fixed assets sold/written off	-	0.76
Expenses towards Corporate Social Responsibility (Refer note 7 below)	421.18	106.28
Miscellaneous Expenses (Refer note 3 & 5 below)	6,019.57	4,877.45
	143,229.38	82,621.97
Less :Allocated Expenses [net of income from inter-divisional jobs of ` 2997.98 lakh] (Previous year ` 1689.42 lakh)	(1,226.34)	(937.32)
	142,003.04	81,684.65

Notes:**1. Payments to the auditor as**

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a) Auditor	10.60	11.60
(b) for taxation matters	0.00	0.00
(c) for company law matters	0.00	0.00
(d) for management services	0.00	0.00
(e) for other services	7.60	11.01
(f) for reimbursement of expenses	0.35	0.79
Total	18.55	23.40

2. Research and Development Expenditure includes expenditure towards salary ₹ 35.39 lakh (Previous year ₹ 75.21 lakh), chemicals & stores ₹ 0.19 lakh (Previous year 0.67 lakh) and depreciation ₹ 0.09 lakh (Previous year ₹ 0.09 lakh).
3. Miscellaneous Expenses includes Directors travel amounting to ₹ 13.47 lakh (Previous year ₹ 3.79 lakh)
4. Differences noticed (Excess(-)/Shortage) on perpetual verification of stores and spares compared to book records have been adjusted in the books of accounts, which for Current year is ₹ 7.68 lakh (Previous year ₹ 6.09 lakh)
5. During the year 2021-22, company noticed 543.60 MT of shortages in physical stock of Factamfos and 60.50 MT in Ammonium Sulphate in certain warehouses of Karnataka state. The value of the shortage ₹ 218.50 lakhs had been provided during the year 2021-22. (Refer Note 7.6 & 27.1)
6. In view of the uncertainty in the reimbursement of Value Added Tax (VAT) paid on Regasified Liquefied Natural Gas (RLNG) by the Government of Kerala, Company has made provision during the year, for the entire VAT receivables on RLNG, ₹ 27418.54 lakhs as on 31.03.2023. The VAT reimbursement receivable on the RLNG procurement up to 31.03.2022 ₹ 18301.45 lakh has been charged as 'Provision for doubtful receivables' (Refer Note 13.1)

7. Expenses towards Corporate Social Responsibility

The Company is liable to spend ₹ 471.39 lakhs on Corporate social responsibility, being 2% of the average net profit for the immediately preceding three financial years, as per section 198 of the Companies Act 2013. The Company has an excess CSR expenditure of ₹ 50.21 lakhs carried forward from previous year 2021-22 eligible to be setoff during the current financial year. Company has spent an amount of ₹ 35.31 lakh towards Corporate Social Responsibility, during the current financial year 2022-23. ₹ 385.87 lakhs remaining unspent as on 31.03.2023, earmarked for identified projects have been transferred to a separate bank account named 'Unspent CSR Account 2022-23' on 28.04.2023, as per the provisions of Section 135 (6) of the Companies Act

Particulars	As at 31.03.2023	As at 31.03.2022
(I) Shortfall/ (Excess) expenditure carried forward from previous year	(50.21)	0
(ii) amount required to be spent by the company during the year,	471.39	56.07
(iii) amount of expenditure incurred during current year (On purposes other than Construction/acquisition of any asset)	35.31	106.28
(v) Provision made for identified/ongoing projects	385.87	0
(Iv) shortfall /(Excess) at the end of the year	0	(50.21)
(vii) details of related party transactions	0	0
(vi) nature of CSR activities	Health, Sports & Education support and community development activities	

Note No. 36. Exceptional Items

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Provision for pay revision arrears (Refer Note 1 below)	0.00	(8,906.20)
	-	(8,906.20)

1. As per the decision of Government of India, during the year 2021-22, Company framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Accordingly, the Company had made provision for the entire liability of ₹ 8906.20 Lakhs in the financial year 2021-22. (refer Note 19.1 & 25.1)

Note No. 37. Earning per Share

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit / (Loss) after Tax	61,298.53	34,637.55
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted earnings per Share (₹)	9.47	5.35

38. Disclosure required for Micro Small and Medium Enterprises

Sl. No.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Principal amount remaining unpaid **	0.00	0.00
2	Interest due thereon	0.00	0
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	0.00	0.00
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00
5	Interest accrued and remaining unpaid	0.00	0.00
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00

**** Amount due and unpaid as at the year end**

39. Trade Payables Ageing schedule

₹ In Lakh

Particulars	Not Due as on 31.03.2023	Outstanding for following periods from due date of payment				As at 31.03.2023
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	429.50	0.00	0.00	0.00	0.00	429.50
(ii) Others	36,065.54	0.00	0.00	0.00	0.00	36065.54
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	470.63	68.37	768.33	1307.33
Total	36495.04	0	470.63	68.37	768.33	37802.37

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment				As at 31.03.2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	103.38	0.00	0.00	0.00	0.00	103.38
(ii) Others	56387.39	0.00	0.00	0.00	0.00	56387.39
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	470.64	68.37	657.91	110.43	1307.35
Total	56490.77	470.64	68.37	657.91	110.43	57798.12

40. Fair Value Hierarchy

The management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values for the given below financial assets.

Investment in Unquoted Equity Shares

The fair values of the unquoted equity shares have been estimated using NAV model.

Derivatives not designated as hedges

Foreign exchange forward contracts if entered in to, are valued using valuation techniques, which employs the use of market observable inputs (i.e. based on inputs/statement of position received from banks).

Investment Properties

The value of the investment properties are based on the information available in Government of Kerala fair value notification, market conditions etc.

Particulars	31.03.2023 Significant observable inputs		31.03.2022 Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3
Financial Assets				
Investment in Unquoted Equity Shares of:				
Indian Potash Limited		10,576.59		9,219.29
Travancore Cochin Chemicals Ltd		245.74		160.16
Capexil Agencies Ltd.		0.15		0.15
Kerala Enviro Infrastructure Limited		462.88		407.99
Foreign Currency Receivable under Forward exchange contracts	-		-	
Financial Liabilities				
Amount Payable under forward exchange contracts	-		-	
Assets for which Fair values are disclosed				
Investment Properties	2,906.41		2,642.19	

Level 1 hierarchy is for financial instruments with quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are to be valued using the closing price as at the reporting period. The mutual funds are to be valued using the closing NAV. Company do not have any such investment, as on the reporting date of current year and previous year.

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in **Level 2**.

If one or more of the significant inputs is not based on observable market data, the instrument is included in **Level 3**. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in **Level 3**.

Operating Leases

A. Leases as lessor

The Company leases out its investment property on operating lease basis

i) Future minimum lease receivable

At 31 March, the future minimum lease receivables under non-cancellable leases are receivable as follows

Particulars	As at 31.03.2023	As at 31.03.2022
Within one year	124.86	124.69
Between one and five years	498.93	498.93
More than five years	782.19	907.04
ii) Amounts recognized in profit and loss		(₹ In Lakh)
Particulars	As at 31.03.2023	As at 31.03.2022
Lease Rent	124.69	77.23
	124.69	77.23

B. Leases as lessee

The Lease Liability is measured at the present value of remaining lease payments at the date of initial application and Right-of-use asset has been recognized at an amount equal to Lease Liability adjusted by an amount of any prepaid expenses. Under Ind AS 116 "Leases", at commencement of lease, the Company recognizes Right-of-use asset and corresponding Lease Liability, at State Bank of India 1 year MCLR. Right-of-use asset is depreciated over lease term on systematic basis and Interest on Lease Liability is charged to Statement of Profit and Loss as Finance cost.

Recognition of right of use Asset and corresponding lease liability, as per IndAS 116, has been made in respect of the property taken for lease (Operating lease) for the purpose of storage and handling of Raw Materials, at Willington Island and for Guest House facility at New Delhi

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) disclosed in Note No. 2C

₹ in Lakh

Particulars	Gross Block				Depreciation				Net Carrying amount
	As at 01-04-2022	Additions/ Adjustments	Reclassifications/ Deductions on Account of Conclusion	As at 31-3-2023	As at 01-04-2022	For the year	Reclassifications/ Deductions on Account of Conclusion	Up to 31-3-2023	As at 31-3-2023
Land	3,535.59	53.89	0.00	3,589.48	287.04	148.01	0.00	435.05	3,154.43
Building	41.59	16.15	-41.58	16.16	33.15	19.15	-41.58	10.72	5.44

b) The following expenses have been charged to Statement of Profit and Loss during FY 2022-23

Particulars	₹ in Lakh
Interest on Lease Liabilities	253.84
Expenses relating to short term leases	55.53
Expenses relating to leases of low value items	8.31
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	381.69

c) Total Cash outflow for leases during FY 2022-23 is ₹ 296.67 Lakhs

d) Income from Sub leasing of Right-of-use assets recognized in Statement of Profit and Loss during FY 2022-23 is Nil

e) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

Particulars	Contractual cash flows in ₹ Lakh				
	Up to 1 year	1-3 years	3-5 Years	More than 5 years	Total
Cash outflows	291.31	662.31	595.70	5,359.08	6908.40

41 . Financial Instrument Classification

Particulars	As at 31.03.2023	As at 31.03.2022
Financial Assets		
Financial Assets at Amortised Cost		
Trade Receivables	47,887.48	17,522.98
Cash and Cash equivalents	4,957.83	18,205.92
Other Bank Balances	226,989.30	169,440.47
Loans	-	3.28
Other Financial Assets	31,474.27	56,403.71
	311,308.88	261,576.36
Financial Assets at Fair Value through Other Comprehensive Income:		
Equity Investments	11,286.23	9,788.46
Financial Assets at Fair Value through Profit and Loss Statement:		
Foreign Currency Receivable on Forward exchange contract	0.00	0.00
	11,286.23	9,788.46
Financial Liabilities		
Financial Liability at Amortised Cost		
Borrowings	180,908.57	180,522.33
Trade Payables	37,802.37	57,798.12
Other Financial Liabilities	164,765.62	136,857.66
	383,476.56	375,178.11
Financial Liabilities at Fair Value through Profit and Loss Statement:		
Liability on Forward Exchange contract	0.00	0.00
	0.00	0.00

42. Financial Risk Management

The company's activities are exposed to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Ageing analysis, Credit Analysis, Post Dated Cheques and Security Deposit	Diversification of bank deposits, credit limits and Bank Guarantees
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Monitoring of Foreign Currency rates	Forward Foreign exchange contracts based on market trends

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ¹ 47887.48 lakh (Previous year ₹ 17522.98 lakh) of which ₹ 40259.93 lakh (previous year ₹ 13011.42 lakh) due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and from services rendered.

Expected credit loss assessment for Trade and other receivables

The Company has been consistently following a policy of creating 100% provision for the unsecured portion of the trade receivables that are more than three years old, except subsidy receivables from Government of India, wherein allowance for loss is made after analysis of possibility of realisation.

The following table provides information about the exposure to credit risk and the provisions made

₹ In lakh

As at 31/03/2023	Total receivables	Provision for doubtful receivables
Trade Receivables	9,597.44	(1,969.89)
Subsidy Receivable	40,671.26	(411.33)
Total	50,268.70	(2,381.22)

₹ In lakh

As at 31/03/2022	Total receivables	Provision for doubtful receivables
Trade Receivables	6,465.55	(1,953.99)
Subsidy Receivable	13,422.75	(411.33)
Total	19,888.30	(2,365.32)

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	2,365.32	2,240.55
Provisions released during the year	(49.71)	(20.02)
Provisions made during the year	65.62	144.79
Provision at the end of the year	2,381.22	2,365.32

(ii) Cash and Cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of ₹ 231947.13 lakhs at 31st March 2023 (31st March 2022: ₹ 187646.39 lakhs). The Cash equivalents are held with banks with good credit ratings and financial position. Also, the Company invests its short term surplus funds in bank fixed deposits, which carry no / low market risks for short duration and therefore does not expose the Company to credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The following are the remaining contractual maturities of significant financial liabilities at the reporting date.

Maturity Analysis of Significant Financial Liabilities

As on 31/03/2023

	Contractual Cash Flows (₹ In Lakh)		
	Total	Up to 1 year	1-5 years
Government of India Loan (Refer note 1 below)	344,359.82	344,359.82	0.00
Intercorporate Loan	1,149.68	589.50	560.18

As on 31/03/2022

	Contractual Cash Flows (₹ In Lakh)		
	Total	Up to 1 year	1-5 years
Government of India Loan (Refer note 1 below)	320,458.23	320,458.23	0.00
Intercorporate Loan	1,756.12	606.44	1,149.68

1. The loan from Government of India along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022. Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹ 28273.00 lakhs into equity and conversion of loan amounting to ₹ 100000.00 lakhs as interest free loan, repayable in yearly installments. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016. The management expects restructuring of the loan, whereby the Government shall grant sufficient time for the repayment of the loan and interest due thereon. Accordingly, the Company can manage the immediate liquidity requirement.

Financing arrangements

(₹ In Lakh)

The Company has sufficient funds for its business/operational activities. The following is the undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	As at 31.03.2023	As at 31.03.2022
Expiring within one year (Bank Overdraft/ CC Limit)	17,463.00	8,411.40
LC Bill discounting limit	12,160.18	23,056.42

The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. These credit facilities have an average maturity of one year. Besides, the above, Company has Non Fund Based Working Capital Arrangement with various Banks, with a lien on Term Deposits of the Company.

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other prices, such as equity price risk and commodity risk. .

(i) Currency Risk

The Company's activities are exposed primarily to the financial risk of changes in foreign currency rates. To mitigate the foreign currency risk, the company is closely monitoring the market trend to take appropriate action

Exposure to currency risk:

The details of foreign currency balances which are not hedged as at the Balance Sheet date are as below:-

Particulars	Figures as at 31.03.2023		Figures as at 31.03.2022	
	Foreign Currency (In lakh)	Indian Rupee (In lakh)	Foreign Currency (In lakh)	Indian Rupee (In lakh)
Trade Payable	USD 235.12	19454.04	USD 564.55	43093.96

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, JPY or EUR against INR at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in Lakh

	Effect in INR (before tax)	
	Strengthening	Weakening
For the year ended 31st March, 2023		
3% movement in, USD	(583.62)	583.62
For the year ended 31st March, 2022		
3% movement in, USD	(1292.82)	1292.82

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates

Exposure to interest rate risk:

The Company's investments are in Bank fixed deposits wherein the interest rates are fixed, as on the reporting date.

The Company do not have any borrowing with banks, other than discounting of bills, as on the reporting date. The interest rate on the Company's borrowings from Government of India is not fluctuating. The rate of interest on Intercorporate loan from Rashtriya Chemicals and Fertilisers Ltd is subject to change, based on the lowest cost of their working capital finance. The Intercorporate loan outstanding as on 31.03.2023 is ₹ 1020 lakh and the applicable interest as on the reporting date is 7.38%.

(iii) Commodity rate risk

The Company's profitability gets affected by the price differential (also known as Margin) between prices of products (output) and the price of the raw materials used in production (input).

Company has entered in to agreement with suppliers of one of the major raw materials, Regassified Liquefied Natural Gas and sulphur, to mitigate the fluctuation in market price.

(iv) Price Risk

The Company's exposure to equity investments price risk arises from investments held by the Company and classified in the financial statements at fair value through OCI. The Company intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ In Lakh

	Effect on OCI			
	31.03.2023		31.03.2022	
	Strengthening	Weakening	Strengthening	Weakening
1 % movement				
Investment in Kerala Enviro Infrastructure Ltd	4.63	(4.63)	4.08	(4.08)
Investment in Travancore Cochin Chemicals Ltd	2.46	(2.46)	1.60	(1.60)
Investment in Indian Potash Ltd	105.77	(105.77)	92.19	(92.19)

CAPITAL MANAGEMENT

The Company's primary objective is to maximize the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Presently, the Company sources 100 % of its capex requirement from the internal accruals. The Company, being a Public sector undertaking, is governed by the guidelines of the Department of Investment & Public Asset Management (DIPAM), which specifies the minimum percentage of dividend to be declared. Taking in to consideration the future capex requirements, the Company considers the payment of dividend at the appropriate rates.

43. Disclosure under Ind AS 24 on related party transactions are given below

Since Government of India owns 90% of the Company's equity share capital (under the administrative control of Ministry of Chemicals and Fertilizers), the disclosures relating to transactions with the Government and other Government controlled entities have been reported in accordance with para 26 of Ind AS 24.

Certain transactions are carried out with other government related entities for purchase of Gases, for procurement of Raw Materials / Finished Goods, Assets / Spare Parts from Original equipment manufacturers, which are significant in terms of value, the details of which are as under:

Name of Entity	Nature of Transaction	2022-23	2021-22
GAIL (India) Ltd	Procurement of Gas / Transmission Charges	13,682.03	39,229.78
Bharat Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products/Sulphur	55,358.19	62,567.13
Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	176,279.61	34,204.61
Mangalore Refinery and Petrochemicals Ltd	Procurement of Petroleum Products/Sulphur/Benzene	25,227.96	0.00
ONGC Mangalore Petrochemicals Ltd (merged to MRPL from May 2022)	Procurement of Petroleum Products/Benzene	3,516.09	0.00
Hindustan Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products	221.79	158.73
Steel Authority of India Ltd	Procurement of Steel Structural	10.56	179.33
National Fertilisers Ltd	Sale of Fertilisers	0.00	6,180.88
BRAHAMPUTRA VALLEY FERTILIZERS CORPORATION LTD (BVFCL)	Sale of Fertilisers	3,192.34	199.47
Rashtriya Chemicals and Fertilisers Ltd	Sale of Fertilisers	371.39	0.00
Hindustan Insecticides Ltd	Sale of Fertilisers	1,034.59	5,490.06
Rashtriya Chemicals and Fertilisers Ltd	Principal repayment of Intercorporate Loan	510.00	510.00
Rashtriya Chemicals and Fertilisers Ltd	Interest on Intercorporate Loan	101.40	50.22
Bharat Petroleum Corporation Limited	Services Provided	119.85	21.41
Hindustan Organic Chemicals Ltd	Services Provided- FEW	4.43	0.00
Hindustan Petroleum Corporation Ltd	Services Provided	125.79	67.70
Indian Oil Corporation Ltd	Services Provided	185.24	107.53
Rashtriya Chemicals and Fertilisers Ltd	Services Provided	3.87	7.70
Bharat Heavy Electricals Ltd	Procurement of Assets/Spare parts	175.06	236.05
Bharat Earth Movers Ltd	Procurement of Assets/Spare parts	10.42	21.34
Kochi Metro Rail Ltd	Lease of property	151.29	298.94
Kochi Salem Pipeline Pvt Ltd.	Lease of property	199.40	665.89
GAIL (India) Ltd	Lease of property	13.69	13.69

The above referred transactions have been carried out on arm's length basis with the said entities. The other disclosures with related parties are as under:

1) Associates & Joint Ventures

Relationship

SI No	Name of Entity	Percentage of ownership interest as at	
		31.03.2023	31.03.2022
1	FACT-RCF Building Products Ltd(FRBL)	50.00%	50.00%
2	Kerala Enviro Infrastructure Ltd. (KEIL)	NA	21.75%

Note: As the Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 is below 20%, the investment in Kerala Enviro Infrastructure Ltd has been re-classified as 'Other Investments', as on 31.03.2023

Transactions during the year with the above referred related parties:

₹ in Lakh

SI No	Particulars	2022-23	2021-22
I	Shares allotment received against share application money capital	235.70	0.00
ii)	Dividend received	0.00	0.00
iii)	Sales of Products	0.00	.00
iv)	Others	0.48	2.74

The provision towards the amount given as material, Services and advances made in the earlier financial years continues. A provision amounting to ₹0.48 Lakh (Previous year ₹ 2.74 lakh) has been made for the current year also.

Balance Outstanding

₹ in Lakh

SI No	Particulars	As at31.03.2023	As at31.03.2022
	Receivable from FACT-RCF building products Ltd :		
	Towards sale of gypsum & services	297.72	297.72
	Salary of deputationists and other expenses	828.4	827.92
	Under Corporate Guarantee and other Contractual obligations	2,789.60	2,789.60
	Advance against Equity Pending allotment	0.00	235.70
	Provision for bad & doubtful debts/advances	3,915.72	4,150.94
	Provision towards other Contractual Obligation	239.60	239.60
	Provision for diminution in the value of investments	3,522.70	3,287.00

The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF had settled the entire liability to the bankers, to the extent of ₹ 5100 lakhs including 50% share of the Company ₹ 2550 lakhs on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan. Accordingly, the amount of ₹ 2550 lakhs has been classified as Intercorporate loan. The principal amount outstanding as on 31.03.2023 is ₹ 1020 lakh (Previous year ₹ 1530 lakh). Interest rate applicable on the loan for the year 2022-23 is 7.38% p.a. (Previous year- 6.50% p.a).

Department of Fertilisers, Govt of India, had accorded the approval (16 November 2018) to The Fertilisers and Chemicals Travancore Limited (FACT) for additional investment of ₹ 2925 lakh to the equity share capital of FACT-RCF-Building Products Limited (FRBL).FRBL is a joint venture between FACT and Rashtriya Chemicals & Fertilisers Limited (RCF). FACT in its 75th Annual General Meeting approved the additional investment in FRBL. Against approval received for ₹ 2925 lakh, FRBL had issued equity shares amounting to ₹ 1518 lakh towards gypsum supplied and other services provided by FACT during the period from 2010-2013. Further, FRBL during the year 2022-23 has allotted shares to FACT amounting to ₹ 235.70 lakhs. Balance Equity Shares against which gypsum and other services provided by the FACT during 2014-2017, are pending for allotment by FRBL. The same has been disclosed under advances to related parties. Further, supply of gypsum from FACT amounting to ₹ 239 lakh is still pending as on 31 March 2023 to complete the above additional investment.

During the year 2009-10, the Company has along with Department of Factories and Boilers, Government of

Kerala, formed a society under the Travancore Literary, Scientific and Charitable Societies Act 1955 with the objective of conducting courses relating to welding technologies with a grant of ₹ 1 Crore from the Government of Kerala, under the name Kerala Institute of Welding and Research. The contribution from the Company is only provision of its existing facilities of Training School. The accounts of the society are not consolidated as society is formed with an objective of not obtaining any economic benefits from its activities and is considered immaterial to the Company's activity.

2) Key Management Personnel

- 1 Shri Kishor Rungta, Chairman and Managing Director (from 02.02.2019)
- 2 Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)
- 3 Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)
- 4 Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021 to 30.09.2022)
- 5 Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)
- 6 Shri K V Balakrishnan Nair, Company Secretary & Executive Director (Finance) up to 31.05.2022
- 7 Smt.Susan Abraham, Company Secretary from 15.07.2022

Transactions with related parties:

Remuneration to key management personnel :

(₹ In Lakh)

Sl No	Particulars	Short Term Employee Benefits		Termination benefits**		Other long-term benefits/ Share-based payments/ Post-term employee benefits	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Sri Kishor Rungta, Chairman and Managing Director (From 02.02.2019)	49.80	48.96	0.00	0.00	0.00	0.00
2	Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	40.64	29.99	0.00	0.00	0.00	0.00
3	Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	42.43	29.39	0.00	0.00	0.00	0.00
4	Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021 to 30.09.2022)	16.83	28.93	5.10	0.00	0.00	0.00
5	Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)	3.12	0.00	0.00	0.00	0.00	0.00
6	Shri K V Balakrishnan Nair, Company Secretary & Executive Director (Finance) up to 31.05.2022	9.23	28.20	37.98	0.00	0.00	0.00
7	Smt.Susan Abraham, Company Secretary from 15.07.2022	16.55	0.00	0.00	0.00	0.00	0.00
		178.60	165.47	43.08	0.00	0.00	0.00

** On payment basis

The whole time Directors have been allowed the use of company car and for private journey upto a ceiling of 9000 kms. per year, on payment as prescribed by the Government.

Gratuity and leave encashment benefit accrued to the Directors have not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.

3) Other related parties

Party	Nature of Relationship
i. FACT Cochin Division Employees Provident Fund Trust	To manage the provident fund contribution in respect of the employees of the Company
ii. The FACT Employees Provident Fund	To manage the provident fund contribution in respect of the employees of the Company
iii. FACT Employees Group Gratuity Fund Trust	To manage fund earmarked for gratuity under group gratuity accumulation scheme and provide gratuity benefits including insurance towards future service gratuity benefit
iv. FACT Employees Superannuation Benefit Fund Trust	To provide superannuation benefits to members of the Trust

Transactions with related parties:

₹ in Lakh

Party	Company Contribution made during the year	
	2022-23	2021-22
i. The FACT Employees Provident Fund	1833.47	1628.84
ii. FACT Cochin Division Employees Provident Fund Trust	74.95	76.37
iii. FACT Employees Group Gratuity Fund Trust	3000.00	2792.44

Dues outstanding in respect of the above related parties:

₹ in Lakh

Party	As on	
	31.03.2023	31.03.2022
i. Amount payable to The FACT Employees Provident Fund	321.92	289.51
ii. Amount payable to FACT Cochin Division Employees Provident Fund Trust	26.75	24.71
iii. Amount receivable from FACT Employees Group Gratuity Fund Trust	652.31	290.52

44. Financial Reporting of interest in Joint Ventures and Associates

Name of Entity	Country of Incorporation	Percentage of ownership interest	
		31.03.2023	31.03.2022
FACT RCF Building Products Ltd.	India	50.00%	50.00%
Kerala Enviro Infrastructure Limited	India	NA	21.75%

1. FACT-RCF BUILDING PRODUCTS LTD.- A Joint venture Company with Rashtriya Chemicals and Fertilizers Limited (RCF) for manufacture of rapid building materials from Gypsum at Kochi.
2. Kerala Enviro Infrastructure Ltd. (KEIL) is a public limited company formed as Special Purpose Vehicle and promoted by the Kerala State Industrial Development Corporation (KSIDC) in association with various industries in the State for establishing Common Treatment, Storage and Disposal Facility (CTSDf) for solid hazardous industrial waste in the State of Kerala.
3. The percentage of Company's shareholding in M/s.Kerala Enviro Infrastructure Limited as on 31.03.2022 was 21.75%. The Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 has reduced to 15.91 %, on account of additional investment by other share holders.. As the investment as on 31.03.2023, is less than 20%, the investment has been re-classified as 'Other Investments'.

**Summarized financial information of Company's investment in
 FACT-RCF BUILDING PRODUCTS LTD. (FRBL)**

(₹ In Lakh)

Particulars	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
Non-Current Assets	234.20	284.20
Cash and Cash Equivalent	15.95	28.53
Current Assets other than Cash and Cash Equivalents	751.59	1,025.16
Non-Current Liabilities & provisions	6,465.48	6,266.59
Current Liabilities	9,180.22	9,396.18
Equity	(14,643.96)	(14,324.88)
Proportion of the company's ownership	50.00%	50.00%
Carrying amount of the investment*	0.00	0.00

(₹ In Lakh)

Particulars	2022-23 (Audited)	2021-22 (Audited)
Income	95.57	349.73
Cost of materials consumed	0.00	0.00
Changes in inventories	-	123.41
Depreciation and amortization expense	0.00	0.00
Finance costs	706.45	683.73
Employee benefits expenses	48.19	87.84
Other Expenses	131.42	395.75
Exceptional items	0.00	0.00
Loss for the year	(790.49)	(941.00)
Total comprehensive income for the year	(790.49)	(941.00)
Company's Share of profit / loss for the year	(395.25)	(470.50)

* Owing to the company's share of losses exceeding its interest in the joint venture recognising the share of loss stands discontinued. Accordingly company has not recognized share of loss of ₹ 395.25 lakh for the year (Previous Year ₹ 470.50 lakh) and ₹ 10844.68 lakhs cumulatively upto the year ended 31.03.2023 (₹ 10449.43 lakh cumulatively upto the year ended 31.03.2022).

Summarised financial information of Company's investment in Kerala Enviro Infrastructure Ltd. (KEIL)

(₹ In Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022 (Audited)
Non-Current Assets	NOT APPLICABLE (Refer Note 3 above)	2,997.82
Cash and Cash Equivalent		246.29
Current Assets other than Cash and Cash Equivalents		2,020.55
Non-Current Liabilities		2,419.67
Current Liabilities		968.84
Equity		1,876.15
Proportion of the company's ownership		21.75%
Carrying amount of the investment		407.99

(₹ In Lakh)

Particulars	2022-23	2021-22 (Audited)
Income		1,871.46
Cost of materials consumed		223.17
Depreciation and amortization expense		264.52
Finance costs		47.27
Employee benefits expenses		394.50
Other Expenses		1,522.74
Profit before Tax		(580.74)
Tax		(1.91)
Profit after Tax		(578.83)
Other Comprehensive Income		(0.72)
Total comprehensive income for the year		(579.55)
Company's Share of profit / loss for the year		(126.21)

45. SEGMENTAL REPORTING

Segment Information for the year ended 31st March 2023

Information about Primary Business Segments

	₹ in Lakh. Fertiliser	₹ in Lakh. Petrochemical	₹ in Lakh. Others (Unallocated)	₹ in Lakh. Total
REVENUE				
External Revenue	5,43,714.52 4,02,054.11	77,450.68 40,930.54	980.50 1,627.05	6,22,145.70 4,44,611.70
TOTAL REVENUE	5,43,714.52 4,02,054.11	77,450.68 40,930.54	980.50 1,627.05	6,22,145.70 4,44,611.70
SEGMENT RESULTS				
Profit before Interest and Taxation	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(18,029.70) (13,501.28)	73,579.19 58,055.15
Unallocated Corporate Expense			(1,226.35) (937.32)	(1,226.35) (937.32)
Operating Profit	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(16,803.35) (12,563.96)	74,805.54 58,992.47
Interest Expense	-	-	24,733.73 24,440.68	24,733.73 24,440.68
Interest Income	-	-	11,226.71 8,991.95	11,226.71 8,991.95
Profit before Exceptional items and Tax	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(30,310.37) (28,012.69)	61,298.52 43,543.74
Exceptional Income/(Expense)	-	-	- (8,906.20)	- (8,906.20)
Income Tax	-	-	-	-
Profit after Interest and Taxation	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(30,310.37) (36,918.89)	61,298.52 34,637.54
OTHER INFORMATION				
Segment Assets	4,38,341.84 4,16,608.22	38,788.39 27,748.58	66,300.45 29,571.91	5,43,430.68 4,73,928.72
Segment Liabilities	1,24,286.18 1,37,813.00	16,688.00 12,516.32	4,02,456.50 3,23,599.40	5,43,430.68 4,73,928.72
Depreciation	2,257.35 2,153.19	559.24 384.14	194.54 181.39	3,011.13 2,718.71
Capital Expenditure	2,932.69 1,793.16	7.08 5,737.06	129.68 98.71	3,069.45 7,628.93

The business segments are:-

Segment

Fertiliser

Petrochemical

Products

Ammonium Phosphate, Ammonium Sulphate, Mixtures , MOP

Caprolactam

Segments have been identified taking into account the organisation structure.

Segment assets and liabilities represents assets and liabilities in respective segments. Share capital ,Secured and Unsecured loans, Investments and Accumulated loss are classified as Unallocated.

Segment reporting is prepared based on the methods consistently followed by the company

Figures given in next row pertains to previous year.

RECONCILIATION OF REVENUE	2022-23	2021-22
Segment Revenue as above	622145.70	444611.70
Add Interest Income	11226.71	8991.95
Revenue as per Profit and Loss Statement	633372.41	453603.65

46. EMPLOYEE BENEFITS

General Description of Defined Contribution Plan

Contributory Superannuation Scheme-The scheme is aimed to provide superannuation benefits to the employees. Every year company contributes ₹ 100 to the fund.

General Description of Defined Benefit Plan

A Leave Encashment and Gratuity

The company operates gratuity plan where in every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on death , separation from service or retirement , whichever is earlier. The benefit vests after five years of continuous service. The company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the balance sheet date.

B Provident Fund

The Provident Fund contributions are made to Trusts administered by the company. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act 1952.

During the year an amount of ₹ 1908.42 lakh (Previous Year ₹ 1705.21 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19 , the Provident Fund Trust set up by the company is treated as Defined Benefit Plan since the company has to meet the shortfall in the fund assets , if any.

During the year, vide, G.O(Rt.)No. 354/2023/LBR dated 23.03.2023 Government of Kerala (appropriate authority as per Para 27A of Provident Fund and Miscellaneous Provisions Act, 1952) withdrew exemption granted for the Company in respect of The FACT Employees Provident Fund, Udyogamandal Division on account of three years continuous loss incurred by the company . Company has challenged the same and filed a writ petition before the Hon' High Court of Kerala and the notification has been stayed by the Honorable High Court. The matter is still pending.

A Movement in net defined benefit (asset)/ liability in respect of Leave Encashment and Gratuity

a. Changes in the present value of obligations	₹ in Lakh		₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Present value of obligations at the beginning of the year	9427.17	9781.41	13260.35	14711.97	924.34	768.03
Interest cost	554.20	616.50	844.61	958.10	64.28	53.74
Past service cost	0.00	0.00	0.00	0.00	-	-
Current service cost	1745.02	1788.20	552.86	527.11	46.87	45.87
Benefits paid	(2924.94)	(2366.08)	(2961.16)	(2698.66)	(55.67)	(36.86)
Actuarial loss/(gain) on obligation	770.51	(392.86)	809.89	(238.17)	10.98	93.56
Present value of obligations at the end of the year	9571.96	9427.17	12506.55	13260.35	990.80	924.34

	₹ in Lakh		₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)	
a. Changes in the present value of obligations	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
b. Changes in the fair value of plan assets						
Fair value of plan assets at the beginning of the year	0.00	0.00	1296.04	1202.26	0.00	0.00
Expected return on investment	0.00	0.00	94.31	89.56	0.00	0.00
Employer's contribution	0.00	0.00	3000.00	2792.44	0.00	0.00
Benefits paid	0.00	0.00	(2961.16)	(2698.66)	0.00	0.00
Actual return on Plan Asset over Expected Interest	0.00	0.00	(16.92)	(89.56)	0.00	0.00
Fair value of plan assets at the end of the year	0.00	0.00	1412.27	1296.04	0.00	0.00
Actual return on investment**	0.00	0.00	77.40	89.56	0.00	0.00
c. Amount recognised in Balance sheet						
Present value of obligations at the end of the year	9571.96	9427.17	12506.55	13260.35	990.80	924.34
Fair value of plan assets at the end of the year	0.00	0.00	1412.27	1296.04	0.00	0.00
Unfunded net liability recognised in Balance sheet	9571.96	9427.17	11094.28	11964.31	990.80	924.34
d. Expenses recognised in the Statement of Profit and Loss during the year						
Current service cost	1745.02	1788.20	552.86	527.11	46.87	45.87
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00
Net Interest on Obligation / Asset	554.20	616.50	750.29	868.54	64.28	53.74
Total Expenses recognised in the Statement of Profit and Loss during the year	2299.22	2404.70	1303.15	1395.65	111.15	99.61
Amount Disclosed under Other Comprehensive Income:						
Opening balance	(2676.40)	(2283.54)	3981.02	4129.62	605.62	512.06
Actuarial (Gain) or Loss on Obligation side during the year	770.51	(392.86)	826.81	(148.60)	10.98	93.56
Closing Amount Disclosed under OCI	(1905.89)	(2676.40)	4807.83	3981.02	616.60	605.62

	₹ in Lakh		₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Investment details	% invested as at 31st March		% invested as at 31st March		% invested as at 31st March	
LIC Group Gratuity (Cash Accumulation) policy	-	-	11.29	9.77	-	-
Actuarial assumptions						
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate					
e. Discount rate	7.31%	6.82%	7.31%	6.82%	7.31%	6.82%
Salary escalation rate	8.00%	7.50%	8.00%	7.50%	8.00%	7.50%
f. Expected rate of return on plan assets	NA	NA	7.71%	6.82%	NA	NA

GRATUITY- OTHER DISCLOSURE REQUIREMENTS

(i) Description of plan Characteristics and associated risks:

The Gratuity scheme is a final salary defined benefit plan that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years. The design entitles the following risks that affect the liabilities and cash flows

Interest rates risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times the fall can be permanent due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Salary inflation risk:

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER) which is applied to find the salary of plan participants in future at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

Retirement age:

It should be noted that in case of employees above retirement age for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Demographic risks:

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition

disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase discount rate and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

Asset Liability Mismatch:

This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date

Investment Risk

For funded plans that rely on insurers for managing the assets the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time..

Employees with high salaries and long durations of service or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk/Regulatory risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) Sensitivity Analysis

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates salary growth Attrition & Mortality is shown below

GRATUITY-EMPLOYEES :

₹ In Lakh

				31-03-2023
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-2.87%	12147.88	(358.67)
2	DISCOUNT RATE -100 basis points	3.16%	12901.72	395.16
3	SALARY GROWTH +100 basis points	1.44%	12686.39	179.83
4	SALARY GROWTH -100 basis points	-1.47%	12323.22	(183.33)
5	ATTRITION RATE +100 basis points	0.00%	12505.98	(0.57)
6	ATTRITION RATE-100 basis points	-0.01%	12505.41	(1.14)
7	MORTALITY RATE 10% UP	0.00%	12506.14	(0.42)
8	EFFECT OF NO CEILING	27.31%	15670.81	3415.87

GRATUITY-CASUAL LABOUR (CLR)

₹ In Lakh

				31-03-2023
		% increase in DBO	LIABILITY	INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-4.74%	943.86	-46.95
2	DISCOUNT RATE -100 basis points	5.29%	1043.25	52.44
3	SALARY GROWTH +100 basis points	4.91%	1039.44	48.62
4	SALARY GROWTH -100 basis points	-4.64%	944.81	-46.00
5	ATTRITION RATE +100 basis points	-0.43%	986.57	-4.24
6	ATTRITION RATE-100 basis points	0.47%	995.50	4.68
7	MORTALITY RATE 10% UP	-0.02%	990.59	-0.22
8	EFFECT OF NO CEILING	0.21%	992.93	2.11

P.U.C method has been used. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed

(iii) Asset Liability Matching Strategies**GRATUITY-EMPLOYEES :****Insurer Administered Fund**

The company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the Insurance company and the Asset Values as informed by the Insurance

Company has been taken for the valuation purpose. The policy thus mitigates the liquidity risk. However being a cash accumulation plan the duration of assets is shorter compared to the duration of liabilities. Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset).

Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset).

GRATUITY-CASUAL LABOUR (CLR)

Pay As You Go Method

The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero; there is liquidity risk in that they may run out of cash.

(iv) Other disclosures

GRATUITY-EMPLOYEES :

The company has started funding the liability through the medium of an insurance company and regular assessment is made by the Company of the increase in liability and contributions are being made to maintain the fund and is subject to the credit risk of the insurance company and asset liability mismatch risk of the investments .

Expected Contributions to the plan for the next annual reporting period.

Rs. 1875.06 lakhs

	31-03-2023	31-03-2022
Weighted average duration of the D B O	10.39	10.16
		₹ in lakh
Information on the maturity profile of the liabilities	31-Mar-23	31-Mar-21
Projected Benefit Obligation	12506.55	13260.36
Accumulated Benefits Obligation	10848.36	11508.01

₹ in lakh

		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	3383.54	3430.86
2	Year (II)	2613.00	2826.18
3	Year (III)	2067.70	2379.71
4	Year (IV)	1316.43	1633.01
5	Year (V)	792.55	1065.39
6	Next 5 year pay-outs (6-10 years)	1474.18	2315.39
7	Pay-outs Above Ten Years	859.15	3307.94
8	Vested benefit Obligation as on Para 137 (b) 31-03-2021		12,191.28

GRATUITY-CASUAL LABOUR (CLR) :

The company has not started funding the gratuity liability & has been following pay as you go method for settlement of the liability

Expected Contributions to the plan for the next annual reporting period.

/NA

	31-03-2023	31-03-2022
Weighted average duration of the D B O	7.47	7.44
		₹ in lakh
Information on the maturity profile of the liabilities given below	31-03-23	31-03-22
Projected Benefit Obligation	990.81	924.35
Accumulated Benefits Obligation	707.78	667.03

		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	176.07	178.85
2	Year (II)	126.40	138.06
3	Year (III)	100.63	117.52
4	Year (IV)	112.45	141.22
5	Year (V)	80.74	110.63
6	Next 5 year pay-outs (6-10 years)	240.59	397.18
7	Pay-outs Above Ten Years	153.95	501.02
8	Vested benefit Obligation as on Para 137 (b) 31-03-2023		989.34

LEAVE ENCASHMENT- OTHER DISCLOSURE REQUIREMENTS**(i) Description of plan Characteristics and associated risks:**

The leave scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the leave count at the time of separation and paid as lumpsum.

The design entitles the following risks that affect the liabilities and cash flows,

Interest rates risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risks:

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less

compared to long service employees.

(ii) SENSITIVITY ANALYSIS

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates, salary growth, Attrition & Mortality is shown below

PRIVILEGE LEAVE

₹ in lakh

Net Asset/(Liability)Recognised in Balance sheet -				31-03-2023
		% increase in DBO	LIABILITY	INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-6.38%	7625.76	(520.10)
2	DISCOUNT RATE -100 basis points	7.24%	8735.55	589.70
3	SALARY GROWTH +100 basis points	6.75%	8695.43	549.58
4	SALARY GROWTH -100 basis points	-6.07%	7651.66	(494.19)
5	ATTRITION RATE +100 basis points	-0.56%	8100.42	(45.43)
6	ATTRITION RATE-100 basis points	0.63%	8197.12	51.27
7	MORTALITY RATE 10% UP	-0.02%	8144.48	-1.37

SICK LEAVE

₹ in lakh

Net Asset/(Liability)Recognised in Balance sheet -				31-03-2023
		% increase in DBO	LIABILITY	INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-4.64%	1359.97	-66.14
2	DISCOUNT RATE -100 basis points	5.15%	1499.54	73.44
3	SALARY GROWTH +100 basis points	4.80%	1494.57	68.47
4	SALARY GROWTH -100 basis points	-4.41%	1363.25	-62.85
5	ATTRITION RATE +100 basis points	-0.40%	1420.42	-5.69
6	ATTRITION RATE-100 basis points	0.44%	1432.38	6.28
7	MORTALITY RATE 10% UP	-0.01%	1425.94	-0.16

P.U.C method has been used for sensitivity analysis. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed

(iii) Actuarial measurements as on March 31,2023

The company has not started funding the Leave liability & has been following pay as you go method for settlement of the liability

(iv) Maturity profile of the liabilities**PRIVILEGE LEAVE**

		31-03-2023	31-03-2022
Weighted average duration of the D B O		10.39	10.16
			₹ in lakh
Information on the maturity profile of the liabilities given below		31-03-23	31-03-22
Projected Benefit Obligation		8154.85	7721.79
		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	418.79	453.28
2	Year (II)	407.93	474.57
3	Year (III)	1401.17	1867.05
4	Year (IV)	1182.78	1686.30
5	Year (V)	1037.70	1589.38
6	Next 5 year pay-outs (6-10 years)	1932.54	3492.49
7	Pay-outs Above Ten Years	1764.93	6134.26

SICK LEAVE

		31-03-2023	31-03-2022
Weighted average duration of the D B O		10.39	10.16
			₹ in lakh
Information on the maturity profile of the liabilities given below		31-03-23	31-03-22
Projected Benefit Obligation		1,426	1705.39
		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	343.03	395.34
2	Year (II)	255.80	318.13
3	Year (III)	210.17	280.10
4	Year (IV)	143.54	203.90
5	Year (V)	99.49	153.66
6	Next 5 year pay-outs (6-10 years)	177.48	317.19
7	Pay-outs Above Ten Years	196.59	642.41

B Movement in net defined benefit (asset)/ liability in respect of Provident Fund

	₹ in Lakh		₹ in Lakh	
	Trust managed Provident Fund-Udyogamandal		Trust managed Provident Fund-Cochin Division	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
a. Changes in the present value of obligations				
Present value of obligations at the beginning of the year	24478.94	24591.64	2153.52	2351.74
Interest cost	1568.04	1527.18	132.96	144.31
Past service cost	-	-	-	-
Current service cost	1063.85	923.22	76.37	76.37
Plan participants contribution	3196.50	2893.90	244.53	249.72
Benefits paid	(6056.51)	(6583.93)	(669.25)	(678.09)
Actuarial loss/(gain) on obligation	621.81	1126.92	-25.40	9.47
Present value of obligations at the end of the year	24872.63	24478.94	1912.73	2153.52
b. Changes in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	24478.02	24591.63	2139.38	2354.68
Expected return on investment	1606.86	1560.28	134.72	147.26
Employer's & Plan participants contribution	4260.35	3817.11	320.91	326.09
Benefits paid	(6056.51)	(6583.93)	(669.25)	(678.09)
Actuarial (loss)/gain on plan assets	534.15	1092.92	(16.55)	(10.56)
Fair value of plan assets at the end of the year	24822.87	24478.02	1909.21	2139.38
Actual return on investment	2141.01	2653.21	118.17	136.70
c. Amount recognised in Balance sheet of the Trust				
Present value of obligations at the end of the year	24872.63	24478.94	1912.73	2153.52
Fair value of plan assets at the end of the year	24822.87	24478.02	1909.21	2139.38
Unfunded net liability	49.76	0.92	3.52	14.14
d. Expenses recognised in the Statement of Profit and Loss of the Trust during the year				
Current service cost	1063.85	923.22	76.37	76.37
Past service cost				
Interest cost	1568.04	1527.18	132.96	144.31
Expected return on investment	(1606.86)	(1560.28)	(134.72)	(147.26)
Net actuarial (gain) / loss recognised during the year	87.66	34.00	(8.85)	20.03
Total Expenses	1112.69	924.12	65.76	93.45

47. Additional Regulatory Information
(I) Fair value of investment property

Fair Value of Freehold Land is based on the notification issued by the Government of Kerala in their website. Management assumes the original cost of the Building as fair value

(ii) Capital-Work-in Progress (CWIP)**(a) CWIP ageing schedule**

As on 31.03.2023

₹ In Lakh

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7788.84	2058.56	392.58	219.42	10459.40
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	7788.84	2058.56	392.58	219.42	10459.40

As on 31.03.2022

₹ In Lakh

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3046.53	980.95	223.92	0	4251.40
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	3046.53	980.95	223.92	0	4251.40

(iii) Ratios

RATIO	NUMERATOR	DINOMINATOR	RATIO		% Variance	Reason for variation more than 25%
			2022-23	2021-22		
(a) Current Ratio,	Current Assets	Current Liabilities	1.08	0.98	10.00%	NA
(b) Debt-Equity Ratio	Total liabilities/debt	Shareholder's Equity	3.27	6.16	- 47.00%	The debt equity ration improved due to the profit earned during the year
(c) Debt Service Coverage Ratio,	Net profit after tax plus Finance cost and Non cash operating expenses	Finance cost, Current maturities of debt and accrued interest	0.28	0.21	33.26%	Due to increase in Net profit after tax
(d) Return on Equity Ratio	Profit after Tax	Shareholder's Equity	0.48	0.52	-8.03%	NA
(e) Inventory turnover ratio,	Turnover	Average inventory	7.55	7.50	0.64%	NA
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average Accounts Receivable	5.77	4.27	35.20%	Due to reduction in the accrued subsidy as at the year end
(g) Trade payables turnover ratio,	Net credit Purchases	Average Accounts Payable	9.16	6.65	37.73%	Reduction in trade payables consequent to lower credit period of certain raw materials

RATIO	NUMERATOR	DINOMINATOR	RATIO		% Variance	Reason for variation more than 25%
			2022-23	2021-22		
(h) Net capital turnover ratio,	Net sales	Working capital	20.92	negative	NA	Working capital is negative as on 31.03.2022 as the current liabilities exceeds current assets on account of the Government of India loan and interest payable
(i) Net profit ratio	Net profit after tax	Turnover	0.10	0.08	26.34%	Better margin due to long term raw material procurement contract
(j) Return on Capital employed	Earnings before interest and taxes	Capital employed (Net Worth + Total Debt)	0.19	0.16	18.07%	NA
(k) Return on investment	Increase in the net assets value of investment in shares plus dividend	Original value of investment	0.42	0.32	29.43%	On account of the high profits earned by the investee companies

48. Contingent Liabilities and Commitments (to the extent not provided for):

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Claims against the company not acknowledged as debts in respect of:		
Central Excise Act, 1944	13313.01	12948.25
Service Tax (Finance Act, 1994)	361.35	347.93
Sales Tax / Value Added Tax/ Entry tax	282.87	16953.64
Income Tax Act, 1961	4.26	4.26
ESI Act	127.83	127.83
Suppliers and contractors	27000.74	26045.60
Payment of Bonus Act, 1965	33.59	33.59
Others	5844.76	1138.23

48.1. Sales Tax/Value Added Tax/Entry Tax includes Nil (previous year ₹16614.87 lakh- including interest up to 31.03.2022) towards differential tax demand in respect of the year 2011-12 on the disputed turnover, consequent to withdrawal of the demand notice during the year, by the Assessing Authority in the rectification of the assessment order.

48.2. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹178489.75 lakh including interest till 31.03.2013 before the arbitrator .The arbitrator has passed an award during the year 2013-14 in favour of the contractor for 17308.04 lakh including interest as on 31.12.2013 .As per the award, the mobilisation advance paid by the Company to the contractor along with interest of

2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court , Ernakulam which has since stayed the award. During the year 2019-20, as per the directive of Hon' District Court, Ernakulam the Company has provided 80.50 acres of land as security for the award. Accordingly, the award amount along with interest up to 31.03.2023, amounting to ₹26716.88 lakh without considering the adjustment of mobilisation advance and interest allowed under the arbitral award is not considered as a liability and included under Contingent Liability. The case is transferred to Commercial Court.

- 48.3. A plan loan of ₹100000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, 100000.00 lakh along with the earlier loan and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the terms of sanction , Government reserves right to enhance the rate of interest to 16.25% in case of default in repayment. As no communication in this regard has been received from the Government, as on date, ₹4895.52 lakhs (previous year- Nil) being additional interest for the year 2022-23 has been shown as contingent liability (refer Note 22.2)
- 48.4. ₹392.82 lakhs (Previous year- Nil) is claimed by a transport contractor in an arbitration petition filed by them in response to ₹298.53 lakhs withheld from the contractor bills and initiation to invoke bank guarantee of ₹151.22 lakhs towards compensation for non-delivery of goods. Company filed a counter claim of ₹224.03 lakhs (including interest). ₹94.80 lakhs is included in the contingent liability towards the claim.
- 48.5 Contingent Liability as on 31.03.2023, includes ₹91.56 Lakh being the amount payable as per the Arbitration award , to a customer whose contract for sale of bulk gypsum was terminated by the Company during the year 2016-17. In response to the Execution petition filed by the party, the Hon'ble High Court issued an interim injunction attaching an amount of ₹175.64 lakhs in the Company's bank account. Challenging the same, we have filed objection petition which has been admitted by the Hon Court and interim stay has been granted.
- 48.6 As per the Presidential directive and the agreement entered into between the Company and the trade unions for implementation of the 2017 wage revision, the company is not liable to pay arrears of salary and wages for the period from 01.01.2017 to 31.03.2022, in respect of managerial and non-managerial employees. Certain retired employees of FACT have filed Writ Petitions before the Hon. High Court of Kerala praying for a direction to the company to disburse arrears of pay revision and other consequential benefits for the period from 01.01.2017 to the respective retirement dates of the petitioners. Since a verdict/decision on payment of arrears relating is not taken, the amount of liability cannot be ascertained at this stage.

Particulars	As at 31.03.2023	As at 31.03.2022
49. Estimated amount of contracts remaining to be executed on capital account and not provided for.	48,811.14	56,417.27

50. Contingent Assets

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Amounts estimated to be receivable in respect of:		
Suppliers and Contractors	7992.75	120.81
Dealers and customers	84.68	15.05
Others	184.12	184.12
	8077.43	135.86

1. Contingent assets in respect of 'Suppliers and Contractors' includes 5385.59 lakhs (Previous year -Nil) for the year 2022-23 receivable from a contractor on the interest bearing mobilisation advance still retained by the party (refer Note 5.1, 13.2, 29.1). It also includes reduction in regasification charges 2472.98 lakhs receivable from oil companies in respect of Re-gassified Liquefied Natural Gas during the year 2019-20. This disputed matter is presently pending before Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD)

51. Construction Contracts

Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹730.16 lakh (Previous year ₹784.02 lakh), and capital expenditure ₹2267.82 lakh (Previous year ₹905.40 lakh)

In the case of work being carried out by FACT Engineering and Design Organisation (FEDO), for National Institute of Technology (NIT), Nagaland, as an executing agency, on a cost plus basis, as a deposit work, FEDO is eligible for certain percentage of fees of total project cost. As per technical evaluation, 52.46% (previous year 52.46%) of work related to consultancy services by FEDO to NIT, has been completed as on 31.3.2023 and pro-rata credit of ₹888.27 lakh (previous year 862.73 lakh) has been taken, after considering ₹276.44 lakh towards work in progress (previous year 264.27 lakh). The value of construction work billed and certified during the year 2022-23 is taken as Nil, (previous year 234.35 lakh) and equivalent amount has been considered for direct charges on contract.

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Amounts estimated to be receivable in respect of:		
Contract revenue recognised in the period.	547.42	705.07
Advance received against contract in progress.	538.89	500.07
Retention by customers against contract in progress.	69.89	89.96
Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date.	2,444.06	2,543.00
Gross amount due from customers for contract work as an asset.	171.51	143.28
Gross amount due to customers for contract work as a liability.	95.56	101.14

52. Disclosure in respect of changes in accounting policies, Changes in Accounting Estimates and Errors.

During the year certain errors or omission were identified. Accordingly, previous year financial statements are restated, as per the provisions of Ind AS 8. The nature of restatements and the impact in the previous financial statements and at the beginning of the earliest prior period is as follows. Regrouping of figures are not included in the statement.

Restatements at the beginning of the earliest prior period

1. During the year 2019-20, company had sold 481.79 acres of Land, as approved by Union Cabinet, Government of India ₹ 1 Crore per acre for 150 Acres (in lieu of free hold right accorded by the Government of Kerala over 143.22 acres of lease hold land) and remaining 331.79 acres ₹ 2.4758 Crore per acre as assessed by the District Collector. On receipt of valid order from revenue department during the year 2022-23, the fair value of the 143.22 acres of the land converted ₹ 47956 Lakhs, has been accounted as income and equivalent value as land, as restatement of the balance as on 01.04.2021.

Restatements of previous year figures

- ₹ 652.80 lakh received from Kochi Salem Pipeline Private Limited (KSPPL) towards compensation for Right of Use of land at Cochin Division for laying pipeline, fully accounted as income during 2021-22, has been amortised with effect from 27.01.2022, over the expected agreement tenure of 10 years, as the execution of final agreement is pending. Accordingly ₹641.36 lakhs accounted as income during 2021-22 has been restated as 'Advance rent received' as on 31.03.2022.
- An item of 'Property Plant & Equipment with cost of acquisition ₹ 87.45 lakhs which was available for use during 2021-22, has been capitalised and corresponding depreciation of ₹4.55 lakhs has been charged by way of restatement of 2021-22 figures
- Rectification of accounting of 'work in progress' with respect to in-house capital projects. Consequently, the capital work in progress is reduced by ₹63.31 lakhs, 'Other Accrued income' is increased by ₹18.50 lakhs and 'other expenses' increased by ₹44.81 lakhs

Reconciliation of restated items of Balance Sheet and Statement of Profit & Loss

₹ In Lakh

Sl. No	Particulars	Note No	Correction at the beginning of the earliest prior period (April 1,2021)			Restatement of figures of the year 2021-22		
			As reported during previous year	Adjustments	As restated	As reported during previous year after adjustments as on 01.04.2021	Adjustments	As restated
1	Property, plant and equipment	2	25157.91	47956.00	73113.91	78144.31	82.90	78227.21
2	Capital work-in progress	2A	NA			4402.16	-150.76	4251.40
3	Current Assets -Other Financial Assets	11	NA			55456.57	18.49	55475.06
4	Other Equity	16	-82706.43	47956.00	-34750.43	2186.15	-690.71	1495.44
5	Other Non current Liabilities	21	NA			564.77	576.12	1140.89

Sl. No	Particulars	Note No	Correction at the beginning of the earliest prior period (April 1,2021)			Restatement of figures of the year 2021-22		
			As reported during previous year	Adjustments	As restated	As reported during previous year after adjustments as on 01.04.2021	Adjustments	As restated
6	Other Current liabilities	26	NA			5014.35	65.24	5079.59
7	Other income	29	NA			11764.75	-641.36	11123.39
8	Depreciation and Amortization Expenses	2,2B,2C,2D	NA			2714.16	4.55	2718.71
9	Other expenses	35	NA			81639.83	44.82	81684.65
10	Earnings per share	37	NA			5.46	-0.11	5.35

53. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 (viii) OF GENERAL INSTRUCTIONS FOR STATEMENT OF PROFIT AND LOSS OF SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31.03.2023

1 Value of imported and indigenous spare parts consumed and percentage thereof to total consumption.

	Current year	Percentage	Previous year	Percentage
Spare Parts , Components & Chemicals				
Imported	116.80	2.44%	334.84	8.17%
Indigenous	4662.02	97.56%	3765.35	91.83%
	4778.82		4100.19	

2 CIF Value of Imports	Current year	Previous year
(i) Raw Materials	169583.43	170093.53
(ii) Traded Products	0.00	0.00
(iii) Spares and other materials	163.65	70.20
(iv) Capital Goods	0.00	0.00
	169747.08	170163.73
3 Expenditure in foreign currency (Cash Basis)		
(I) Consultancy service	0.00	0.00
(ii) Others	41.13	56.61
	41.13	56.61

54. COST OF MATERIALS CONSUMED

SI No.	Particulars	2022-23				2021-22			
		Opening Stock	Purchases	Closing Stock	Consumption	Opening Stock	Purchases	Closing Stock	Consumption
1	Regassified Liquid natural Gas	2.56	134817.15	4.44	134815.27	1.99	68776.92	2.56	68776.35
2	Sulphur - Imported #	3,488.15	11.86	168.48	3331.53	801.37	16698.27	3488.15	14011.49
3	Sulphur	3,205.32	34261.29	2868.39	34598.22	1,333.36	19208.84	3,205.32	17336.88
4	Rock Phosphate-Imported	9,070.42	44774.94	2974.27	50871.09	344.97	34770.61	9070.42	26045.16
5	Phosphoric Acid-Imported	7,992.76	122893.00	5449.68	125436.08	4025.76	107169.96	7992.76	103202.96
6	Phosphoric Acid-Indegeneous	-	4919.85	16.72	4903.13				
7	Ammonia - Imported	206.29	11.06	187.03	30.32	1933.37	11310.57	206.29	13037.65
8	Benzene -Imported	0.09	0.00	0.09	0.00	10.24	0.00	0.09	10.15
9	Benzene	1,651.80	37185.78	1753.06	37084.52	123.89	18132.70	1651.80	16604.79
10	Caustic Soda * #	55.71	2634.06	47.17	2642.61	7.86	641.02	55.71	593.17
11	Rock Phosphate-18% for mixing	13.28	0.00	13.28	0.00	27.35	1.02	13.28	15.09
12	Sulphuric Acid**	1,271.85	17025.71	53.47	18244.09	88.41	4881.01	1271.85	3697.57
13	Sulphuric Acid-Imported	36.83	1685.75	679.52	1043.07	3.22	9,507.52	36.83	9473.91
	TOTAL	26995.06	400220.45	14215.61	412999.93	8701.79	291098.44	26995.06	272805.16
	Cost of Materials Consumed				412999.93				272805.16

2021-22 figures are net of amount consumed during trial run of petrochemical plants

55. The Company has earned profit continuously from the financial year 2018-19 and consequently the net worth of the Company has improved considerably. The net worth of the company is positive as on 31.03.2023. The Company has achieved excellent production, marketing and financial performance during the last four years and the same trend is expected in the financial year 2023-24 also. Financial restructuring packages submitted by the company requesting approval for waiver of Govt of India interest and restructuring Govt of India loan is under the consideration of the Government of India and the Company expects a favourable decision on the proposal. . Accordingly the accounts of the company are prepared on going concern basis
56. The standalone financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 05.05.2023
57. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by the Shareholders.
58. The figures of the previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year.
59. Events occurring after the Balance sheet date
- Board of Directors have recommended a final dividend of 1.00 per equity share of 10/- each (Previous Year- Nil) i.e. 10.00 % on paid up equity share capital of the Company for the financial year 2022-23 which is subject to approval of Shareholders of the Company

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-

V.Ramachandran

Partner

Membership No.020504

Sd/-

S Sakthimani

Director (Finance) & Chief Financial Officer

DIN 07482308

Sd/-

Kishor Rungta

Chairman & Managing Director

DIN 00231106

Place: Kochi

Date: 05.05.2023

Sd/-

Susan Abraham

Company Secretary

10 YEARS FINANCIAL HIGHLIGHTS

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	
	As per Ind AS Schedule III of the Companies Act 2013										
	As per Schedule III of the Companies Act 2013										
1	Sales	3,15,006	2,71,197	2,23,709	1,88,538	1,34,762	1,33,946	1,27,146	1,15,010	1,31,386	1,37,309
2	Subsidy	3,04,261	1,70,579	1,01,648	86,485	58,649	57,655	57,270	52,997	65,280	83,141
3	Income from Contracts & Services	547	705	526	1,969	2,048	1,266	3,912	5,592	1,213	488
4	Revenue from operations (1+2+3)	6,19,814	4,42,481	3,25,883	2,76,992	1,95,459	1,92,867	1,88,328	1,73,599	1,97,879	2,20,938
5	Other Income	13,558	11,123	6,759	3,163	2,270	4,162	1,804	2,898	1,855	1,401
6	Total Income	6,33,372	4,53,604	3,32,642	2,80,155	1,97,729	1,97,030	1,90,132	1,76,497	1,99,734	2,22,339
7	Material Consumed	4,17,898	2,77,086	1,39,048	1,52,367	1,36,903	1,08,024	1,08,741	1,07,980	1,39,440	1,52,490
8	Purchases of Stock-in-trade	504	298	34,091	7,214	240	169	9,868	272	6,928	6,730
9	Stock: (Accretion)/Decretion	-44,895	656	9,672	860	-7,698	-3,053	-8,120	17,904	-59	-3,368
10	Employee benefits expenses	28,819	23,176	22,922	23,302	22,981	24,942	24,397	24,965	26,278	25,754
11	Repairs & Maintenance	4,397	4,781	3,997	3,443	3,363	3,443	3,494	4,069	3,251	3,237
12	Power & Fuel	75,153	42,788	21,315	25,478	11,789	16,459	16,681	11,998	14,876	25,925
13	Other Manufacturing Expenses	62,453	34,117	39,755	36,421	26,917	26,095	28,743	28,737	24,955	24,765
14	Total Expenditure	5,44,329	3,82,902	2,70,800	2,49,085	1,94,495	1,76,079	1,83,804	1,95,925	2,15,669	2,35,533
15	Gross Margin (6-14)	89,043	70,702	61,842	31,070	3,234	20,950	6,328	-19,428	-15,935	-13,194
16	Finance Cost	24,734	24,441	24,526	28,934	28,053	32,142	30,466	25,214	19,629	19,183
17	Depreciation / Impairment loss	3,011	2,719	2,269	1,802	2,302	1,715	2,130	1,812	2,021	4,526
18	Profit/(Loss) before Exceptional items and tax	61,298	43,543	35,047	334	-27,121	-12,906	-26,268	-46,454	-37,585	-36,903
19	Exceptional items- Income (+) / Expenses (-)	0	-8,906	0	97,217	43,390	0	0	1,235	-2,406	10,407
20	Profit/(Loss) before tax	61,298	34,637	35,047	97,550	16,269	-12,906	-26,268	-45,219	-39,991	-26,496
21	Provision for taxation	0	0	0	0	0	0	0	0	0	0
22	Net profit / (Loss)	61,298	34,637	35,047	97,550	16,269	-12,906	-26,268	-45,219	-39,991	-26,496
23	Income (+)/expenses (-) accounted as Restatement of opening balance in line with IndAS 8			47,956							
24	Net profit / (Loss) after restatement	61,298	34,637	35,047	1,45,506	16,269	-12,906	-26,268	-45,219	-39,991	-26,496
25	Other Comprehensive Income	-111	1,609	-3,503	533	1,800	268	2,794	NA	NA	NA
26	Proposed Dividend	6471	0	0	0	0	0	0	0	0	0
	ASSETS										
27	Net block	78,218	78,309	73,236	73,710	25,394	29,472	29,681	26,973	28,180	27,606
28	Capital work-in-progress	10,459	4,251	5,498	3,896	1,792	1,850	2,435	2,186	2,486	2,383
29	Non-Current assets, Loans & Advances	17,396	4,189	6,583	4,145	1,175	1,011	808	846	788	1,871
30	Investments	11,286	9,788	8,627	7,812	6,906	5,927	4,572	367	367	2,136
31	Finished Goods	64,527	20,846	22,346	32,460	34,726	27,002	23,661	14,815	29,809	31,246
32	Work in progress	5,407	4,193	3,349	2,908	1,502	1,527	1,815	2,542	5,452	3,956
33	Raw Materials	20,133	30,725	15,897	11,490	19,439	10,474	7,881	10,269	7,243	11,670
34	Stores, Spares & Loose tools	7,512	10,248	9,445	9,055	9,192	8,604	9,322	10,885	12,482	14,289
35	Materials in transit	233	167	526	414	342	268	231	352	146	927

10 YEARS FINANCIAL HIGHLIGHTS

	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	
	As per Ind AS Schedule III of the Companies Act 2013										
	As per Schedule III of the Companies Act 2013										
36	Sundry debtors	47,887	17,523	10,438	39,016	40,531	36,108	50,607	710	1,021	1,147
37	Cash & bank balance	2,31,947	1,87,646	1,66,687	68,472	7,467	6,365	5,218	5,757	8,839	7,737
38	Loans & advances	0	0	0	0	52	54	3	16,122	14,270	14,453
39	Other Current Assets	48,424	1,06,041	61,767	55,554	82,922	51,661	20,495	71,327	52,015	68,780
40	Total Assets	5,43,429	4,73,926	3,84,399	3,08,932	2,31,440	1,80,322	1,56,729	1,63,151	1,63,098	1,88,201
	LIABILITIES										
41	Share Capital (Incl. Pending allotment)	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707	64,707
42	Retained Earnings	51,709	-7,981	-43,066	-73,796	-2,18,579	-2,35,622	-2,20,218	-1,95,660	-1,50,441	-1,10,450
43	Capital Reserve	53	54	55	57	59	61	63	65	66	69
44	Equity Instruments through OCI	10,920	9,422	8,261	7,446	6,540	5,561	4,205			
	Non Current Liabilities :-										
45	Long term borrowings	510	1,020	1,530	90,564	1,79,599	1,77,049	1,77,049	1,62,713	16,149	18,976
46	Other non-current liabilities & Long term provisions	23,149	24,773	22,495	19,962	18,082	17,066	12,802	13,155	21,221	19,530
47	Short term borrowings	1,80,399	1,79,502	1,77,559	91,504	47,793	50,737	63,182	18,345	91,282	92,109
48	Interest accrued on borrowings	1,43,409	1,19,508	95,606	71,704	47,803	23,902	0	111	25,272	21,193
49	Other Current Liabilities	65,153	77,972	51,584	34,614	83,656	75,047	53,446	95,661	90,255	76,418
50	Provisions	3,420	4,949	5,668	2,170	1,780	1,815	1,493	4,054	4,588	5,649
51	Total Liabilities	5,43,429	4,73,926	3,36,443	3,08,932	2,31,440	1,80,322	1,56,729	1,63,151	1,63,098	1,88,201
52	Networth (41+42)	1,16,416	56,726	-26,315	-9,089	-1,53,872	-1,70,915	-1,55,511	-1,30,953	-85,734	-45,743
53	Capital employed (41+42+43+44+45+47+48)	4,51,707	3,66,232	3,84,399	2,52,186	1,27,922	86,394	88,988	50,281	47,035	86,604
54	Total Current Assets	4,26,070	3,77,389	21,641	2,19,369	1,96,173	1,42,062	1,19,233	1,32,779	1,31,277	1,54,205
55	Total Current Liabilities & provisions	3,92,381	3,81,931	3,04,652	1,99,992	1,81,032	1,51,502	1,18,121	1,18,171	2,11,396	1,95,369
56	Net Working Capital (54-55)	33,689	-4,542	-39,962	19,377	15,141	-9,440	1,112	14,608	-80,119	-41,164
	Installed Capacity (MT)										
	Ammonium Sulphate	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000	2,25,000
	Factamphos 20:20	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500	6,33,500
	Caprolactam	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
	N content	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050	1,73,050
	P2O5 content	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900	1,31,900
	Production (MT)										
	Ammonium Sulphate	2,44,732	1,36,665	2,45,676	2,20,951	1,41,754	1,80,178	1,52,953	79,567	1,20,360	1,78,792
	Factamphos 20:20	8,28,195	8,26,552	8,61,455	8,44,738	6,34,362	6,61,973	6,54,361	5,15,435	6,14,004	6,63,787
	Caprolactam	44,754	20,835	-	-	-	-	770.00	-	-	-
	N content	216054	193463	222900	214464	156074	169511	162381	119478	147595	169589
	P2O5 content	165639	165310	172291	168948	126872	132395	130872	103087	122801	132757
	Capacity utilisation (%)										
	N content	124.85	111.80	128.81	123.93	90.19	97.95	93.83	69.04	85.29	98.00
	P2O5 content	125.58	125.33	130.62	128.09	96.19	100.38	99.22	78.16	93.10	100.65



Shri Kishor Rungta, CMD, addressing the audience on the occasion of the celebrations of 75 years of Fertilizer Production and Service to the Nation



Shri Kishor Rungta, CMD and Shri R Manikkuttan, ED (CP) receiving the best Company of the year award, 2022 by Berkshire Corporate Awards, 2022.



Shri Kishor Rungta, CMD, inaugurating the renovated Udyogamandal Club



Shri Kishor Rungta, CMD, inaugurating new Sulphuric Acid Plant in FACT Cochin Division

K. VENKATACHALAM AIYER & Co.
CHARTERED ACCOUNTANTS

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

INDEPENDENT AUDITORS' REPORT
To the Members of The Fertilisers and Chemicals Travancore Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying Consolidated Ind AS Financial Statements of **THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (hereinafter referred to as "the Company") and its jointly controlled entity (The Company and its jointly controlled entity referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit and consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

1. We draw attention to Note #2.3 of the Consolidated Ind AS Financial Statements regarding the restatement of the opening balance of Property, Plant & Equipment on April 1, 2021 valued at Rs. 47,956 lakhs.

Our opinion is not modified in respect of the above matter.

Other Matters

- Company has a system of obtaining balance confirmations relating to the customers and vendors. However, only a few customers and vendors have responded with confirmation.

Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

SI No	Key Audit Matter	Auditors' Response
1	<p>Accounting of subsidy income from Government of India under DBT Scheme:</p> <p>Under Direct Benefit Transfer (DBT) scheme of Government of India (GoI), the Company is entitled to receive subsidy only upon sale of fertilizer by the dealer to the ultimate beneficiary through Point of Sale (PoS) devices. However, the Company continues to account subsidy as income at the time of sale to dealers as in the earlier scheme, considering the reasonable certainty that the sale will take place and subsidy will be received based on the industry practice and past experience. Refer Note #28 to the Consolidated Ind AS Financial Statements</p>	<p>Our principal audit procedures included the following:</p> <ul style="list-style-type: none"> ▫ Analysed the scheme framed by the Department of Fertilizers (DoF) notified through Notification F. No. D(FA)/2016/DBT dated March 17th, 2017. ▫ Reviewed the agreement with dealers. ▫ Performed analytical review procedures on the subsidy claim lodged by the Company from the inception of the DBT scheme and subsidy accounted by the Company. ▫ Analysed post Balance Sheet sales through PoS devices in Integrated Fertiliser Management System (iFMS) to assess the sales trend. ▫ Considered the ageing of the stock with the dealers for which sales not reported in the iFMS and assessed the conservative approach adopted by the Company. ▫ Compliance with Ind AS 20 on 'Accounting for Government Grants and Disclosure of Government Assistance' ▫ Method consistently followed by the Company from year to year.

SI No	Key Audit Matter	Auditors' Response
2	<p>Property, Plant & Equipment:</p> <p>Estimates of useful lives and residual value of Property, Plant and Equipment is a significant area requiring Management judgement of estimates and application of accounting policies that have significant effect on the amounts recognized in the Consolidated Ind AS Financial Statements.</p>	<ul style="list-style-type: none"> We examined whether the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment and our observations are shown in para 4 of Other Matters of this report. Reviewed the report of the committee that studied the Impairment of the assets. Reviewed the capitalisation made during the year under review. Reviewed the valuation report of the assets held for sale. Reviewed the report on the physical verification of Property, Plant and Equipment carried out by the Management and comments of the branch auditors in their report regarding physical verification conducted at depots/zonal offices. The deficiencies in the physical verification process are reported in para 4 of Other Matters of this report. The deficiencies in the reconciliation of land as per documents with the books of accounts and consequent effect on the verification of completeness and correctness of the land are reported in para 3 of Other Matters of this report.

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

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

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

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

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

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

- i Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- i 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)(l) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls

with reference to financial control system in place and the operating effectiveness of such controls.

- 1 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 1 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 1 Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 1 Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements maybe influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

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

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

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

Other Matters

1. We did not audit the financial statements of five states comprising marketing offices of the Company included in the Consolidated Ind AS Financial Statements of the Company, whose financial statements reflect total revenue of Rs. 2,40,896.66lakhs for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements and total assets not quantifiable in the absence of certified trial balance of the areas as at March 31, 2023. The Company has submitted certain "financial schedules" only which have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these states and our report, in so far as it relates to the aforesaid states, is based solely on the reports of other auditors.

2. The financial statements of the jointly controlled entity of the Company have been audited by other auditors, whose reports have been furnished to us by the Management. Our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid entities, is based solely on the reports of the other auditors.
3. The Company has not reconciled the value of the land as per the financial statements with the cost of acquisition of the land as per the title deeds and the additional compensation paid for the acquisition of land, hence we could not verify the completeness and correctness of the amount disclosed in the financial statements with respect to these title deeds. However, the management confirms that the said non reconciliation will not affect the financial position and financial performance of the Company for the year ended March 31, 2023.
4. The Company has maintained generally proper records showing the particulars including quantitative details except situation of Property, Plant & Equipment. Major portion of the Property, Plant & Equipment have been stated to be physically verified by the Management during the year and are not observed by us. However, we report that the physical verification to be done on a systematical order and the procedure needs to be strengthened. As explained to us, no material discrepancies were noticed on such physical verification.
5. Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters, with respect to our reliance on the work done and the reports of the other auditors and the Consolidated Ind AS Financial Statements / financial information and other details certified by the Management, except on the limitation of scope reported by other auditors due to non-provision of the trial balance of the states audited by them and their inability to ensure the correctness of the financial schedules due to this.

Report on Other Legal and Regulatory Requirements

1. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in "**Annexure A**" a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.
2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143 (11) of the Act, to be included in the Auditor's Report. Based on the CARO report issued by the respective auditor of FACT-RCF Building Products Limited (Joint Venture), the paragraphs (viii)(a)&(b), (xii), (xv), (xvii) of the CARO report has been qualified.
3. The company does not have the required number of Independent Directors on its Board due to vacancy arising out of end of term of the existing independent directors, from June 2019 onwards hence being non-compliant with relevant Regulations of SEBI Listing Obligation and Disclosure Requirements (LODR) Regulations, 2015. A penalty had been levied on the Company for this non-compliance.
4. As required by section 143 (3) of the Act, based on our audit, we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the internal audit reports of the Company relating to the fourth quarter and portions of internal audit reports relating to the third quarter for the financial year 2022-23.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c) The reports on the accounts of the five states of the Company audited under Section 143(8) of the Act by other auditors have been given to us and have been properly dealt with by us in preparing this report.
- d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (Other Comprehensive Income), the Consolidated Cash Flows Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with relevant books of account and with the returns received from five states not audited by us, subject to the limitation of scope by other auditors.
- e) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
- f) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualification of directors, are not applicable to the Company.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Consolidated Ind AS Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**" which is based on the report of the statutory auditors of the joint venture incorporated in India.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note #48 of the Consolidated Ind AS Financial Statements).
- (ii) Provision has been made in the Consolidated Ind AS Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts as at March 31, 2023.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), 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 by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any

guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditor's Report is not applicable vide notification no. G.S.R. 463(E) dated June 5, 2015, as amended vide notification no. G.S.R 582(E) dated June 13, 2017, issued by Ministry of Corporate Affairs.

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBW4385

Place: Kochi

Date: May 5, 2023

**Annexure A to the Independent Auditors' Report of even date to the members of
The Fertilisers and Chemicals Travancore Limited on the Consolidated Ind AS
Financial Statements for the year ended March 31, 2023**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

SI No	C & AG Directions	Observations/findings
1	<p>Whether the company has system in place to process all the accounting transactions through IT system?</p> <p>If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated</p>	<p>Company has implemented SAP ERP system in order to make information processing fully integrated and centralised. It enables integrated processing of most of the accounting transactions. However, certain accounting transactions relating to the subsidy income, valuation of inventory, depreciation of the assets and certain year end provisions are processed directly in the financial module. Such transactions and balances are adequately supported by relevant documents maintained/ calculations maintained in excel workbooks. The integrity of the accounts is taken care of and no financial implications is envisaged.</p>
2	<p>Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?(In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).</p>	<p>According to information and explanations given to us, during the year, there was no restructuring of existing loans of the Company or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to Company's inability to repay the loan. However, we report that the company submitted a financial restructuring proposal to Department of Fertilisers, Government of India with respect to the Government of India loan and no decision was taken by the Government on this proposal as on the balance sheet date.</p>
3	<p>Whether funds (grants/subsidy etc.) received /receivable for specific schemes from Central /State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation</p>	<p>According to information and explanations given to us, during the year, the Company received freight subsidy against the freight expenses incurred for the transportation of the fertilisers from plant/ port to the depots and DBT subsidy against the ultimate sale of fertilisers to the beneficiaries. These funds are properly accounted as per Ind AS 20 and utilized as per the terms and conditions of the scheme.</p> <p>The company has not received / has receivable from any other fund for specific schemes of central/ state agencies during the year.</p>

SI No	C & AG Sub Directions	Observations/findings
1	State the impact of revision of subsidies for fertilizers products viz. NPK, Ammonium Sulphate and imported MoP in valuation of its closing stock.	<p>As per Company's accounting policy, inventories are valued at lower of cost or net realizable value ("NRV"). In respect of fertilisers which are subsidised/are sold at prices lower than cost, subsidy being a component of revenue is included while arriving at the NRV.</p> <p>Considering the steep fall in prices of raw materials, the company has estimated that the subsidy rates to be announced by the government for the period starting from April 1, 2023 will be substantially lower matching with the prevailing raw material prices and accordingly valued the closing stock of complex fertilisers ("NPK") as on March 31, 2023 are valued at NRV of Rs. 42,554.50 lakhs whereas closing stock of ammonium sulphate ("AS") is valued at cost at Rs. 8,180.57 lakhs except for stock in transit via rail to Karnataka at Rs. 388.64 lakhs which is valued at NRV.</p> <p>However, had the closing stock been valued at the existing subsidy rates as on March 31, 2023, the entire closing stock of fertilisers (NPK & AS) would have been valued at cost and the notional impact would be increase in the closing stock value of fertilisers (NPK & AS) by Rs. 7,676.94 lakhs.</p>

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBW4385

Place: Kochi

Date: May 5, 2023

**Annexure B to the Independent Auditors' Report of even date to the members of
The Fertilisers and Chemicals Travancore Limited on the Consolidated Ind AS
Financial Statements for the year ended March 31, 2023**

(Referred to in paragraph 4(g) under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)

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

In conjunction with our audit of the Consolidated Ind AS Financial Statements of The **FERTILISERS AND CHEMICALS TRAVANCORE LIMITED** (hereinafter referred to as "the Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of the Company and its jointly controlled entity (hereinafter referred to as "the Group"), which are Companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Group which are Companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting with reference to these Consolidated Ind AS Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Ind AS Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Group, considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the ICAI.

The financial statements of the jointly controlled entity of the Company have been audited by other auditors, whose reports have been furnished to us by the Management. Our report on the adequacy of internal financial controls over financial reporting with respect to these financial statements, in so far as it relates to these entities, is based solely on the reports of the other auditors.

For **K Venkatachalam Aiyer & Co.**

Chartered Accountants

FRN: 004610S

Sd/-

CA V Ramachandran

Partner

Membership No:020504

UDIN:23020504BGWUBW4385

Place: Kochi

Date: May 5, 2023

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

Confidential

Report/2-151(A)/DGA/(AF&WR)/Acts/FACT/2023-24/3146

Dtd. 31.08.2023

To

The Chairman & Managing Director
The Fertilizers and Chemicals Travancore Limited
Eloor, Udyogamandal, Kochi 63 501, (Kerala)

Sub: Comments by the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Accounts of The Fertilisers and Chemicals Travancore Limited (Consolidated) for the year ended 31 March 2023.

Sir,

The NIL comments are being sent herewith on the financial accounts of The Fertilisers and Chemicals Travancore Limited (Standalone) for the year ended 31 March 2023 under Section 143(6) (b) of the Companies Act 2013.

Kindly acknowledge receipt.

Yours faithfully,

(Sd/-)

(Sanjay Kumar Jha)

Director General of Audit

(Agriculture, Food & Water Resources)

Encl: as above

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE FERTILISERS AND CHEMICALS TRAVANCORE LTD FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of The Fertilisers and Chemicals Travancore Ltd. Udyogamandal for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act), is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is/are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 05 May 2023.

1. on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of The Fertilisers and Chemicals Travancore Ltd. Udyogamandal for the year ended 31 March 2023 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of The Fertilisers and Chemicals Travancore Ltd. Udyogamandal and FACT-RCF Building Products Limited. for the year ended on that date.

This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the Comptroller & Auditor General of India

(Sd/-)

(Sanjay K. Jha)

Director General of Audit

(Agriculture, Food & Water Resources)

Place: New Delhi

Date: 31.08.2023

Consolidated Balance Sheet as at 31st March 2023

₹ In Lakh

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022	As at the beginning of 01.04.2021
ASSETS				
NON CURRENT ASSETS				
Property, Plant and Equipment	2	78,166.94	78,227.21	73,113.91
Capital Work in Progress	2A	10,459.40	4,251.40	5,498.34
Investment Property	2B	5.77	5.77	9.30
Right-of-use assets	2C	3,159.87	3,256.99	3,294.13
Other Intangible Assets	2D	45.68	76.47	112.32
Investments in Associates & Joint Ventures	3A	0.00	407.99	534.20
Financial Assets				
Other Investments	3B	11,286.23	9,380.47	8,092.90
Loans	4	0.00	3.28	4.52
Other Financial Assets	5	12,718.04	928.65	3,279.51
Other Non Current Assets	6	1,518.09	0.00	4.89
		117,360.02	96,538.23	93,944.02
CURRENT ASSETS				
Inventories	7	97,812.18	66,179.70	51,563.96
Financial Assets				
Trade Receivables	8	47,887.48	17,522.98	10,438.13
Cash and Cash equivalents	9	4,957.83	18,205.92	17,878.46
Other Bank Balances	10	226,989.30	169,440.47	148,808.35
Other Financial Assets	11	18,756.23	55,475.06	19,993.52
Current Tax Assets	12	182.85	232.55	1,039.05
Other current Assets	13	25,419.77	46,268.79	36,669.03
		422,005.64	373,325.47	286,390.50
Non-current Assets held for Disposal	14	4,065.02	4,065.02	4,065.02
TOTAL ASSETS		543,430.68	473,928.72	384,399.54
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	15	64,707.20	64,707.20	64,707.20
Other Equity	16	62,682.49	1,495.44	(34,750.43)
		127,389.69	66,202.64	29,956.77

Consolidated Balance Sheet as at 31st March 2023

₹ In Lakh

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022	As at the beginning of 01.04.2021
LIABILITIES				
NON CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	17	510.00	1,020.00	1,530.00
Lease Liabilities	18	2,985.82	2,966.79	2,882.19
Other Financial Liabilities	19	30.74	2,523.48	17.92
Provisions	20	19,003.53	18,142.77	18,966.42
Other Non Current Liabilities	21	1,128.96	1,140.89	628.45
		23,659.05	25,793.93	24,024.98
CURRENT LIABILITIES				
Financial Liabilities				
Borrowings	22	180,398.57	179,502.33	177,558.75
Lease Liabilities	23	276.68	268.76	264.46
Trade Payables	24			
(i) Dues to Micro, Small and Medium Enterprises		429.50	103.38	99.70
(ii) Dues to Others		37,372.87	57,694.74	37,344.75
Other Financial Liabilities	25	164,734.88	134,334.18	104,669.72
Other Current Liabilities	26	5,749.55	5,079.59	4,812.48
Provisions	27	3,419.89	4,949.17	5,667.93
		392,381.94	381,932.15	330,417.79
TOTAL EQUITY AND LIABILITIES		543,430.68	473,928.72	384,399.54

Statement of Significant Accounting Policies 1

Explanatory Information on Financial Statements 38-59

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

Sd/-

V.RamachandranPartner
Membership No.020504

Sd/-

S SakhimaniDirector (Finance) & Chief Financial Officer
DIN 07482308
For and on behalf of the Board of Directors

Sd/-

Kishor RungtaChairman & Managing Director
DIN 00231106

Sd/-

Susan Abraham

Company Secretary

Place: Kochi

Date: 05.05.2023

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

₹ In Lakh

Particulars	Note No.	Year ended 31.03.2023	Year ended 31.03.2022
I Revenue from Operations	28	619,814.73	442,480.27
II Other Income	29	13,557.68	11,123.39
III Total Income (I+II)		633,372.41	453,603.66
IV Expenses			
Cost of Materials Consumed	30	417,898.38	277,086.11
Purchase of Stock in Trade	31	503.70	297.78
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	32	(44,894.63)	655.94
Employee Benefit Expenses	33	28,818.53	23,176.04
Finance Cost	34	24,733.73	24,440.68
Depreciation and Amortization Expenses	2,2B,2C,2D	3,011.13	2,718.71
Other Expenses	35	142,003.04	81,684.65
Total Expenses (IV)		572,073.88	410,059.91
V Profit / (Loss) before exceptional items and tax (III - IV)		61,298.53	43,543.75
VI Exceptional Items (Income /(Expenses))	36	-	(8,906.20)
VII Profit / (Loss) before Tax (V+VI)		61,298.53	34,637.55
VIII Tax Expenses		0.00	0.00
IX Profit / (Loss) for the Year (VII-VIII)		61,298.53	34,637.55
X Other Comprehensive Income			
(I) Items that will not be reclassified to Profit or loss			
(a) Equity instruments through Other Comprehensive Income-net change in fair value		1497.77	1161.35
(b) Remeasurement of defined benefit plan	16	(1,608.31)	447.90
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		0.00	0.00
Other Comprehensive income for the year (X)		(110.54)	1,609.25
XI Total Comprehensive Income for the year (IX+X)		61,187.99	36,246.80
XII Earnings per Equity Share			
Basic/Diluted per Equity Share (₹)	37	9.47	5.35
Statement of Significant Accounting Policies	1		
Explanatory Information on Financial Statements	38-59		

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

Sd/-

V.Ramachandran

Partner

Membership No.020504

Sd/-

S Sakthimani

Director (Finance) & Chief Financial Officer

DIN 07482308

For and on behalf of the Board of Directors

Sd/-

Kishor Rungta

Chairman & Managing Director

DIN 00231106

Sd/-

Susan Abraham

Company Secretary

Place: Kochi

Date: 05.05.2023

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Consolidated Statement of Cash Flow for the year ended 31st March 2023

₹ In Lakh

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
A Cash flow From Operating Activities		
Net Profit / (Loss) before Tax	61,298.53	34,637.55
Adjustments for:		
Depreciation / Impairment loss on Assets	3,011.13	2,718.71
Exceptional items	-	8,906.20
(Profit) / Loss on Sale of Asset	(838.28)	0.58
Interest Income	(11,226.71)	(8,991.96)
Dividend Income	(38.88)	(25.92)
Interest and Finance Charges	24,733.73	24,440.68
Provision for Doubtful Trade receivables	70.21	144.92
Provision for other doubtful receivables	18,301.45	-
Provision for Bad / Doubtful Advances	2.32	39.40
Provision for Obsolescence	2,394.53	193.22
Amount written off- Deferred Government Grants	(0.94)	(0.93)
Expenditure towards Corporate Social Responsibility	421.18	106.28
Change in Provision	(2,276.83)	(1,094.51)
Adjustment for Non cash items	(44.38)	(3.41)
Operating Profit before Working Capital Changes	95,807.06	61,070.81
Adjustment for :		
Inventories	(34,027.01)	(14,808.96)
Trade Receivables	(30,434.71)	(7,229.77)
Loans	3.28	1.24
Other Current Assets	2,545.25	(9,639.16)
Other Non Current Assets	(1,518.09)	4.89
Other Financial Assets	38,826.19	(35,426.87)
Trade Payables	(19,995.75)	20,353.67
Other liabilities	4,668.24	155.31
	(39,932.60)	(46,589.65)
Cash Generated from Operations	55,874.46	14,481.16
(Direct Tax Paid)/ Refund received	49.70	806.50
Paid for Corporate Social Responsibility	(421.18)	(106.28)
Net Cash from Operating Activities	55,502.98	15,181.38
B Cash Flow from Investing Activities		
Acquisition of Property, plant and equipment/CWIP	(9,267.66)	(6,381.98)
Proceeds from the sale of Property, plant and equipment	1,154.86	0.27
Acquisition of intangible assets	(9.80)	(3.11)
(Investment in)/Withdrawal of Bank deposits	(69,338.22)	(18,281.26)
Interest Received	9,119.35	8,937.29
Dividend Received	38.88	25.92
Net Cash from investing Activities	(68,302.59)	(15,702.87)

Consolidated Statement of Cash Flow for the year ended 31st March 2023

₹ In Lakh

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
C Cash Flow from Financing Activities		
Net Proceeds /(Repayment) of Working capital facilities and short term loans	386.24	1,433.58
Interest Paid	(834.72)	(584.63)
Net Cash from Financing Activities	(448.48)	848.95
Net increase in Cash and Cash Equivalent (A+B+C)	(13,248.09)	327.46
Cash and Cash Equivalent as at 1st April (Opening Balance)	18,205.92	17,878.46
Cash and Cash Equivalent as at 31st March (Closing Balance)	4,957.83	18,205.92
Closing Cash and Cash Equivalents		
Represented By :		
Cash on hand	2.66	2.33
Balances with banks	22.09	286.08
Deposit with Bank (less than 3 month maturity)	4,933.08	17,917.51
Total	4,957.83	18,205.92

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-

V.Ramachandran

Partner

Membership No.020504

Sd/-

S Sakthimani

Director (Finance) & Chief Financial Officer

DIN 07482308

Sd/-

Kishor Rungta

Chairman & Managing Director

DIN 00231106

Sd/-

Susan Abraham

Company Secretary

Place: Kochi

Date: 05.05.2023

Consolidated Statement of changes in equity
A. Equity share capital
(1) 2022-23

Particulars	Balance as at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2022	Changes in equity share capital during the year 2022-23	Balance as at 31.03.2023
Equity shares of ₹10 each	64707.20	NIL	64707.20	NIL	64707.20

(2) 2021-22

Particulars	Balance as at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01.04.2022	Changes in equity share capital during the year 2022-23	Balance as at 31.03.2023
Equity shares of ₹10 each	64707.20	NIL	64707.20	NIL	64707.20

Particulars	Reserves & Surplus								Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings									
Balance as at 01.04.2022	-	-	2.64	-	51.72	##	(6,070.59)	-	9,421.90	-	-	-	-	-	-	1,495.44
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at the beginning of the current reporting period	-	-	-	-	51.72	#	(6,070.59)	-	9,421.90	-	-	-	-	-	-	1,495.44
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.94)	#	61,298.53	-	1,497.770	-	-	-	-	-	-	61,187.05
Balance as at 31.03.2023	-	-	2.64	-	50.78	#	55,227.94	-	10,919.67	-	-	-	-	-	-	62,682.49

**Fund received towards Indo EEC Fertiliser Education Project

Particulars	Reserves & Surplus								Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other Reserve **	Remeasurement of defined benefit plans	Retained Earnings									
Balance as at 01.04.2021	-	-	2.64	-	52.65	(6277.13)	(88664.14)	-	8260.55	-	-	-	-	-	-	(82706.43)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance as at the beginning of the current reporting period	-	-	-	-	52.65	(6277.13)	(40708.14)	-	8260.55	-	-	-	-	-	-	(34,750.43)
Total Comprehensive Income for the current year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	(0.93)	447.90	34637.55	-	1,161.35	-	-	-	-	-	-	36,245.87
Balance as at 31.03.2022	-	-	2.64	-	51.72	(5,829.23)	(6070.59)	-	9421.90	-	-	-	-	-	-	(45,769.85)

**Fund received towards Indo EEC Fertiliser Education Project

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

Sd/-
V.Ramachandran
 Partner
 Membership No.020504

Sd/-
S Sakthimani
 Director (Finance) & Chief Financial Officer
 DIN 07482308
 DIN 00231106

Place: Kochi
 Date: 05.05.2023

For and on behalf of the Board of Directors

Sd/-
Kishor Rungta
 Chairman & Managing Director

Sd/-
Susan Abraham
 Company Secretary

NOTE 1

Statement of Significant Accounting Policies forming part of Consolidated Financial Statements for the Year ended 31st March 2023

1. Corporate Information

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

The Company is engaged in the,

- (i) Manufacturing and marketing of fertilizers and Petrochemicals,
- (ii) Engineering Consultancy and Design and
- (iii) Fabrication and Erection of Industrial Equipments.

2. Basis for preparation of financial statements

The Consolidated financial statements of the Company have been prepared in accordance with accounting standards prescribed under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

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

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

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

The consolidated financial statements relate to the Company [The Fertilisers and Chemicals Travancore Ltd.] and Jointly Controlled Entities FACT-RCF Building Products Ltd.(FRBL). The Company's percentage of shareholding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 has reduced to 15.91 %, and hence is not considered for consolidation with effect from 31.03.2023.

The accounting policies have been consistently applied by the Company and its Jointly Controlled Entities and are consistent with those used to prepare the opening balance sheet as at the transition date.

The financial statements of the Jointly Controlled Entities used in the consolidation are drawn up to the same reporting date as of the Company i.e. forth year ended 31st March 2023.

2.1 Use of Estimate & Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates and judgments affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of financial statements and the reported amount of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving judgements

have been disclosed in note (3). Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of change in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

2.2 Current versus non-current classification

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

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

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

Principles of Consolidation:

The financial statements of Jointly Controlled Entities and Associates are combined by applying Equity method in accordance with INDAS28 - "Investment in Associates and Joint Ventures".

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements. Differences in accounting policies followed by joint venture and Associate entity consolidated have been reviewed and no adjustments have been made, since the impact of these differences is not material.

The following Jointly Controlled Entities and Associates are considered in the consolidated financial statements:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as on 31.03.2023	Date of the entity becoming Joint Venture
FACT –RCF Building Products Ltd.	India	50.00%	02May2008

1. Significant Accounting Policies

i) Property Plant and Equipment

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

- b) All repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.
- c) Land purchased/acquired and under the possession of the company are treated as free hold land.
- d) Technical know-how / license fee relating to plant / facilities are capitalized as part of cost of the underlying asset
- e) Income approach is adopted for accounting Government grants related to depreciable Property, Plant and Equipment. Grants utilized for acquisition of depreciable Property, Plant and Equipment are treated as Deferred Government Grants and the same is recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the assets.
- f) Spares costing (Unit value of ₹ 10 lakh and above), and other components which are required to be replaced at intervals, meeting the recognition criteria have been classified as Plant and equipment and are depreciated separately based on the useful lives of the corresponding item of the Property, Plant & Equipment ..
- g) The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- h) Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with production / operation simultaneously are charged to revenue.

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

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

Depreciation

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

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

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

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

Impairment

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable value. Impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. When the recoverable amount of previously impaired assets exceeds its carrying amount, the value of asset is reinstated by reversing the impairment loss considered in prior years limited to lower of its recoverable value or carrying amount at the depreciated historical cost.

Capital Stores

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

Exemption Availed Under Ind AS 101

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

ii) Capital Work In Progress

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

iii) Investment Property

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

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

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

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

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

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

iv) Intangible Assets

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

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

Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalized as intangible assets and amortized over a period of 5 years or life of the facility whichever is earlier.

Exemption Availed Under Ind AS 101

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets existing as on 1st April 2016 measured as per the previous GAAP (Indian GAAP) and use that value as its deemed cost as of the transition date.

The Company has no intangible assets with infinite useful lives.

v) Inventory Valuation

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

Materials in process are not valued.

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

Materials in transit / under inspection are valued at cost.

Gypsum Valuation

The entire quantity of saleable gypsum is valued at the lowest slab of the approved price for the next financial year reduced by the anticipated loading charges and moisture discount or average of the actual price realized during the year, whichever is lower. . For assessing the closing stock of gypsum, the saleable quantity is assessed on the basis of physical verification conducted at the end of the financial year.

vi) Commitments

Capital Commitments

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

Other Commitments

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

vii) Borrowing Cost

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

viii) Investments

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

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

ix) Revenue Recognition

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

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

Other income is recognized on an accrual basis.

Dividend income is recognized when right to receive dividend is established.

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

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

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

Insurance and other miscellaneous claims are recognized on receipt/ acceptance of claim. Contractual pass through incentives, benefits, etc. are recognized on receipt basis.

x) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the contract lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

At the commencement date, Company recognizes a right-of-use asset at cost and a lease liability at present value of the lease payments that are not paid at commencement date. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has right to obtain substantially all of the economic benefits from use of the asset throughout the period of the lease and (iii) the Company has the right to direct the use of the asset.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability (at present value) adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives (at present value) except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense. Lease of items such as IT Assets (tablets, personal computers, mobiles, POS machines etc.), small items of office furniture etc. are treated as low value.

The lease liability is initially measured at amortized cost at the present value of the future lease payments.

The lease payments are discounted using the Company's incremental borrowing rate computed on periodic basis based on lease term. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment, whether it will exercise an extension or a termination option.

Right-of-use assets are depreciated over the lease term on systematic basis and Interest on lease liability is charged to Statement of Profit and Loss as Finance cost.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised as revenues as per lease terms since such rentals are structured to increase in line with expected general inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

xi) Foreign Currency Transactions:

Receivables and payables in foreign currency as on the reporting date including forward exchange contracts are restated at the rate prevailing at that date.

The premium in respect of forward exchange contracts is recognized in the year of contracts.

Variations arising on account of fluctuations in foreign exchange rates are treated as revenue (gain/loss (-)).

xii) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee are recognized as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Benefits

Contributory Superannuation Scheme with an annual contribution of ₹100 by the Company, aimed to provide superannuation benefits to the employees, has been treated as Defined contribution Plan.

Defined Benefit Plans

The company's contribution to the Provident Fund is remitted to separate trust established for this purposes based on a fixed percentage of the eligible employees salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets based on the Government specified minimum rate of return will be made good by the company and charged to Statement of Profit and Loss. As a matter of prudence Company provides for certain expenses of the fund such as audit fees & expenses, bank charges etc.

The company operates defined benefit plan for gratuity and leave encashment. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and the gratuity fund in respect of regular employees is administered through a fund maintained by insurance company.

Re-measurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying

the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii) net interest expenses or income; and re-measurements

The Company presents the first two components of defined benefit costs in the Statement of profit and loss in the line item 'Employee benefits expense'.

xiii) Grants

Government grants in the nature of promoters' contribution are credited to Capital reserve and treated as part of Shareholders funds.

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognized as income in the statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

Revenue grants relating to revenue expenses are deducted from the respective expenses.

In respect of revenue grants released by Government, the treatments in the accounts are considered as per the respective schemes notified by the Government. Other revenue grants relating to revenue expenses are considered as income and credited to statement of Profit and Loss.

xiv) Taxes

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized using the Balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax assets is recognized for the carry forward of unused tax losses and unused tax credits to the extent it is probable that the future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized, subject to management judgment. The company reassess un-recognized deferred tax assets at the end of each reporting period.

xv) Goods and Services Tax

Goods and Service Tax credit on eligible materials and services is recognised on receipt of such materials and services.

xvi) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) Ref Note No 44

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable corporate expenses.

Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

xvii) Contract Operations

In contract operations revenue is recognized on percentage of completion method. The stage of completion is ascertained on the basis of physical evaluation of respective contract activity on the reporting date. Foreseeable losses on contract activities are recognized fully irrespective of the progress of work. The amount of estimated liquidated damages is reduced from revenue.

In the case of Total responsibility jobs/Deposit work/Cost plus contracts, contract revenue is determined by adding the aggregate cost plus fixed percentage fees thereon as agreed with the Customer.

xviii) Errors and Omissions of earlier period

Errors and omissions in individual items of Income and Expenditure relating to a earlier periods, exceeding ₹5 Lakh is accounted in the respective period, if possible, or adjusted against opening retained earnings.

xix) Research and Development Expenses

Research and development expenses (other than cost of Property, plant and equipment acquired) are charged as an expense in the Statement of Profit And Loss in the year in which they are incurred.

xx) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognised in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Show Cause notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the company, these are classified as disputed obligations.

The treatment in respect of disputed obligations, in each case, is as under:

- i) a provision is recognized in respect of present obligations where the outflow of resources is probable
- ii) all other cases are disclosed as contingent liabilities unless the Possibility of outflow of resources is remote.

Contingent assets are not recognized in the financial statements, however where the inflow of economic benefits are probable as at the end of the reporting period, a brief description of the nature of the contingent assets along with its estimated financial effect is disclosed in the financial statements.

xxi) Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

xxii) Financial Instruments**Financial Assets Classification**

The Company classifies its financial assets in the following measurement categories:

those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss), and those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses arising from fair valuation will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

Initial recognition

The Company measures a financial asset at its fair value and, in the case of a financial asset not at fair value through profit or loss, at fair value including transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recognized in profit and loss.

Subsequent Measurement

Subsequent measurement of financial assets depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets:

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income.

Fair value through Profit and Loss(FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss.

Investments in Joint Venture

The results and assets and liabilities of associates or joint ventures are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IND AS 105.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not in control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The

carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Company's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Company's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Company's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Impairment of financial assets

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

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

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as loans and borrowings, payables, derivatives and financial liabilities at fair value through profit or loss. The Company's financial liability consists of trade and other payables, loans and borrowings, bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

Subsequent measurement

The subsequent measurement of financial liabilities of the Company depending on their classification is described below:

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial Assets and Financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to set off the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

Loans and borrowings including bank overdrafts

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

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

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder of the guarantee for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

xxiii) Exemption as per Ind AS 101

Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition measured as per Indian GAAP and use that as its deemed cost as at date of transition to Ind AS. The same is applicable even for Investment property and intangible assets.

Company has also reviewed the necessary adjustments required to be done in accordance with paragraph D21 of the standard (i.e. adjustments arising on account of decommissioning or restoration liabilities) and has accordingly considered the impact of the same wherever applicable.

The Company has designated unquoted equity instruments held at 1st April 2016 as fair value through OCI.

xxiv) Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the period.

xxvi) Dividend

The Company recognizes a liability to pay dividend to shareholders when the distribution is authorized and the same is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognized directly in equity.

xxvii) Exceptional Items

Exceptional items of income and expenses within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items are disclosed separately as exceptional items.

Notes Forming part of consolidated financial statement

Note 2 Non Current Assets-Property, Plant and Equipment (PPE):

Particulars	DEEMED COST / COST						DEPRECIATION				IMPAIRMENT LOSS		NET BLOCK				
	As at 01.04.2022	Additions during the year	Disposal/Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to revaluation	As at 31.03.2023	Upto 01.04.2022	For the year	On Disposal/Deduction during the year	On Adjustment during the year	Upto 31.03.2023	Upto 01.04.2022	(Withdrawal)/Provision during the year	Upto 31.03.2023	As at 31.03.2023	As at 31.03.2022
Tangible Assets																	
Land	49,552.26	6.80	-	-	-	-	49,559.06	-	-	-	-	-	-	-	-	49,559.06	49,552.26
Buildings	2,046.12	-	-	(0.59)	-	-	2,045.53	352.82	64.04	-	-	416.86	-	-	-	1,628.65	1,693.29
Plant and Equipment	36,966.95	2,931.24	(0.60)	(556.22)	-	-	39,341.37	11,265.13	2,510.73	(0.02)	(243.37)	13,532.48	-	-	-	25,808.90	25,701.81
Furniture and Fixtures	58.46	9.20	-	-	-	-	67.66	12.24	3.89	-	-	16.13	-	-	-	51.53	46.22
Vehicles	377.58	-	(4.08)	(1.93)	-	-	371.57	96.62	36.45	(1.82)	-	131.25	-	-	-	240.32	280.96
Office equipment	993.21	97.85	(0.05)	-	-	-	1,091.01	496.18	147.60	-	-	643.78	-	-	-	447.23	497.02
Others:-																	
Roads & Culverts	338.17	-	-	-	-	-	338.17	100.07	10.30	-	-	110.37	-	-	-	227.80	238.09
Railway Sidings	15.62	-	-	-	-	-	15.62	-	-	-	-	-	-	-	-	15.62	15.62
Misc. Assets	235.81	13.75	-	-	-	-	249.56	130.43	17.98	-	-	148.41	-	-	-	101.15	105.38
Retired Asset	509.09	-	(556.17)	558.74	-	-	511.66	412.53	11.56	(242.48)	243.37	424.99	-	-	-	86.67	96.56
Minor Assets	34.04	0.82	-	-	-	-	34.86	34.03	0.82	-	-	34.85	-	-	-	-	-
Total	91,127.31	3,059.66	(560.90)	(0.85)	4.03	-	93,626.07	12,900.05	2,803.37	(244.32)	-	15,459.12	-	-	-	78,166.94	78,227.21
Previous year	83,495.20	7,628.93	(0.85)	4.03	-	-	91,127.31	10,381.27	2,518.27	-	0.51	12,900.05	-	-	-	78,227.21	25,157.91

2.1) Company has agreed to mortgage 4.08 acres of land held vide patta no. 7030 in survey no. 205 in Puthencruz village, Ernakulam District, Kerala State to the Government of India against the plan loan sanctioned by the Government of India during the year 2015-16.
2.2) Out of 1498.97 acres (Previous year: 1498.97 acres) of land held by the Company, 14.28 acres, for which right of use asset is recognised (Previous year: 14.28 acres) are held under lease hold right from Cochin Port Trust, for which lease agreement is under finalization. 80.50 acres of land has been provided as security towards arbitration award in the dispute between the Company and M/s. ABC & Sons Ltd (Refer Note: 48.2).

2.3) The land held by the company also include 143.22 acres which were under lease from Government of Kerala. During the year 2019-20, company had sold 481.79 acres of Land, as approved by Union Cabinet, Government of India @ ₹1 Crore per acre for 150 Acres (in lieu of free hold right accorded by the Government of Kerala over 143.22 acres of lease hold land) and remaining 331.79 acres @ ₹ 2.4758 Crore per acre as assessed by the District Collector. On receipt of the valid order from revenue department during the year, Company has accounted the 143.22 acres of land as freehold land, at its fair value ₹47956 lakhs, as restatement of opening balance of PPE and Other Equity as on 01.04.2021.

2.4) Title deeds are yet to be registered/ received, in respect of 42.26 acres of Land. Certain land owners have since preferred extra compensation claims which are pending before Courts. The liability on this account is not ascertainable. Interest and legal expenses incurred on land acquisition cases are charged to Statement of Profit and Loss of the respective year.

2.5) During the year 2022-23, Company has disposed off the old thermal plant (14 MW area and 12 mw area), water treatment plant, concentration section of phosphoric acid plant, filtration section of effluent treatment plant and the old sulphuric acid day tank in Cochin Division, as scrap. These items of Property, Plant & Equipment with written down value of ₹312.18 lakhs has been disposed at a sale consideration of ₹1138.01 lakhs (including related spares)

2.6) Railway siding includes siding held jointly with M/s. Bharat Petroleum Corporation Limited (Kochi Refinery) with written down value ₹4.27 lakh (Previous year ₹4.27 lakh).

2.7) Company has given land ranging from 2.50 hectares to 4.1344 hectares to Kochi Metro Rail Limited on leave and license basis for the period from 22.10.2013 to 21.10.2022. Renewal of agreement for the appropriate area is pending as on the reporting date.

2.8) Plant & Equipment includes value of 6 numbers of Ammonia bullets fixed on the barges of the company for transportation of Ammonia, with net Written Down value of 2.66 lakh.

2.9) First charge has been created on 36.08 acres of land (Previous year: 36.08 acres of land), in the State of Kerala, as security for Fund/Non Fund Based working capital arrangement with State Bank of India.

2.10) The above includes assets procured with EEC grant with book value 54.91 lakh (previous year 55.85 lakh.)

2.11) Depreciation is charged on Property, plant and equipment based on the useful life of assets prescribed under the Schedule II of the Companies Act 2013 except for the following assets, for which depreciation is charged based on the estimated useful life ascertained on evaluation by the concerned technical team of the Company.

i) DCS for Fertiliser Plant	10 Years
ii) Analysers	5 Years
iii) Rejuvenation of caprolactam plant	15 years

Note No. 2A Non Current Assets- Capital Work in Progress

₹ In Lakh

	As at 31.03.2023	As at 31.03.2022
Capital Work in Progress	10,109.19	4,035.11
Goods in Transit / Goods pending inspection /Capital Stores	350.21	216.29
	10,459.40	4,251.40

Note No. 2B . Non Current assets - Investment Property

Particulars	As at 31.03.2023	As at 31.03.2022
Opening Balance		
Land	5.77	6.50
Building	0.00	3.30
Total	5.77	9.80
Addition/ (Deletion)		
Land	0.00	(0.73)
Building	0.00	(3.30)
Total	0.00	(4.03)
Closing Balance		
Land	5.77	5.77
Building	0.00	-
Total	5.77	5.77
Depreciation		
Building		
Opening Balance	-	0.50
Adjustments	0.00	(0.50)
Current Year	-	-
Closing Balance	-	-
Net Block		
Land	5.77	5.77
Building	0.00	0.00
Total	5.77	5.77

During the year 2011-12 Company by way of leave and license basis, has made available to GAIL (India) Ltd, at Udyogamandal/Cochin Division, 2.40 acres of land and right to use of 0.33 acres for laying pipelines for a period of 35 years for an upfront premium of ₹ 479 lakh and yearly license fee of ₹ 100. The Leave and license agreement is yet to be executed.

As per the Joint Venture agreement with Rashtriya Chemicals & Fertilisers Ltd (RCF), the Company during 2008-09, has made available, 11 acres of land at Cochin Division on lease basis to FACT-RCF Building Products Ltd, for a period of 20 years for an upfront premium of ₹ 1000 lakh and yearly rent of ₹10.

During the year 2021-22, company has entered into a Leave and License agreement with Kochi Salem Pipeline Private Limited (KSPPL) by allotting 30 cents of land to KSPPL at Udyogamandal for a period of 15 years with effect from 10-01-2022.

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Rental Income from investment property	124.69	77.23
Direct operating expenses to income generating property	0.00	0.00
Less: Reimbursement of expenses	0.00	0.00
Profit arising from Investment Property before depreciation	124.69	77.23
Depreciation	-	-
Profit arising from Investment Property	124.69	77.23

Reconciliation of fair value

Particulars	As at 31.03.2023	As at 31.03.2022
Fair Value of Investment property		
Opening Balance		
Freehold Land	2,642.19	2,723.78
Buildings	-	26.42
Total	2,642.19	2,750.20
Additions/(Deletions)		
Freehold Land	264.22	(81.59)
Buildings	0.00	-26.42
Total	264.22	-108.01
Closing Balance		
Freehold Land	2,906.41	2,642.19
Buildings	-	-
Total	2,906.41	2,642.19

Fair Value of Freehold Land is based on the notification issued by the Government of Kerala in their website. Management assumes the original cost of the Building as fair value

Note 2C Right of use Assets

₹ In Lakh

Particulars	GROSS CARRYING AMOUNT					DEPRECIATION			NET CARRYING AMOUNT	
	As at 01.04.2022	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	As at 31.03.2023	Up to 01.04.2022	For the year	Up to 31.03.2023	As at 31.03.2023	As at 31.03.2022
Right of use Assets	3,577.18	0.00	0.00	70.04	3,647.22	320.19	167.16	487.35	3,159.87	3,256.99
Total	3,577.18	0.00	0.00	70.04	3,647.22	320.19	167.16	487.35	3,159.87	3,256.99

1. The above includes, leased land from Cochin Port Trust taken for the purpose of storage, handling of raw materials and for setting up a dock for barge operations. The lease agreement is pending execution. The recognition of Right of use Asset and lease liability has been made based on the draft agreement agreed upon based on the sanction from Ministry of Shipping, Government of India, dated 14.11.2014. (Refer Note-40)

Note No. 2D Non Current Assets- Other Intangible Assets

Particulars	Deemed Cost							Amortization					Impairment Loss			Net Block	
	As at 01.04.2022	Additions during the year	Disposal/ Deduction during the year	Adjustment during the year	Acquisition through business combination	Change due to Revaluation	As at 31.03.2023	Up to 01.04.2022	For the year	On Disposal/ Deduction during the year	On adjustment during the year	Up to 31.03.2023	Up to 01.04.2022	(Withdrawal)/ provision during the year	Up to 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	200.84	9.80	0.00	0.00	0.00	0.00	210.64	124.37	40.59	0.00	0.00	164.96	0.00	0.00	0.00	45.68	76.47
Total	200.84	9.80	0.00	0.00	0.00	0.00	210.64	124.37	40.59	0.00	0.00	164.96	0.00	0.00	0.00	45.68	76.47
Previous year	197.73	3.11	0.00	0.00	0.00	0.00	200.84	85.41	38.96	0.00	0.00	124.37	0.00	0.00	0.00	76.47	112.32

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note No. 3A Non Current Asset - Financial Assets - Investments in Associates & Joint Ventures

Particulars	As at 31.03.2023	As at 31.03.2022
In Joint Venture		
FACT-RCF Building Products Ltd		
3,52,27,000 (Previous year 3,28,70,000) Equity Shares of ₹ 10/- each	3,522.70	3,287.00
Less: Provision for diminution in the value of investment	(3,522.70)	(3,287.00)
	0.00	0.00
In Associate		
Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) equity shares of `10/- each fully paid-up Refer Note 1 below)	0.00	407.99
	-	407.99
Investment in Associates & Joint Venture	-	407.99
Reconciliation of fair value measurement of the investment in unquoted equity shares		
FACT-RCF Building Products Ltd		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Kerala Enviro Infrastructure Ltd		
Opening balance	407.99	534.20
Total gains and losses recognised in OCI	-	(126.21)
Reclassification of the Investment	(407.99)	-
Closing Balance	-	407.99

1. The Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 has reduced to 15.91% on account of additional investment by other share holders. As the investments as on 31.03.2023, is less than 20%, the investment has been re-classified as 'Other Investments'.

Note No. 3B Non Current Asset - Financial Assets - Other Investments

Particulars	As at 31.03.2023	As at 31.03.2022
Investment in unquoted equity shares:		
Travancore Cochin Chemicals Ltd.,		
6,81,820(Previous year 6,81,820)Equity Shares of ₹10/- each including 3,40,910 Bonus shares.	245.74	160.16
Kerala Enviro Infrastructure Ltd		
31,24,000 (Previous year 31,24,000) equity shares of ₹10/- each fully paid-up- (Refer Note 3A- 1)	462.88	0.00
Capexil Agencies Ltd.		
15 (Previous year 15) Equity Shares of ₹1000/- each fully paid up	0.15	0.15
Less: Provision for diminution in the value of investment	(0.15)	(0.15)
	0.00	0.00
Indian Potash Ltd.		
6,48,000 (Previous year 6,48,000) Equity Shares of ₹10/- each fully paid-up, including 459000 (previous year 459000) Bonus Shares	10,576.59	9,219.29
	11,285.21	9,379.45
Shares in Co-operative Societies:		
FACT Co-operative Society Ltd		
10,001 (Previous year 10,001) shares of ₹10/- each fully paid-up	1.00	1.00
Meherabad Co-operative Housing Society Ltd		
7 (Previous year 7) shares of ₹100/- each fully paid-up	0.01	0.01
Good Earth Housing Society Ltd.		
10 (Previous year 10) shares of ₹50/- each fully paid-up ₹500 (Previous year ₹ 500)	0.01	0.01
	1.02	1.02
Other Investments	11,286.23	9,380.47

Aggregate amount of unquoted investments	11,286.2	9,788.46
Reconciliation of fair value measurement of the investment in unquoted Equity shares		
Travancore Cochin Chemicals Ltd		
Opening balance	160.16	148.70
Total gains and losses recognised in OCI	85.58	11.46
Closing Balance	245.74	160.16
Kerala Enviro Infrastructure Ltd		
Opening balance	-	-
Total gains and losses recognised in OCI	54.89	-
Reclassification of the Investment	407.99	
Closing Balance	462.88	-
Capexil Agencies Ltd.		
Opening balance	0.00	0.00
Total gains and losses recognised in OCI	0.00	0.00
Closing Balance	0.00	0.00
Indian Potash Ltd		
Opening balance	9,219.29	7,943.18
Total gains and losses recognised in OCI	1,357.31	1,276.11
Closing Balance	10,576.60	9,219.29
Note : Shares of Co-operative societies are retained at book value.		
Note No. 4. Non current Assets - Financial assets-Loans		
Particulars	As at 31.03.2023	As at 31.03.2022
Loan to Employees		
Unsecured Considered Good	0.00	3.28
	0.00	3.28
Note :Loans to employees Nil (Previous year 3.28 lakh) towards festival advance paid during 1996-97, and being recovered at the time of separation from Company's service or release of 1997 arrears, whichever is earlier.		
Note No. 5. Non current Assets - Financial assets- Other Financial Assets		
Particulars	As at 31.03.2023	As at 31.03.2022
Security deposit		
Unsecured Considered Good	907.08	716.72
Amount pledged for Letter of Credit, Bank Guarantee and Fund based arrangements *	199.00	200.00
Deposit held towards Capex projects *	11,600.00	0.00
Other Deposits	11.96	11.93
Advances to Related Parties		
Considered doubtful	3,618.00	3,617.52
Less : Provision for Doubtful Advances	(3,618.00)	(3,617.52)
	0.00	0.00
Advance against Equity Pending allotment	0.00	235.70
Less : Provision for Doubtful Advances	0.00	(235.70)
	0.00	0.00

Advance to Others Unsecured Considered Doubtful	25,755.79	25,758.29
Less : Provision for Doubtful Advances	(25,755.79)	(25,758.29)
	0.00	0.00
	12,718.04	928.65
<i>*with more than 12 months maturity from the reporting date</i>		
Movement in Provisions		
Provision for bad & doubtful loans and advances		
Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	29,611.51	25,115.07
Provision released during the year	-240.04	-26.00
Provisions made during the year	2.32	4,522.44
Provision at the end of the year	29,373.79	29,611.51
1. Provision for doubtful loans and advances include ₹25450.98 lakh (Previous year ₹ 25450.98 lakh) towards interest accrued upto 31.03.2022, on mobilisation advance given to a private company. Pending litigation, equivalent provision has been made towards interest beyond the amount considered recoverable (Refer note 13.2, 29.1 & 48.2)		
Note No. 6. Non current Assets - Other Non Current Assets		
Particulars	As at 31.03.2023	As at 31.03.2022
Capital Advances (Secured Considered Good)	1,518.09	-
	1,518.09	-
Deferred tax assets (net)		
The Company has a deferred tax asset of ₹ 20242 lakh (Previous year ₹ 40760 lakh) as on 31.03.2023 on account of unabsorbed depreciation and accumulated loss. The deferred tax liability as on 31.03.2023 is ₹ 3145 lakh (Previous year ₹ 3274 lakh). Even though there is net deferred tax asset of ₹ 17098 lakh as on 31.03.2023 (Previous year ₹ 37487 lakh), the same is not considered in the Books of Accounts, as a matter of prudence.		
Note No. 7. Current Assets - Inventories		
Particulars	As at 31.03.2023	As at 31.03.2022
Raw Materials	14,215.61	26,995.06
Raw materials-in -transit	5,917.48	3,729.73
	20,133.09	30,724.79
Work-in-progress	5,406.85	4,193.33
Finished Goods	64,527.36	20,846.25
Stock-in-trade (in respect of goods acquired for trading)	0.00	0.00
Stores and Spares		
Machinery Spares	10,248.81	10,070.62
General Stores	2,805.83	3,325.12
Stores & Spares-in -transit	232.57	167.38
	13,287.21	13,563.12
Retired Spares	453.50	453.50
Total Inventories	103,808.01	69,780.99
Less: Provision towards obsolescence and storage losses	5,995.83	3,601.29
	97,812.18	66,179.70

Notes

- Current Assets include inventories and trade receivables pledged as Primary Security for Fund/ Non Fund based Working Capital arrangement with Banks amounting to ₹ 78500.00 Lakh. The utilisation of this arrangement as on reporting date is ₹ 5113.56 Lakh.
- Inventory of finished goods, raw material, stores and spares and work in progress are valued as per the Accounting Policy of the Company
- Finished Goods includes 21.36 lakh MT of saleable gypsum (Previous Year 22.00 lakh MT) amounting to ₹ 11977.68 lakh (Previous year ₹ 10161.25 lakh). During the current year, Company has changed the accounting policy of assessing the closing stock of gypsum. For assessing the closing stock of gypsum as on 31.03.2023, the saleable quantity has been assessed on the basis of physical verification conducted at the end of the financial year, as against the prior policy of arriving year end stock based on the technical study as on 30.09.2018 as adjusted by the production, consumption, despatch and sales, till the year end. The increase in the value of inventory as on 31.03.2023 due to the change in the accounting policy is ₹ 98.49 lakhs. The retrospective application of the change in policy is impracticable.
- Valuation of closing stock of factamfos and ammonium sulphate (at certain locations) is valued at net realisable value, estimated with 50% of subsidy rate prevailing as on 31.03.2023, pending notification of new subsidy rates by the Government of India for the year 2023-24
- Stores & Spares in transit includes Stores & Spares at site pending inspection ₹ 214.61 lakh (Previous year ₹ 116.13 lakh)
- During the year 2021-22, company had detected irregularities in the physical stock to the tune of 543.60 MT of Factamfos and 60.50 MT in Ammonium Sulphate at Chikmagalur Depot valued at ₹ 218.50 lakhs. Company had provided for the entire amount of ₹ 218.50 lakhs. The Company has since realised an aggregate amount of ₹ 63.85 lakhs being the sale value of 256.95 MT of Factamfos from various dealers during the year in connection with the above. However, the company has maintained the provision of ₹ 218.50 lakhs pending completion of investigation. Company has taken steps for recovery from transporters, dealers and warehouse (Refer Note. 13.3, 24.1, 25.2, 27.1 & 35.5)
- During the year, ₹ 2235.79 lakhs additional provision is made on account of the change in the accounting estimate being followed for the provision for obsolete /non moving stores & spares. 90% provision has been made for non-moving stock of stores & spares, ageing five years and more, as on 31.03.2023, as against ageing of 10 years and more, which was being followed. The effect of the change in future periods is not disclosed because estimating it is impracticable.

Movement in Provisions

Provision towards obsolescence and storage losses (including provision towards Retired spares)

Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	3,601.29	3,408.08
Provisions made during the year	2,394.54	193.21
Released during the year	0.00	0.00
Provision at the end of the year	5,995.83	3,601.29

Note No. 8. Current Assets - Financial assets-Trade Receivables

Particulars	As at 31.03.2023	As at 31.03.2022
From related party		
Unsecured		
Credit impaired	297.72	297.72
Less: Provision for Doubtful Debts	(297.72)	(297.72)
	0.00	0.00
Others		
Unsecured		
Credit impaired	1,672.17	1,656.27
Less: Provision for Doubtful Debts	(1,672.17)	(1,656.27)
	0.00	0.00
Sundry Debtors		
Secured , considered good	11.09	425.82
Unsecured , considered good	7,616.46	4,085.74
	7,627.55	4,511.56
Subsidy Receivable		
Unsecured		
Considered doubtful	411.33	411.33
Unsecured Considered good	40,259.93	13,011.42
Less: Provision for Doubtful subsidy	(411.33)	(411.33)
	40,259.93	13,011.42
	47,887.48	17,522.98
Movement in Provisions		
Provision for doubtful Trade receivables		
Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	2,365.32	2,240.55
Provisions released during the year	(49.71)	(20.02)
Provisions made during the year	65.62	144.79
Provision at the end of the year	2,381.23	2,365.32

Note No. 9. Current Assets - Financial assets-Cash and Cash Equivalents

Particulars	As at 31.03.2023	As at 31.03.2022
Balances with Banks	22.09	286.08
Cash on hand	2.66	2.33
Short Term Deposit with Banks*	4,933.08	17,917.51
	4,957.83	18,205.92

*Original maturity of three months or less

Cash and Cash Equivalents include ₹ 538.89 lakh (Previous year 500.07 lakh) received towards work on Deposit basis, lying in a specified account to meet the corresponding liabilities.

Note No. 10 Current Assets - Financial assets-Other Bank Balances

Particulars	As at 31.03.2023	As at 31.03.2022
Short Term Deposit with Banks *	0.00	7,503.48
Amount pledged for Letter of Credit, Bank Guarantee and Fund based arrangements *	77,713.73	96,328.62
Deposit earmarked for capex projects *	149,275.57	65,608.37
	226,989.30	169,440.47

* Maturing within 12 months from the reporting date

1. Out of the deposits earmarked for capex projects, lien has been marked on deposits amounting to ₹ 29756.07 lakhs (Previous Year- ₹ Nil) towards margin money.

Note No. 11. Current Assets - Financial Assets-Other Financial Assets

Particulars	As at 31.03.2023	As at 31.03.2022
Security Deposits:		
Unsecured , considered good	37.91	60.01
Amount receivable against Service Orders	612.12	657.19
Other Accrued Income	17,336.16	54,175.10
Amount receivable from LIC under group Gratuity scheme	652.31	290.52
Township Dues (Net of provision for doubtful dues)	104.28	289.80
Others	13.45	2.44
	18,756.23	55,475.06

1. Other Accrued income includes ₹ 10278.27 lakh (Previous Year ₹ 49337.93 lakhs) being 90% of the unclaimed DBT subsidy (accounted on recoverability basis), estimated at 50% of the rates as per the notification No.23011/12/2022-P&K, dated 02.11.2022, on account of significant fall in raw material prices, pending notification of new subsidy rates by the Government of India for the year 2023-24. It will have an effect in the calculation of accrued income (subsidy) and Net Realisable Value of Finished Goods. (Refer Note No.28.1)

Note No. 12. Current Assets - Current Tax Assets

Particulars	As at 31.03.2023	As at 31.03.2022
Income Tax (Net of provision)	182.85	232.55
	182.85	232.55

Note No. 13. Current Assets -Other Current assets

Particulars	As at 31.03.2023	As at 31.03.2022
Dues from:		
Statutory Authorities	47,476.54	41,280.14
Less: Provision for doubtful receivables	(27,418.54)	-
	20,058.00	41,280.14
Contractors	4,277.74	4,130.46
Employees	400.84	268.34
Pre Paid Expenses	651.95	562.34
Others	31.24	27.51
	25,419.77	46,268.79

- Dues from statutory authorities include (i) Nil (net of provision) (Previous year ₹ 18301.45 lakh) towards Kerala Value Added Tax paid on procurement of Regasified Liquefied Natural Gas, (ii) ₹ 1411.12 lakhs (Previous year ₹ 1411.12 lakhs) (net of provision) being KVAT refund receivables, and (iii) ₹ 72.97 lakh (Previous Year ₹ 72.97 lakh) towards the amount paid against disputed demands pending appeal. In view of the uncertainty in the reimbursement of Value Added Tax (VAT) paid on Regasified Liquefied Natural Gas (RLNG) by the Government of Kerala, Company has made provision during the year, for the entire VAT receivables on RLNG, ₹ 27418.54 lakhs as on 31.03.2023. The VAT reimbursement receivable on the RLNG procurement up to 31.03.2022 ₹ 18301.45 lakh has been charged as 'Provision for doubtful receivables' and VAT incurred on RLNG procurement during the year 2022-23, ₹ 9117.09 lakhs has been accounted as consumption of raw material / fuel in the Statement of Profit & loss.
- Dues from Contractors include amount paid for materials supplied but rejected by the Company pending settlement ₹ 9.46 lakh (Previous year ₹ 1.32 lakh) and an amount of ₹1353.19 lakh (Previous year ₹1353.19 lakh) including interest considered as recoverable on the basis of a bank guarantee invoked by the Company but stayed till the completion of arbitration. The Arbitration Award was passed during the year 2013-14, as per which the company is entitled to adjust an amount of ₹ 2798.29 lakh towards this advance and interest from the dues claimed by the contractor. The Company has gone on appeal against the award before the Hon' District Court, Ernakulam which has since stayed the award. The case is transferred to Commercial Court. Accordingly the Company demanded the banks to send the proceeds of encashment of bank guarantee along with interest. The bank rejected the claim and consequently the Company filed a suit against the bank before the Hon. High court of Mumbai for realization of amount, which are pending. However an amount of ₹1353.19 lakh only has been retained pending disposal of the case.
- Other Current Assets, dues from contractors include ₹ 476.89 lakhs (previous year ₹ 476.89 lakhs) charged to transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations. (Refer Note- 7.6, 24.1 & 25.2)

Note No. 14. Current Assets -Non-current Assets held for Disposal

Particulars	As at 31.03.2023	As at 31.03.2022
Retired assets held for disposal	4,065.02	4,065.02
	4,065.02	4,065.02

Retired assets held for disposal' includes Ammonia and Urea Plant at Cochin Division, which the Company had decided to scrap during the year 2009-10. These retired assets are retained in books at the written down value of ₹ 4065.02 lakhs (previous year- ₹ 4065.02 lakhs), which is lower than the estimated Net realisable value. The Company could not complete the disposal process since the matter is pending before the Court.

Note No. 15. Equity- Equity Share Capital

Particulars	As at 31.03.2023	As at 31.03.2022
Authorised: 100,00,00,000 (Previous year 100,00,00,000) Equity Shares of ₹10/-each	100,000.00	100,000.00
Issued, Subscribed and fully Paid up: 64,70,71,974 (Previous year 64,70,71,974) Equity Shares of ₹10/- each fully paid up	64,707.20	64,707.20

Reconciliation of the shares outstanding at the beginning and at the end of the Financial Year

Particulars	As at 31.03.2023	As at 31.03.2022
Number of shares at the beginning of the year	647,071,974	647,071,974
Number of shares issued during the year	Nil	Nil
Number of shares at the end of the year	647,071,974	647,071,974

Notes

The Company has only one class of equity shares having par value of ₹ 10 per share. Each share holder is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding

1. Rights, Preference and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital. - Nil / Not Applicable
2. Shares held by shareholders holding more than 5% of shares:

Particulars	As at 31.03.2023	As at 31.03.2022
The Government of India Number of shares	582,364,776	582,364,776
Percentage of Total Shares	90.00%	90.00%
Special National Investment Fund constituted by the Government of India Number of shares	55,400,424	55,400,424
Percentage of Total Shares	8.56%	8.56%
3. The Government of India had transferred 55400424 equity shares of ₹10 each to Special National Investment Fund on 6th August 2013.		
4. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.		
I. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
II. Aggregate number and class of shares allotted as fully paid up by way of Bonus shares	Nil	Nil
III. Aggregate number and class of shares bought back	Nil	Nil

5. Terms of any securities convertible into equity / preferential shares issued along with the earliest date of conversion - NIL

6. Shares held by promoters at the end of the year

Promoter name	No. of Shares (Equity shares)	%of total shares	% Change during the year
Government of India	582364776	90.00%	NIL
Total	582364776	90.00%	NIL

Note No. 16. Equity - Other Equity

Particulars	As at 31.03.2023	As at 31.03.2022
Capital Reserves:		
Subsidy from Kerala State Government under Industrial Housing Scheme	2.64	2.64
	2.64	2.64
Other Reserves:		
Deferred Government Grant :		
Indo EEC Fertiliser Education Project		
Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	51.72	52.65
Less: Amount transferred to Statement of Profit & Loss	0.94	0.93
Closing balance	50.78	51.72
Equity Instruments through other Comprehensive Income		
Particulars	As at 31.03.2023	As at 31.03.2022
Opening Balance	9,421.90	8,260.55
Additions/(Deletions) during the Year	1,497.77	1,161.35
Closing Balance	10,919.67	9,421.90
Retained Earnings:		
Particulars	As at 31.03.2023	As at 31.03.2022
Opening balance	(7,980.82)	(91,022.27)
Add Changes in Accounting Policy / Prior Period items as per Ind AS	0.00	47,956.00
Add :Profit/ (Loss) during the year	61,298.53	34,637.55
Add: Remeasurement of defined benefit plan	(1,608.31)	447.90
Less: Dividend Paid	-	-
Closing balance	51,709.40	(7,980.82)
Other equity	62,682.49	1,495.44

1. As a part of the sales consideration of 481.79 acres of Land sold to Government of Kerala during the year 2019-20, ₹ 47956 lakhs being fair value of the 143.22 acres of lease hold land converted as freehold, has been restated in the opening balance of PPE and Other Equity as on 01.04.2021, in line with the provisions of IndAS 8. (Refer Note 2.3)

2. For the Financial Year 2022-23, the Board of Directors have recommended a final dividend of ₹ 1.00 per equity share (Previous Year Nil) which is subject to approval by shareholders of the Company.

Note No. 17 Non Current Liabilities - Financial Liabilities - Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
Term loans Secured		
From the Government of India (Refer Note 22.2)	0.00	0.00
Unsecured		
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 1 below)	510.00	1,020.00
	510.00	1,020.00

1. The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF has settled the entire liability to the bankers, to the extent of ₹5100 lakh including 50% share of the Company ₹ 2550 lakh on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan with a repayment period of five years, starting from the year 2020-21. The Company has paid three instalments due as per the agreement. The principal amount payable ₹ 510 lakhs (Previous year ₹ 510 lakhs) during the year 2023-24 has been classified under Current Liabilities - Financial Liabilities -Other Financial Liabilities . The remaining amount has been classified under Non Current Liabilities - Financial Liabilities - Borrowings. Interest rate applicable on the loan for the year 2022-23 is 7.38% p.a (Previous year- 6.50% p.a)

Note No. 18. Non Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Lease Liabilities (Refer Note-40)	2,985.82	2,966.79
	2,985.82	2,966.79

Note No. 19. Non Current Liabilities - Other Financial Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Dues to employees	-	2,491.45
Others	30.74	32.03
	30.74	2,523.48

1. As per the decision of Government of India, during the year 2021-22 Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include Nil (previous year ₹ 2491.45 lakhs) towards 1997 arrears payable after one year (refer Note- 25.1 & 36.1)

Note No. 20 Non Current Liabilities - Provisions

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
(i) Provision for gratuity	10,045.13	10,556.85
(ii) Provision for leave encashment	8,680.28	7,328.40
Decommissioning of Assets in Leased Properties	278.12	257.52
	19,003.53	18,142.77

Note No. 21 Non Current Liabilities - Other Non current Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Advance Rent Received	1,128.96	1,140.89
	1,128.96	1,140.89
As at the beginning of the year	1,308.72	786.99
Advance received	170.16	680.27
Released to Statement of Profit and Loss	(167.84)	(158.54)
As at the end of the year	1,311.04	1,308.72
Current	182.08	167.83
Non Current	1,128.96	1,140.89
	1,311.04	1,308.72

Note No. 22 Current Liabilities - Financial Liabilities -Borrowings

Particulars	As at 31.03.2023	As at 31.03.2022
Secured :		
Bills discounted	2,839.82	1,943.58
Current maturities of Long-term debt :		
Term loan from Government of India (Refer Note 2 below)	128,273.00	128,273.00
Interest on the above converted as loan	48,775.75	48,775.75
	177,048.75	177,048.75
Unsecured:		
Inter-corporate loan from M/s.Rashtriya Chemicals & Fertilisers Ltd (Refer Note 17.1)	510.00	510.00
	180,398.57	179,502.33

- The bills discounted are secured against the corresponding trade receivables
- A plan loan of ₹100000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, ₹100000.00 lakh along with the earlier loan ₹ 28273 lakhs and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the letter dated 12.01.2016, of the Ministry of Finance, GOI, sanctioning the loan, the total outstanding liability of the Company is ₹183672.00 lakh. The Company entered into an agreement with the Department of Fertilizers(DOF), GOI, agreeing to mortgage 408 acres of Company's land to secure repayment of the entire loan together with interest at the rate of 13.50% per annum on the amount outstanding as on 31.03.2017. The loan amount was reconciled and loan outstanding along with interest accumulated (upto 31.03.2017) has been arrived at ₹177048.75 lakh as on 31.03.2017. The loan along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022. Accordingly, the entire principal amount , being ₹ 177048.75 lakhs (previous year- ₹177048.75 lakhs) has been classified under Current Liabilities-Current maturities of Long term Debt. The outstanding principal and interest as on 31.03.2022, has been confirmed with the balance of Government of India.

Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹28273.00 lakhs into equity and conversion of loan amounting to ₹100000.00 lakhs as interest free loan, repayable in yearly installments. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016

Note No. 23 Current Liabilities - Lease Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Lease Liabilities (Refer Note-40)	276.68	268.76
	276.68	268.76

Note No. 24. Current Liabilities - Financial Liabilities - Trade Payables

Particulars	As at 31.03.2023	As at 31.03.2022
Trade payables		
(i) Dues to Micro, Small and Medium Enterprises (Refer Note: 38)	429.50	103.38
(ii) Others	37,372.87	57,694.74
	37,802.37	57,798.12

- Trade payables, others include ₹ 290.02 Lakhs (previous year ₹ 290.02 Lakhs)withheld from transport contractor as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and ₹ 65.24 lakhs (previous year ₹ 65.24 Lakhs) withheld from warehouse. (Also Refer Note 7.6, 13.3, 25.2)

Note No. 25. Current Liabilities - Financial Liabilities -Other Financial Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Interest accrued on borrowings (Refer Note 22.2 & 17.1)		
Term Loan from Government of India	143,409.49	119,507.90
Inter-corporate Loan	41.86	44.44
Dues to employees	5,669.39	5,101.56
Trade Deposit from customers	4,321.43	4,116.39
Other liabilities	11,292.71	5,563.89
	164,734.88	134,334.18

- As per the decision of Government of India, during the year 2021-22, Company has framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Dues to employees include ₹5036.14 lakhs (previous year- ₹4738.64 lakhs) towards 1997 arrears, payable with in one year (refer Note- 19.1 & 36.1)
- Other liabilities include amount charged from transport contractors as per the terms and conditions of the contract, towards non delivery of goods to dealers at the assigned destinations and amount withheld from warehouse. (Also Refer Note 7.6, 13.3 & 24.1)

Note No. 26. Current Liabilities - Other Current Liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Statutory dues	1,168.16	975.41
Advance from Customers	4,399.31	3,936.35
Advance Rent Received	182.08	167.83
	5,749.55	5,079.59

Note No. 27. Current Liabilities - Provisions

Particulars	As at 31.03.2023	As at 31.03.2022
Provision for employee benefits		
(i) Provision for gratuity	2,039.97	2,331.83
(ii) Provision for leave encashment	891.68	2,098.79
Provision towards other Contractual Obligations	239.60	239.60
Other provisions	248.64	278.95
	3,419.89	4,949.17

- Other provisions include ₹ 211.62 lakhs (aggregate provision ₹ 218.50 lakhs, net of GST ₹ 6.88 lakhs) provided towards shortage of finished goods noticed in certain warehouses in Karnataka State (Refer Note 7.6 & 35.5)

₹ In Lakh

Trade Receivables Ageing Schedule

Particulars	Not Due as on 31.03.2023	Outstanding for following periods from due date of payment					As at 31.03.2023	
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) Undisputed Trade receivables – considered good	13232.58	33211.67	1,326.35	60.28	55.50	0.05	47,886.43	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	3.38	0.99	95.05	52.63	1,566.49	1,718.54	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	1.05	1.05	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	662.68	662.68	
TOTAL	13,232.58	33,215.05	1,327.34	155.33	108.13	2,230.27	50,268.70	

₹ In Lakh

Trade Receivables Ageing Schedule

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment					As at 31.03.2022
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	9430.53	7,903.97	90.72	54.69	41.95	0.05	17,521.91
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	2.90	53.08	52.63	29.33	1,562.03	1,699.97
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	1.07	1.07
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	665.35	665.35
TOTAL	9,430.53	7,906.87	143.80	107.32	71.28	2,228.50	19,888.30

Note No. 28 Revenue from operations

Particulars	As at 31.03.2023	As at 31.03.2022
Sale of products		
Own Products	313,949.27	265,984.22
Traded Products	1,056.97	5,212.45
	315,006.24	271,196.67
Subsidy/Concession on Fertilisers	304,261.07	170,578.53
	304,261.07	170,578.53
Sale of Services		
Gross income from contracts and other services	547.42	705.07
Total Revenue from operations	619,814.73	442,480.27
Sale of own products comprises of:		
Factamfos 20-20-0-13	190,131.63	197,219.67
Ammonium Sulphate	41,043.90	24,137.05
Caprolactam	69,641.71	33,366.86
Gypsum	3,176.52	2,275.53
Others	9,955.51	8,985.11
Total	313,949.27	265,984.22
Sale of traded products:		
Muriate of Potash	-	4,745.26
Organic Manures	1056.97	467.19
Total	1,056.97	5,212.45
Subsidy/Concession on Fertilisers		
Factamfos 20-20-0-13	256,446.53	157,027.53
Ammonium Sulphate	47,813.52	11,420.95
Muriate of Potash	0.67	1,942.11
Imported Complex Fertilisers	0.35	80.28
City Compost	-	107.66
Others	-	-
Total	304,261.07	170,578.53

- Consequent to the implementation of Direct Benefit Transfer (DBT) subsidy scheme, subsidy income on fertilisers is recognised at the time of sale to dealers. However, the subsidy claim is generated at the rate applicable on the date of sale of fertilisers to ultimate beneficiary. The subsidy portion of the 90% of the stock with dealers (considering the recoverability), pending sale to ultimate beneficiary as on 31.03.2023, estimated at 50% of the subsidy rates rate prevailing as on 31.03.2023, on account of fall in raw material prices, pending notification of new subsidy rates by the Government of India for the year 2023-24 is ₹10278.27 lakh (Previous Year ₹49337.93 lakh). It will have an effect in the calculation of accrued income (subsidy) and Net Realisable Value of Finished Goods. (refer Note 11.1)

Note No. 29 Other income

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest income:		
On deposits with banks	11,150.32	8,854.59
On loans, advances, claims, overdues (Refer Note 1 below)	76.39	137.37
Dividend income		
Other than joint venture	38.88	25.92
Other non-operating income		
Excess provisions written back	54.05	228.76
Transfer from deferred Government grants:		
On EEC project	0.94	0.94
Rent & Compensation towards Right of use	617.59	515.92
Profit on sale of fixed Assets	838.28	0.18
Miscellaneous income	781.23	1,359.71
	13,557.68	11,123.39

1. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed 178489.75 lakh including interest till 31.03.2013 before the arbitrator. The arbitrator has passed an award during the year 2013-14 in favour of the contractor for 17308.04 lakh including interest as on 31.12.2013. As per the award, the mobilisation advance paid by the Company to the contractor along with interest of 2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court, Ernakulam which has since stayed the award. Company has been accounting interest on mobilization advance and creating equivalent provision until 31.03.2022. Considering the uncertainty in the receipt of the interest on mobilization advance, Company has discontinued accounting of the interest income from the financial year 2022-23 and the corresponding provision thereon. The interest on mobilization advance for 2022-23 amounting to ₹5385.59 lakhs has been disclosed as Contingent Asset under note No 50.

Note No. 30. Cost of materials consumed

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Raw Material	412,999.93	272,805.16
Packing Material	4,898.45	4,280.95
	417,898.38	277,086.11

Note : The physical verification of raw materials has been carried out on or around 31st March 2023. The differences over book figures in the case of raw material for the financial year 2022-23 has been adjusted in consumption (Excess(-) / Shortage). Current year ₹ (-) 2419.53 lakh (Previous year ₹ (-) 339.04 lakh).

Note No. 31 Purchases of Stock-in-trade

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Complex Fertilisers/ Organic Manures	503.70	297.78
	503.70	297.78

Note No. 32 .Changes in inventories of finished goods , stock-in-trade and work-in-progress

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening stock		
Finished Goods	20,846.25	17,294.21
Stock-in-trade	0.00	5,052.19
Work-in progress	4,193.33	3,349.12
	25,039.58	25,695.52
Closing stock		
Finished Goods	64,527.36	20,846.25
Stock-in-trade	0.00	0.00
Work-in- progress	5,406.85	4,193.33
	69,934.21	25,039.58
Changes in inventories: (Increase)/ Decrease	(44,894.63)	655.94

Note No. 33 Employee benefits expense

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries and Wages	21,280.62	15,758.53
Contribution to Provident Fund	1,908.42	1,705.21
Leave encashment (Net of Provision)	2,299.20	2,404.72
Gratuity	1,303.15	1,395.66
Staff welfare expenses	2,027.14	1,911.92
	28,818.53	23,176.04

1. During the year, Company has implemented 2017 pay revision of the Board level and below Board level executives and Non-unionized supervisors and of the workmen, with effect from 01.04.2022, as per the Department of Fertilizers order dated 14.12.2022 and 23.12.2022 respectively.

2. Performance Related pay (PRP) is applicable during the financial year 2022-23 ,subject to Board Approval. A provision of ₹ 2507.67 lakhs has been made towards PRP during the year.

Note : Remuneration to Directors, including retirement benefits paid during the year

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Shri Kishor Rungta, Chairman and Managing Director (From 02.02.2019)	49.80	48.96
Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	40.64	29.99
Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	42.43	29.39
Shri.Kesavan Nampoothiri A.S, Director (Technical) (From 22.03.2021 up to 30.09.2022)	21.93	28.93
Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)	3.12	0.00
	157.92	137.27

Note No. 34 Finance costs

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest		
Interest on loans from the Government of India (Refer Note 22.2)	23901.58	23901.58
Interest -others	577.02	291.20
Other Finance costs	1.29	0.31
Finance Cost on lease liability	253.84	247.59
	24,733.73	24,440.68

Note No. 35 Other expenses

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Consumption of stores and spare parts	4,778.82	4,100.19
Power and Fuel	75,153.17	42,787.51
Rent	445.53	436.27
Repairs and maintenance to buildings	274.67	178.18
Repairs and maintenance to machinery	4,121.96	4,603.01
Insurance	346.29	260.11
Rates and Taxes	110.15	110.04
(Gain)/Loss on exchange rate variation (net)	2,620.96	192.94
Material and other direct charges on contracts	115.13	316.45
Auditors' Fees and Expenses (Refer note 1 below)	20.82	24.52
Freight , Handling and other charges	24,655.81	21,286.06
Bad debts written off	15.04	18.88
Provision for doubtful receivables & advances	18,373.98	184.32
Damages/Shortages/(Excess) of Stores , Spares & Products (Net	23.03	24.84
Provision for obsolescence of stores (Net) (Refer Note 7.7)	2,394.53	193.22
Research and Development Expenditure (Refer note 2 below)	35.67	75.97
CISF Expenses (including salaries)	3,298.07	2,843.37
Directors' Sitting Fees	5.00	1.60
Loss on Fixed assets sold/written off	-	0.76
Expenses towards Corporate Social Responsibility (Refer note 7 below)	421.18	106.28
Miscellaneous Expenses (Refer note 3 & 5 below)	6,019.57	4,877.45
	143,229.38	82,621.97
Less :Allocated Expenses [net of income from inter-divisional jobs of ` 2997.98 lakh] (Previous year ` 1689.42 lakh)	(1,226.34)	(937.32)
	142,003.04	81,684.65

Notes:
1. Payments to the auditor as

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a) Auditor	10.60	11.60
(b) for taxation matters	0.00	0.00
(c) for company law matters	0.00	0.00
(d) for management services	0.00	0.00
(e) for other services	7.60	11.01
(f) for reimbursement of expenses	0.35	0.79
Total	18.55	23.40

2. Research and Development Expenditure includes expenditure towards salary ₹ 35.39 lakh (Previous year ₹ 75.21 lakh), chemicals & stores ₹ 0.19 lakh (Previous year 0.67 lakh) and depreciation ₹ 0.09 lakh (Previous year ₹ 0.09 lakh).
3. Miscellaneous Expenses includes Directors travel amounting to ₹ 13.47 lakh (Previous year ₹ 3.79 lakh)
4. Differences noticed (Excess(-)/Shortage) on perpetual verification of stores and spares compared to book records have been adjusted in the books of accounts, which for Current year is ₹ 7.68 lakh (Previous year ₹ 6.09 lakh)
5. During the year 2021-22, company noticed 543.60 MT of shortages in physical stock of Factamfos and 60.50 MT in Ammonium Sulphate in certain warehouses of Karnataka state. The value of the shortage 1 218.50 lakhs had been provided during the year 2021-22. (Refer Note 7.6 & 27.1)
6. In view of the uncertainty in the reimbursement of Value Added Tax (VAT) paid on Regasified Liquified Natural Gas (RLNG) by the Government of Kerala, Company has made provision during the year, for the entire VAT receivables on RLNG, ₹ 27418.54 lakhs as on 31.03.2023. The VAT reimbursement receivable on the RLNG procurement up to 31.03.2022 ₹ 18301.45 lakh has been charged as 'Provision for doubtful receivables' (Refer Note 13.1)

7. Expenses towards Corporate Social Responsibility

The Company is liable to spend ₹ 471.39 lakhs on Corporate social responsibility, being 2% of the average net profit for the immediately preceding three financial years, as per section 198 of the Companies Act 2013. The Company has an excess CSR expenditure of ₹ 50.21 lakhs carried forward from previous year 2021-22 eligible to be setoff during the current financial year. Company has spent an amount of ₹ 35.31 lakh towards Corporate Social Responsibility, during the current financial year 2022-23. ₹ 385.87 lakhs remaining unspent as on 31.03.2023, earmarked for identified projects have been transferred to a separate bank account named 'Unspent CSR Account 2022-23' on 28.04.2023, as per the provisions of Section 135 (6) of the Companies Act

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(I) Shortfall/ (Excess) expenditure carried forward from previous year	(50.21)	0
(i) amount required to be spent by the company during the year,	471.39	56.07
(iii) amount of expenditure incurred during current year (On purposes other than Construction/acquisition of any asset)	35.31	106.28
(v) Provision made for identified/ongoing projects	385.87	0
(Iv) shortfall /(Excess) at the end of the year	0	(50.21)
(vii) details of related party transactions	0	0
(vi) nature of CSR activities	Health, Sports & Education support and community development activities	

Note No. 36. Exceptional Items

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Provision for pay revision arrears (Refer Note 1 below)	0.00	(8,906.20)
	-	(8,906.20)

1. As per the decision of Government of India, during the year 2021-22, Company framed a scheme for disbursement of wage revision arrears relating to the period from 01.01.1997 to 30.06.2001, in a phased manner, based on the direction of the Honourable Supreme Court of India. Accordingly, the Company had made provision for the entire liability of ₹ 8906.20 Lakhs in the financial year 2021-22. (refer Note 19.1 & 25.1)

Note No. 37. Earning per Share

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit / (Loss) after Tax	61,298.53	34,637.55
Number of Equity Shares	647071974	647071974
Face Value per Share (₹)	10.00	10.00
Basic/ Diluted earnings per Share (₹)	9.47	5.35

38. Disclosure required for Micro Small and Medium Enterprises

Sl. No.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Principal amount remaining unpaid **	0.00	0.00
2	Interest due thereon	0.00	0
3	Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	0.00	0.00
4	Interest due and payable for the period of delay making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00
5	Interest accrued and remaining unpaid	0.00	0.00
6	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.00	0.00

**** Amount due and unpaid as at the year end**

39. Trade Payables Ageing schedule

₹ In Lakh

Particulars	Not Due as on 31.03.2023	Outstanding for following periods from due date of payment				As at 31.03.2023
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	429.50	0.00	0.00	0.00	0.00	429.50
(ii) Others	36,065.54	0.00	0.00	0.00	0.00	36065.54
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	470.63	68.37	768.33	1307.33
Total	36495.04	0	470.63	68.37	768.33	37802.37

Particulars	Not Due as on 31.03.2022	Outstanding for following periods from due date of payment				As at 31.03.2022
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(I) MSME	103.38	0.00	0.00	0.00	0.00	103.38
(ii) Others	56387.39	0.00	0.00	0.00	0.00	56387.39
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	470.64	68.37	657.91	110.43	1307.35
Total	56490.77	470.64	68.37	657.91	110.43	57798.12

40. Fair Value Hierarchy

The management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values for the given below financial assets.

Investment in Unquoted Equity Shares

The fair values of the unquoted equity shares have been estimated using NAV model.

Derivatives not designated as hedges

Foreign exchange forward contracts if entered in to, are valued using valuation techniques, which employs the use of market observable inputs (i.e. based on inputs/statement of position received from banks).

Investment Properties

The value of the investment properties are based on the information available in Government of Kerala fair value notification, market conditions etc.

Particulars	31.03.2023 Significant observable inputs		31.03.2022 Significant observable inputs	
	Level 2	Level 3	Level 2	Level 3
Financial Assets				
Investment in Unquoted Equity Shares of:				
Indian Potash Limited		10,576.59		9,219.29
Travancore Cochin Chemicals Ltd		245.74		160.16
Capexil Agencies Ltd.		0.15		0.15
Kerala Enviro Infrastructure Limited		462.88		407.99
Foreign Currency Receivable under Forward exchange contracts	-		-	
Financial Liabilities				
Amount Payable under forward exchange contracts	-		-	
Assets for which Fair values are disclosed				
Investment Properties	2,906.41		2,642.19	

Level 1 hierarchy is for financial instruments with quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges are to be valued using the closing price as at the reporting period. The mutual funds are to be valued using the closing NAV. Company do not have any such investment, as on the reporting date of current year and previous year.

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in **Level 2**.

If one or more of the significant inputs is not based on observable market data, the instrument is included in **Level 3**. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in **Level 3**.

Operating Leases

A. Leases as lessor

The Company leases out its investment property on operating lease basis

i) Future minimum lease receivable

At 31 March, the future minimum lease receivables under non-cancellable leases are receivable as follows

Particulars	As at 31.03.2023	As at 31.03.2022
Within one year	124.86	124.69
Between one and five years	498.93	498.93
More than five years	782.19	907.04
ii) Amounts recognized in profit and loss		(₹ In Lakh)
Particulars	As at 31.03.2023	As at 31.03.2022
Lease Rent	124.69	77.23
	124.69	77.23

B. Leases as lessee

The Lease Liability is measured at the present value of remaining lease payments at the date of initial application and Right-of-use asset has been recognized at an amount equal to Lease Liability adjusted by an amount of any prepaid expenses. Under Ind AS 116 "Leases", at commencement of lease, the Company recognizes Right-of-use asset and corresponding Lease Liability, at State Bank of India 1 year MCLR. Right-of-use asset is depreciated over lease term on systematic basis and Interest on Lease Liability is charged to Statement of Profit and Loss as Finance cost.

Recognition of right of use Asset and corresponding lease liability, as per IndAS 116, has been made in respect of the property taken for lease (Operating lease) for the purpose of storage and handling of Raw Materials, at Willington Island and for Guest House facility at New Delhi

a) The following is the detailed breakup of Right-of-use assets (by class of underlying assets) disclosed in Note No. 2C

₹ in Lakh

Particulars	Gross Block				Depreciation				Net Carrying amount
	As at 01-04-2022	Additions/ Adjustments	Reclassifications/ Deductions on Account of Conclusion	As at 31-3-2023	As at 01-04-2022	For the year	Reclassifications/ Deductions on Account of Conclusion	Up to 31-3-2023	As at 31-3-2023
Land	3,535.59	53.89	0.00	3,589.48	287.04	148.01	0.00	435.05	3,154.43
Building	41.59	16.15	-41.58	16.16	33.15	19.15	-41.58	10.72	5.44

b) The following expenses have been charged to Statement of Profit and Loss during FY 2022-23

Particulars	₹ in Lakh
Interest on Lease Liabilities	253.84
Expenses relating to short term leases	55.53
Expenses relating to leases of low value items	8.31
Expenses relating to variable lease payments (not included in measurement of lease liabilities)	381.69

c) Total Cash outflow for leases during FY 2022-23 is ₹ 296.67 Lakhs

d) Income from Sub leasing of Right-of-use assets recognized in Statement of Profit and Loss during FY 2022-23 is Nil

e) Maturity Analysis of Lease Liabilities as per Ind AS 116 Leases

Particulars	Contractual cash flows in ₹ Lakh				
	Up to 1 year	1-3 years	3-5 Years	More than 5 years	Total
Cash outflows	291.31	662.31	595.70	5,359.08	6908.40

41 . Financial Instrument Classification

Particulars	As at 31.03.2023	As at 31.03.2022
Financial Assets		
Financial Assets at Amortised Cost		
Trade Receivables	47,887.48	17,522.98
Cash and Cash equivalents	4,957.83	18,205.92
Other Bank Balances	226,989.30	169,440.47
Loans	-	3.28
Other Financial Assets	31,474.27	56,403.71
	311,308.88	261,576.36
Financial Assets at Fair Value through Other Comprehensive Income:		
Equity Investments	11,286.23	9,788.46
Financial Assets at Fair Value through Profit and Loss Statement:		
Foreign Currency Receivable on Forward exchange contract	0.00	0.00
	11,286.23	9,788.46
Financial Liabilities		
Financial Liability at Amortised Cost		
Borrowings	180,908.57	180,522.33
Trade Payables	37,802.37	57,798.12
Other Financial Liabilities	164,765.62	136,857.66
	383,476.56	375,178.11
Financial Liabilities at Fair Value through Profit and Loss Statement:		
Liability on Forward Exchange contract	0.00	0.00
	0.00	0.00

42. Financial Risk Management

The company's activities are exposed to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the Company is exposed to and how the Company manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortized cost.	Ageing analysis, Credit Analysis, Post Dated Cheques and Security Deposit	Diversification of bank deposits, credit limits and Bank Guarantees
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Monitoring of Foreign Currency rates	Forward Foreign exchange contracts based on market trends

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(i) Trade and other receivables

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to allow credit terms in the normal course of business.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹47887.48 lakh (Previous year ₹17522.98 lakh) of which ₹40259.93 lakh (previous year 1 13011.42 lakh) due from Government of India relating to subsidy receivable. Trade receivables mainly constitute subsidy receivable from the Government of India and from services rendered.

Expected credit loss assessment for Trade and other receivables

The Company has been consistently following a policy of creating 100% provision for the unsecured portion of the trade receivables that are more than three years old, except subsidy receivables from Government of India, wherein allowance for loss is made after analysis of possibility of realisation.

The following table provides information about the exposure to credit risk and the provisions made

As at 31/03/2023	Total receivables	Provision for doubtful receivables
Trade Receivables	9,597.44	(1,969.89)
Subsidy Receivable	40,671.26	(411.33)
Total	50,268.70	(2,381.22)

₹ In lakh

As at 31/03/2022	Total receivables	Provision for doubtful receivables
Trade Receivables	6,465.55	(1,953.99)
Subsidy Receivable	13,422.75	(411.33)
Total	19,888.30	(2,365.32)

₹ In lakh

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

Particulars	As at 31.03.2023	As at 31.03.2022
Provision at the beginning of the year	2,365.32	2,240.55
Provisions released during the year	(49.71)	(20.02)
Provisions made during the year	65.62	144.79
Provision at the end of the year	2,381.22	2,365.32

(ii) Cash and Cash equivalents and Other Bank Balances

The Company held cash and cash equivalents and other bank balances of ₹231947.13 lakhs at 31st March 2023 (31st March 2022: ₹187646.39 lakhs). The Cash equivalents are held with banks with good credit ratings and financial position. Also, the Company invests its short term surplus funds in bank fixed deposits, which carry no / low market risks for short duration and therefore does not expose the Company to credit risk.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The following are the remaining contractual maturities of significant financial liabilities at the reporting date.

Maturity Analysis of Significant Financial Liabilities

As on 31/03/2023

	Contractual Cash Flows (₹ In Lakh)		
	Total	Up to 1 year	1-5 years
Government of India Loan (Refer note 1 below)	344,359.82	344,359.82	0.00
Intercorporate Loan	1,149.68	589.50	560.18

As on 31/03/2022

	Contractual Cash Flows (₹ In Lakh)		
	Total	Up to 1 year	1-5 years
Government of India Loan (Refer note 1 below)	320,458.23	320,458.23	0.00
Intercorporate Loan	1,756.12	606.44	1,149.68

1. The loan from Government of India along with interest is repayable in three or more equated installments within a period of 5 years ending by 2022. Company has submitted a Financial Restructuring proposal to Department of Fertilizers (DoF), Government of India (GoI), seeking approval for the waiver of interest on Government of India loan, conversion of loan amounting to ₹28273.00 lakhs into equity and conversion of loan amounting to ₹100000.00 lakhs as interest free loan, repayable in yearly installments. The financial restructuring proposal submitted by the Company is under the consideration of the Department of Fertilizers, Government of India. Pending approval by the Government of India, the loan taken from GoI and interest due thereon are accounted and disclosed as per the loan agreement dated March 3, 2016. The management expects restructuring of the loan, whereby the Government shall grant sufficient time for the repayment of the loan and interest due thereon. Accordingly, the Company can manage the immediate liquidity requirement.

Financing arrangements

(₹In Lakh)

The Company has sufficient funds for its business/operational activities. The following is the undrawn fund based borrowing facilities at the end of the reporting period:

Particulars	As at 31.03.2023	As at 31.03.2022
Expiring within one year (Bank Overdraft/ CC Limit)	17,463.00	8,411.40
LC Bill discounting limit	12,160.18	23,056.42

The credit facilities of Banks are subject to compliance with sanctioned terms & conditions. These credit facilities have an average maturity of one year. Besides, the above, Company has Non Fund Based Working Capital Arrangement with various Banks, with a lien on Term Deposits of the Company.

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other prices, such as equity price risk and commodity risk. .

(i) Currency Risk

The Company's activities are exposed primarily to the financial risk of changes in foreign currency rates. To mitigate the foreign currency risk, the company is closely monitoring the market trend to take appropriate action

Exposure to currency risk:

The details of foreign currency balances which are not hedged as at the Balance Sheet date are as below:-

Particulars	Figures as at 31.03.2023		Figures as at 31.03.2022	
	Foreign Currency	Indian Rupee	Foreign Currency	Indian Rupee
	(In lakh)	(In lakh)	(In lakh)	(In lakh)
Trade Payable	USD 235.12	19454.04	USD 564.55	43093.96

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD, JPY or EUR against INR at 31st March would have affected the measurement of financial instruments denominated in foreign currencies and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. ₹ in Lakh

	Effect in INR (before tax)	
	Strengthening	Weakening
For the year ended 31st March, 2023		
3% movement in, USD	(583.62)	583.62
For the year ended 31st March, 2022		
3% movement in, USD	(1292.82)	1292.82

(ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates

Exposure to interest rate risk:

The Company's investments are in Bank fixed deposits wherein the interest rates are fixed, as on the reporting date.

The Company do not have any borrowing with banks, other than discounting of bills, as on the reporting date. The interest rate on the Company's borrowings from Government of India is not fluctuating. The rate of interest on Intercorporate loan from Rashtriya Chemicals and Fertilisers Ltd is subject to change, based on the lowest cost of their working capital finance. The Intercorporate loan outstanding as on 31.03.2023 is ₹1020 lakh and the applicable interest as on the reporting date is 7.38%.

(iii) Commodity rate risk

The Company's profitability gets affected by the price differential (also known as Margin) between prices of products (output) and the price of the raw materials used in production (input).

Company has entered in to agreement with suppliers of one of the major raw materials, Regassified Liquefied Natural Gas and sulphur, to mitigate the fluctuation in market price.

(iv) Price Risk

The Company's exposure to equity investments price risk arises from investments held by the Company and classified in the financial statements at fair value through OCI. The Company intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ In Lakh

	Effect on OCI			
	31.03.2023		31.03.2022	
	Strengthening	Weakening	Strengthening	Weakening
1 % movement				
Investment in Kerala Enviro Infrastructure Ltd	4.63	(4.63)	4.08	(4.08)
Investment in Travancore Cochin Chemicals Ltd	2.46	(2.46)	1.60	(1.60)
Investment in Indian Potash Ltd	105.77	(105.77)	92.19	(92.19)

CAPITAL MANAGEMENT

The Company's primary objective is to maximize the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. Presently, the Company sources 100 % of its capex requirement from the internal accruals. The Company, being a Public sector undertaking, is governed by the guidelines of the Department of Investment & Public Asset Management (DIPAM), which specifies the minimum percentage of dividend to be declared. Taking in to consideration the future capex requirements, the Company considers the payment of dividend at the appropriate rates.

43. Disclosure under Ind AS 24 on related party transactions are given below

Since Government of India owns 90% of the Company's equity share capital (under the administrative control of Ministry of Chemicals and Fertilizers), the disclosures relating to transactions with the Government and other Government controlled entities have been reported in accordance with para 26 of Ind AS 24.

Certain transactions are carried out with other government related entities for purchase of Gases, for procurement of Raw Materials / Finished Goods, Assets / Spare Parts from Original equipment manufacturers, which are significant in terms of value, the details of which are as under:

Name of Entity	Nature of Transaction	2022-23	2021-22
GAIL (India) Ltd	Procurement of Gas / Transmission Charges	13,682.03	39,229.78
Bharat Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products/Sulphur	55,358.19	62,567.13
Indian Oil Corporation Ltd	Procurement of Gas / Petroleum Products	176,279.61	34,204.61
Mangalore Refinery and Petrochemicals Ltd	Procurement of Petroleum Products/Sulphur/Benzene	25,227.96	0.00
ONGC Mangalore Petrochemicals Ltd (merged to MRPL from May 2022)	Procurement of Petroleum Products/Benzene	3,516.09	0.00
Hindustan Petroleum Corporation Ltd	Procurement of Gas / Petroleum Products	221.79	158.73
Steel Authority of India Ltd	Procurement of Steel Structural	10.56	179.33
National Fertilisers Ltd	Sale of Fertilisers	0.00	6,180.88
BRAHAMPUTRA VALLEY FERTILIZERS CORPORATION LTD (BVFCL)	Sale of Fertilisers	3,192.34	199.47
Rashtriya Chemicals and Fertilisers Ltd	Sale of Fertilisers	371.39	0.00
Hindustan Insecticides Ltd	Sale of Fertilisers	1,034.59	5,490.06
Rashtriya Chemicals and Fertilisers Ltd	Principal repayment of Intercorporate Loan	510.00	510.00
Rashtriya Chemicals and Fertilisers Ltd	Interest on Intercorporate Loan	101.40	50.22
Bharat Petroleum Corporation Limited	Services Provided	119.85	21.41
Hindustan Organic Chemicals Ltd	Services Provided- FEW	4.43	0.00
Hindustan Petroleum Corporation Ltd	Services Provided	125.79	67.70
Indian Oil Corporation Ltd	Services Provided	185.24	107.53
Rashtriya Chemicals and Fertilisers Ltd	Services Provided	3.87	7.70
Bharat Heavy Electricals Ltd	Procurement of Assets/Spare parts	175.06	236.05
Bharat Earth Movers Ltd	Procurement of Assets/Spare parts	10.42	21.34
Kochi Metro Rail Ltd	Lease of property	151.29	298.94
Kochi Salem Pipeline Pvt Ltd.	Lease of property	199.40	665.89
GAIL (India) Ltd	Lease of property	13.69	13.69

The above referred transactions have been carried out on arm's length basis with the said entities.

The other disclosures with related parties are as under:

1) Associates & Joint Ventures

Relationship

SI No	Name of Entity	Percentage of ownership interest as at	
		31.03.2023	31.03.2022
1	FACT-RCF Building Products Ltd(FRBL)	50.00%	50.00%
2	Kerala Enviro Infrastructure Ltd. (KEIL)	NA	21.75%

Note: As the Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 is below 20%, the investment in Kerala Enviro Infrastructure Ltd has been re-classified as 'Other Investments', as on 31.03.2023

Transactions during the year with the above referred related parties:

₹ in Lakh

SI No	Particulars	2022-23	2021-22
I	Shares allotment received against share application money	235.70	0.00
ii)	Dividend received	0.00	0.00
iii)	Sales of Products	0.00	.00
iv)	Others	0.48	2.74

The provision towards the amount given as material, Services and advances made in the earlier financial years continues. A provision amounting to ₹0.48 Lakh (Previous year ₹ 2.74 lakh) has been made for the current year also.

₹ in Lakh

SI No	Particulars	As at 31.03.2023	As at 31.03.2022
	Receivable from FACT-RCF building products Ltd :		
	Towards sale of gypsum & services	297.72	297.72
	Salary of deputationists and other expenses	828.4	827.92
	Under Corporate Guarantee and other Contractual obligations	2,789.60	2,789.60
	Advance against Equity Pending allotment	0.00	235.70
	Provision for bad & doubtful debts/advances	3,915.72	4,150.94
	Provision towards other Contractual Obligation	239.60	239.60
	Provision for diminution in the value of investments	3,522.70	3,287.00

The Company and M/s.Rashtriya Chemicals & Fertilisers Ltd(RCF) had provided Corporate Guarantee to the lenders of M/s.FACT-RCF Building Products Ltd-the 50:50 joint venture between the Company and RCF. During the year 2018-19, RCF had settled the entire liability to the bankers, to the extent of ₹ 5100 lakhs including 50% share of the Company ₹ 2550 lakhs on the condition that the Company shall treat the amount paid by RCF on behalf of the Company as Inter-Corporate loan. Accordingly, the amount of ₹ 2550 lakhs has been classified as Intercorporate loan. The principal amount outstanding as on 31.03.2023 is ₹ 1020 lakh (Previous year ₹ 1530 lakh). Interest rate applicable on the loan for the year 2022-23 is 7.38% p.a. (Previous year- 6.50% p.a).

Department of Fertilisers, Govt of India, had accorded the approval (16 November 2018) to The Fertilisers and Chemicals Travancore Limited (FACT) for additional investment of ₹ 2925 lakh to the equity share capital of FACT-RCF-Building Products Limited (FRBL).FRBL is a joint venture between FACT and Rashtriya Chemicals & Fertilisers Limited (RCF). FACT in its 75th Annual General Meeting approved the additional investment in FRBL. Against approval received for ₹ 2925 lakh, FRBL had issued equity shares amounting to ₹1518 lakh towards gypsum supplied and other services provided by FACT during the period from 2010-2013. Further,FRBL during the year 2022-23 has allotted shares to FACT amounting to ₹235.70 lakhs. Balance Equity Shares against which gypsum and other services provided by the FACT during 2014-2017, are pending for allotment by FRBL. The same has been disclosed under advances to related parties. Further, supply of gypsum from FACT amounting to ₹ 239 lakh is still pending as on 31 March 2023 to complete the above additional investment.

During the year 2009-10, the Company has along with Department of Factories and Boilers, Government of

Kerala, formed a society under the Travancore Literary, Scientific and Charitable Societies Act 1955 with the objective of conducting courses relating to welding technologies with a grant of ₹1 Crore from the Government of Kerala, under the name Kerala Institute of Welding and Research. The contribution from the Company is only provision of its existing facilities of Training School. The accounts of the society are not consolidated as society is formed with an objective of not obtaining any economic benefits from its activities and is considered immaterial to the Company's activity.

2) Key Management Personnel

- 1 Shri Kishor Rungta, Chairman and Managing Director (from 02.02.2019)
- 2 Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)
- 3 Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)
- 4 Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021 to 30.09.2022)
- 5 Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)
- 6 Shri K V Balakrishnan Nair, Company Secretary & Executive Director (Finance) up to 31.05.2022
- 7 Smt.Susan Abraham, Company Secretary from 15.07.2022

Transactions with related parties:

Remuneration to key management personnel :

(₹ In Lakh)

SI No	Particulars	Short Term Employee Benefits		Termination benefits**		Other long-term benefits/ Share-based payments/ Post-term employee benefits	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Sri Kishor Rungta, Chairman and Managing Director (From 02.02.2019)	49.80	48.96	0.00	0.00	0.00	0.00
2	Shri.Anupam Misra, Director (Marketing) (from 14.07.2020)	40.64	29.99	0.00	0.00	0.00	0.00
3	Shri.S.Sakthimani, Director (Finance) & Chief Financial Officer (From 08.03.2021)	42.43	29.39	0.00	0.00	0.00	0.00
4	Shri.Kesavan Nampoori A.S, Director (Technical) (From 22.03.2021 to 30.09.2022)	16.83	28.93	5.10	0.00	0.00	0.00
5	Dr.Jayachandran.K, Director (Technical) (From 03.03.2023)	3.12	0.00	0.00	0.00	0.00	0.00
6	Shri K V Balakrishnan Nair, Company Secretary & Executive Director (Finance) up to 31.05.2022	9.23	28.20	37.98	0.00	0.00	0.00
7	Smt.Susan Abraham, Company Secretary from 15.07.2022	16.55	0.00	0.00	0.00	0.00	0.00
		178.60	165.47	43.08	0.00	0.00	0.00

** On payment basis

The whole time Directors have been allowed the use of company car and for private journey upto a ceiling of 9000 kms. per year, on payment as prescribed by the Government.

Gratuity and leave encashment benefit accrued to the Directors have not been disclosed as the contribution payable has been provided in the accounts and separate figures are not ascertainable.

3) Other related parties

Party	Nature of Relationship
i. FACT Cochin Division Employees Provident Fund Trust	To manage the provident fund contribution in respect of the employees of the Company
ii. The FACT Employees Provident Fund	To manage the provident fund contribution in respect of the employees of the Company
iii. FACT Employees Group Gratuity Fund Trust	To manage fund earmarked for gratuity under group gratuity accumulation scheme and provide gratuity benefits including insurance towards future service gratuity benefit
iv. FACT Employees Superannuation Benefit Fund Trust	To provide superannuation benefits to members of the Trust

Transactions with related parties:

₹ in Lakh

Party	Company Contribution made during the year	
	2022-23	2021-22
i. The FACT Employees Provident Fund	1833.47	1628.84
ii. FACT Cochin Division Employees Provident Fund Trust	74.95	76.37
iii. FACT Employees Group Gratuity Fund Trust	3000.00	2792.44

Dues outstanding in respect of the above related parties:

₹ in Lakh

Party	As on	
	31.03.2023	31.03.2022
i. Amount payable to The FACT Employees Provident Fund	321.92	289.51
ii. Amount payable to FACT Cochin Division Employees Provident Fund Trust	26.75	24.71
iii. Amount receivable from FACT Employees Group Gratuity Fund Trust	652.31	290.52

44. Financial Reporting of interest in Joint Ventures and Associates

Name of Entity	Country of Incorporation	Percentage of ownership interest	
		31.03.2023	31.03.2022
FACT RCF Building Products Ltd.	India	50.00%	50.00%
Kerala Enviro Infrastructure Limited	India	NA	21.75%

1. FACT-RCF BUILDING PRODUCTS LTD.: - A Joint venture Company with Rashtriya Chemicals and Fertilizers Limited (RCF) for manufacture of rapid building materials from Gypsum at Kochi.
2. Kerala Enviro Infrastructure Ltd. (KEIL) is a public limited company formed as Special Purpose Vehicle and promoted by the Kerala State Industrial Development Corporation (KSIDC) in association with various industries in the State for establishing Common Treatment, Storage and Disposal Facility (CTSDF) for solid hazardous industrial waste in the State of Kerala.
3. The percentage of Company's shareholding in M/s.Kerala Enviro Infrastructure Limited as on 31.03.2022 was 21.75%. The Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 has reduced to 15.91 %, on account of additional investment by other share holders.. As the investment as on 31.03.2023, is less than 20%, the investment has been re-classified as 'Other Investments'.

**Summarized financial information of Company's investment in
 FACT-RCF BUILDING PRODUCTS LTD. (FRBL)**

(₹ In Lakh)

Particulars	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
Non-Current Assets	234.20	284.20
Cash and Cash Equivalent	15.95	28.53
Current Assets other than Cash and Cash Equivalents	751.59	1,025.16
Non-Current Liabilities & provisions	6,465.48	6,266.59
Current Liabilities	9,180.22	9,396.18
Equity	(14,643.96)	(14,324.88)
Proportion of the company's ownership	50.00%	50.00%
Carrying amount of the investment*	0.00	0.00

(₹ In Lakh)

Particulars	2022-23 (Audited)	2021-22 (Audited)
Income	95.57	349.73
Cost of materials consumed	0.00	0.00
Changes in inventories	-	123.41
Depreciation and amortization expense	0.00	0.00
Finance costs	706.45	683.73
Employee benefits expenses	48.19	87.84
Other Expenses	131.42	395.75
Exceptional items	0.00	0.00
Loss for the year	(790.49)	(941.00)
Total comprehensive income for the year	(790.49)	(941.00)
Company's Share of profit / loss for the year	(395.25)	(470.50)

* Owing to the company's share of losses exceeding its interest in the joint venture recognising the share of loss stands discontinued. Accordingly company has not recognized share of loss of ₹ 395.25 lakh for the year (Previous Year ₹ 470.50 lakh) and ₹ 10844.68 lakhs cumulatively upto the year ended 31.03.2023 (₹ 10449.43 lakh cumulatively upto the year ended 31.03.2022).

Summarised financial information of Company's investment in Kerala Enviro Infrastructure Ltd. (KEIL)

(₹ In Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022 (Audited)
Non-Current Assets	NOT APPLICABLE (Refer Note 3 above)	2,997.82
Cash and Cash Equivalent		246.29
Current Assets other than Cash and Cash Equivalents		2,020.55
Non-Current Liabilities		2,419.67
Current Liabilities		968.84
Equity		1,876.15
Proportion of the company's ownership		21.75%
Carrying amount of the investment		407.99

(₹ In Lakh)

Particulars	2022-23	2021-22 (Audited)
Income	NOT APPLICABLE (Refer Note 3 above)	1,871.46
Cost of materials consumed		223.17
Depreciation and amortization expense		264.52
Finance costs		47.27
Employee benefits expenses		394.50
Other Expenses		1,522.74
Profit before Tax		(580.74)
Tax		(1.91)
Profit after Tax		(578.83)
Other Comprehensive Income		(0.72)
Total comprehensive income for the year		(579.55)
Company's Share of profit / loss for the year		(126.21)

FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rules 5 of Companies (Accounts) Rules,2014 Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part -A Subsidiaries**NIL****Part-B Associates and Joint ventures**

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

Name of Associates or Joint Ventures	FACT RCF Building Products Ltd.
Latest Audited Balance Sheet date	31.03.2023
Date on which the Associate or Joint Venture was associated or acquired	2 nd May 2008
Shares of Associate or Joint ventures held by the Company at the year end (No.)	35,227,000.0
Amount of Investment in Associates or Joint ventures	3522.70
Extent of Holding (in percentage)	50%
Description of how there is significant influence	50:50 Joint venture, One half of the Directors are nominated by the Company
Reason why the associate/Joint venture is not consolidated	Consolidated
Net worth attributable to shareholding as per latest audited Balance sheet	0.00
Profit or loss for the year 2022-23	(790.49)
1. Considered in consolidation	NA
2. Not Considered in consolidation	(395.25)

- Names of associates or joint ventures which are yet to commence operations- NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL
- The percentage of Company's shareholding in M/s.Kerala Enviro Infrastructure Limited as on 31.03.2022 was 21.75%. As the Company's percentage of share holding in the equity shares of Kerala Enviro Infrastructure Ltd as on 31.03.2023 is below 20%, M/s.Kerala Enviro Infrastructure Ltd is not classified as Associate Company.

Sd/-
V.Ramachandran
 Partner
 Membership No.020504

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

Sd/-
Kishor Rungta
 Chairman & Managing Director
 DIN 00231106

Place: Kochi
 Date: 05.05.2023

Sd/-
Susan Abraham
 Company Secretary

Additional information on entities included in Consolidated Financial Statements

Name of the entity	Net Asset i.e total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated Profit or loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Comprehensive income	Amount
Parent : The Fertilisers and Chemicals Travancore Ltd Joint Venture (Investment as per the equity method) Indian 1. FACT-RCF Building Products Ltd	100.00%	127,389.69	100.00%	61,298.53	100.00%	(110.54)	100.00%	61,187.99
	NA	NA	NA	NA	NA	NA	NA	NA

100% provision made towards diminution in the value of investments in FACT-RCF Building Products Ltd

45. SEGMENTAL REPORTING

Segment Information for the year ended 31st March 2023

Information about Primary Business Segments

	₹ in Lakh. Fertiliser	₹ in Lakh. Petrochemical	₹ in Lakh. Others (Unallocated)	₹ in Lakh. Total
REVENUE				
External Revenue	5,43,714.52 4,02,054.11	77,450.68 40,930.54	980.50 1,627.05	6,22,145.70 4,44,611.70
TOTAL REVENUE	5,43,714.52 4,02,054.11	77,450.68 40,930.54	980.50 1,627.05	6,22,145.70 4,44,611.70
SEGMENT RESULTS				
Profit before Interest and Taxation	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(18,029.70) (13,501.28)	73,579.19 58,055.15
Unallocated Corporate Expense			(1,226.35) (937.32)	(1,226.35) (937.32)
Operating Profit	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(16,803.35) (12,563.96)	74,805.54 58,992.47
Interest Expense	-	-	24,733.73 24,440.68	24,733.73 24,440.68
Interest Income	-	-	11,226.71 8,991.95	11,226.71 8,991.95
Profit before Exceptional items and Tax	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(30,310.37) (28,012.69)	61,298.52 43,543.74
Exceptional Income/(Expense)	-	-	- (8,906.20)	- (8,906.20)
Income Tax	-	-	-	-
Profit after Interest and Taxation	1,08,725.32 77,758.67	(17,116.43) (6,202.24)	(30,310.37) (36,918.89)	61,298.52 34,637.54
OTHER INFORMATION				
Segment Assets	4,38,341.84 4,16,608.22	38,788.39 27,748.58	66,300.45 29,571.91	5,43,430.68 4,73,928.72
Segment Liabilities	1,24,286.18 1,37,813.00	16,688.00 12,516.32	4,02,456.50 3,23,599.40	5,43,430.68 4,73,928.72
Depreciation	2,257.35 2,153.19	559.24 384.14	194.54 181.39	3,011.13 2,718.71
Capital Expenditure	2,932.69 1,793.16	7.08 5,737.06	129.68 98.71	3,069.45 7,628.93

The business segments are:-

Segment

Fertiliser

Petrochemical

Products

Ammonium Phosphate, Ammonium Sulphate, Mixtures , MOP

Caprolactam

Segments have been identified taking into account the organisation structure.

Segment assets and liabilities represents assets and liabilities in respective segments. Share capital ,Secured and Unsecured loans, Investments and Accumulated loss are classified as Unallocated.

Segment reporting is prepared based on the methods consistently followed by the company

Figures given in next row pertains to previous year.

RECONCILIATION OF REVENUE	2022-23	2021-22
Segment Revenue as above	622145.70	444611.70
Add Interest Income	11226.71	8991.95
Revenue as per Profit and Loss Statement	633372.41	453603.65

46. EMPLOYEE BENEFITS

General Description of Defined Contribution Plan

Contributory Superannuation Scheme-The scheme is aimed to provide superannuation benefits to the employees. Every year company contributes ₹100 to the fund.

General Description of Defined Benefit Plan

A Leave Encashment and Gratuity

The company operates gratuity plan where in every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on death, separation from service or retirement, whichever is earlier. The benefit vests after five years of continuous service. The company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the balance sheet date.

B Provident Fund

The Provident Fund contributions are made to Trusts administered by the company. The interest rate payable to the members of the Trust shall not be lower than statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act 1952.

During the year an amount of ₹1908.42 lakh (Previous Year ₹1705.21 lakh) has been charged to Statement of Profit & Loss towards contribution by the Company. In terms of the Ind AS 19, the Provident Fund Trust set up by the company is treated as Defined Benefit Plan since the company has to meet the shortfall in the fund assets, if any.

During the year, vide, G.O(Rt.)No. 354/2023/LBR dated 23.03.2023 Government of Kerala (appropriate authority as per Para 27A of Provident Fund and Miscellaneous Provisions Act, 1952) withdrew exemption granted for the Company in respect of The FACT Employees Provident Fund, Udyogamandal Division on account of three years continuous loss incurred by the company. Company has challenged the same and filed a writ petition before the Hon' High Court of Kerala and the notification has been stayed by the Honorable High Court. The matter is still pending.

A Movement in net defined benefit (asset)/ liability in respect of Leave Encashment and Gratuity

a. Changes in the present value of obligations	₹ in Lakh		₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Present value of obligations at the beginning of the year	9427.17	9781.41	13260.35	14711.97	924.34	768.03
Interest cost	554.20	616.50	844.61	958.10	64.28	53.74
Past service cost	0.00	0.00	0.00	0.00	-	-
Current service cost	1745.02	1788.20	552.86	527.11	46.87	45.87
Benefits paid	(2924.94)	(2366.08)	(2961.16)	(2698.66)	(55.67)	(36.86)
Actuarial loss/(gain) on obligation	770.51	(392.86)	809.89	(238.17)	10.98	93.56
Present value of obligations at the end of the year	9571.96	9427.17	12506.55	13260.35	990.80	924.34

a. Changes in the present value of obligations	₹ in Lakh		₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
b. Changes in the fair value of plan assets						
Fair value of plan assets at the beginning of the year	0.00	0.00	1296.04	1202.26	0.00	0.00
Expected return on investment	0.00	0.00	94.31	89.56	0.00	0.00
Employer's contribution	0.00	0.00	3000.00	2792.44	0.00	0.00
Benefits paid	0.00	0.00	(2961.16)	(2698.66)	0.00	0.00
Actual return on Plan Asset over Expected Interest	0.00	0.00	(16.92)	(89.56)	0.00	0.00
Fair value of plan assets at the end of the year	0.00	0.00	1412.27	1296.04	0.00	0.00
Actual return on investment**	0.00	0.00	77.40	89.56	0.00	0.00
c. Amount recognised in Balance sheet						
Present value of obligations at the end of the year	9571.96	9427.17	12506.55	13260.35	990.80	924.34
Fair value of plan assets at the end of the year	0.00	0.00	1412.27	1296.04	0.00	0.00
Unfunded net liability recognised in Balance sheet	9571.96	9427.17	11094.28	11964.31	990.80	924.34
d. Expenses recognised in the Statement of Profit and Loss during the year						
Current service cost	1745.02	1788.20	552.86	527.11	46.87	45.87
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00
Net Interest on Obligation / Asset	554.20	616.50	750.29	868.54	64.28	53.74
Total Expenses recognised in the Statement of Profit and Loss during the year	2299.22	2404.70	1303.15	1395.65	111.15	99.61
Amount Disclosed under Other Comprehensive Income:						
Opening balance	(2676.40)	(2283.54)	3981.02	4129.62	605.62	512.06
Actuarial (Gain) or Loss on Obligation side during the year	770.51	(392.86)	826.81	(148.60)	10.98	93.56
Closing Amount Disclosed under OCI	(1905.89)	(2676.40)	4807.83	3981.02	616.60	605.62

	₹ in Lakh		₹ in Lakh		₹ in Lakh	
	Leave encashment (Unfunded)		Gratuity (Funded)		CLR Gratuity (Unfunded)	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Investment details	% invested as at 31st March		% invested as at 31st March		% invested as at 31st March	
LIC Group Gratuity (Cash Accumulation) policy	-	-	11.29	9.77	-	-
Actuarial assumptions						
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate					
e. Discount rate	7.31%	6.82%	7.31%	6.82%	7.31%	6.82%
Salary escalation rate	8.00%	7.50%	8.00%	7.50%	8.00%	7.50%
f. Expected rate of return on plan assets	NA	NA	7.71%	6.82%	NA	NA

GRATUITY- OTHER DISCLOSURE REQUIREMENTS

(i) Description of plan Characteristics and associated risks:

The Gratuity scheme is a final salary defined benefit plan that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years. The design entitles the following risks that affect the liabilities and cash flows

Interest rates risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall the defined benefit obligation will tend to increase. Thus the plan exposes the Company to the risk of fall in interest rates. Some times the fall can be permanent due to a paradigm shift in interest rate scenarios because of economic or fiscal reasons. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements). Even for funded schemes a paradigm downward shift in bond yields may affect the reinvestment yields and may increase ultimate costs.

Salary inflation risk:

The present value of the defined benefit plan is calculated with the assumption of salary escalation rate(SER) which is applied to find the salary of plan participants in future at the time of separation Higher than expected increases in salary will increase the defined benefit obligation and will have an exponential effect.

Retirement age:

It should be noted that in case of employees above retirement age for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Demographic risks:

Demographic assumptions are required to assess the timing and probability of a payment taking place. This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition

disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase discount rate and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less compared to long service employees.

Asset Liability Mismatch:

This will come into play unless the funds are invested with a term of the assets replicating the term of the liability.

Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date

Investment Risk

For funded plans that rely on insurers for managing the assets the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of liquid assets not being sold in time..

Employees with high salaries and long durations of service or those higher in hierarchy accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk/Regulatory risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation. The new labour code is a case in point. And the same will have to be recognized immediately in the year when any such amendment is effective.

(ii) Sensitivity Analysis

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates salary growth Attrition & Mortality is shown below

GRATUITY-EMPLOYEES :

₹ In Lakh

				31-03-2023
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-2.87%	12147.88	(358.67)
2	DISCOUNT RATE -100 basis points	3.16%	12901.72	395.16
3	SALARY GROWTH +100 basis points	1.44%	12686.39	179.83
4	SALARY GROWTH -100 basis points	-1.47%	12323.22	(183.33)
5	ATTRITION RATE +100 basis points	0.00%	12505.98	(0.57)
6	ATTRITION RATE-100 basis points	-0.01%	12505.41	(1.14)
7	MORTALITY RATE 10% UP	0.00%	12506.14	(0.42)
8	EFFECT OF NO CEILING	27.31%	15670.81	3415.87

GRATUITY-CASUAL LABOUR (CLR)

₹ In Lakh

				31-03-2023
		% increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-4.74%	943.86	-46.95
2	DISCOUNT RATE -100 basis points	5.29%	1043.25	52.44
3	SALARY GROWTH +100 basis points	4.91%	1039.44	48.62
4	SALARY GROWTH -100 basis points	-4.64%	944.81	-46.00
5	ATTRITION RATE +100 basis points	-0.43%	986.57	-4.24
6	ATTRITION RATE-100 basis points	0.47%	995.50	4.68
7	MORTALITY RATE 10% UP	-0.02%	990.59	-0.22
8	EFFECT OF NO CEILING	0.21%	992.93	2.11

P.U.C method has been used. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed

(iii) Asset Liability Matching Strategies
GRATUITY-EMPLOYEES :
Insurer Administered Fund

The company has funded the liability with the insurance company. The entire investible assets are managed by the fund managers of the Insurance company and the Asset Values as informed by the Insurance

Company has been taken for the valuation purpose. The policy thus mitigates the liquidity risk. However being a cash accumulation plan the duration of assets is shorter compared to the duration of liabilities. Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset).

Thus the Company is exposed to movement in interest rate (in particular the significant fall in interest Rates which should result in a increase in liability without corresponding increase in the asset).

GRATUITY-CASUAL LABOUR (CLR)

Pay As You Go Method

The company is only making book provisions for the entire Gratuity Liability on the valuation and follows a 'pay as you go' system to meet the liabilities as and when they fall due. Therefore the scheme is fully unfunded, and no assets are maintained by the company and asset values are taken as zero; there is liquidity risk in that they may run out of cash.

(iv) Other disclosures

GRATUITY-EMPLOYEES :

The company has started funding the liability through the medium of an insurance company and regular assessment is made by the Company of the increase in liability and contributions are being made to maintain the fund and is subject to the credit risk of the insurance company and asset liability mismatch risk of the investments .

Expected Contributions to the plan for the next annual reporting period.

Rs. 1875.06 lakhs

	31-03-2023	31-03-2022
Weighted average duration of the D B O	10.39	10.16
		₹ in lakh
Information on the maturity profile of the liabilities	31-Mar-23	31-Mar-21
Projected Benefit Obligation	12506.55	13260.36
Accumulated Benefits Obligation	10848.36	11508.01

₹ in lakh

		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	3383.54	3430.86
2	Year (II)	2613.00	2826.18
3	Year (III)	2067.70	2379.71
4	Year (IV)	1316.43	1633.01
5	Year (V)	792.55	1065.39
6	Next 5 year pay-outs (6-10 years)	1474.18	2315.39
7	Pay-outs Above Ten Years	859.15	3307.94
8	Vested benefit Obligation as on Para 137 (b) 31-03-2021		12,191.28

GRATUITY-CASUAL LABOUR (CLR) :

The company has not started funding the gratuity liability & has been following pay as you go method for settlement of the liability

Expected Contributions to the plan for the next annual reporting period. /NA

	31-03-2023	31-03-2022
Weighted average duration of the D B O	7.47	7.44
		₹ in lakh
Information on the maturity profile of the liabilities given below	31-03-23	31-03-22
Projected Benefit Obligation	990.81	924.35
Accumulated Benefits Obligation	707.78	667.03

		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	176.07	178.85
2	Year (II)	126.40	138.06
3	Year (III)	100.63	117.52
4	Year (IV)	112.45	141.22
5	Year (V)	80.74	110.63
6	Next 5 year pay-outs (6-10 years)	240.59	397.18
7	Pay-outs Above Ten Years	153.95	501.02
8	Vested benefit Obligation as on Para 137 (b) 31-03-2023		989.34

LEAVE ENCASHMENT- OTHER DISCLOSURE REQUIREMENTS
(i) Description of plan Characteristics and associated risks:

The leave scheme is a final salary defined benefit plan, that provides for a lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the leave count at the time of separation and paid as lumpsum.

The design entitles the following risks that affect the liabilities and cash flows,

Interest rates risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risks:

This is the risk of volatility of results due to unexpected nature of decrements that include mortality attrition, disability and retirement. The effects of this decrement on the DBO depend upon the combination salary increase, discount rate, and vesting criteria and therefore not very straight forward. It is important not to overstate withdrawal rate because the cost of retirement benefit of a short serving employees will be less

compared to long service employees.

(ii) SENSITIVITY ANALYSIS

How the DBO would have been affected by 100 basis points changes in the actuarial assumptions namely discount rates, salary growth, Attrition & Mortality is shown below

PRIVILEGE LEAVE

₹ in lakh

Net Asset/(Liability)Recognised in Balance sheet -				31-03-2023
		% increase in DBO	LIABILITY	INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-6.38%	7625.76	(520.10)
2	DISCOUNT RATE -100 basis points	7.24%	8735.55	589.70
3	SALARY GROWTH +100 basis points	6.75%	8695.43	549.58
4	SALARY GROWTH -100 basis points	-6.07%	7651.66	(494.19)
5	ATTRITION RATE +100 basis points	-0.56%	8100.42	(45.43)
6	ATTRITION RATE-100 basis points	0.63%	8197.12	51.27
7	MORTALITY RATE 10% UP	-0.02%	8144.48	-1.37

SICK LEAVE

₹ in lakh

Net Asset/(Liability)Recognised in Balance sheet -				31-03-2023
		% increase in DBO	LIABILITY	INCREASE IN DBO
1	DISCOUNT RATE +100 basis points	-4.64%	1359.97	-66.14
2	DISCOUNT RATE -100 basis points	5.15%	1499.54	73.44
3	SALARY GROWTH +100 basis points	4.80%	1494.57	68.47
4	SALARY GROWTH -100 basis points	-4.41%	1363.25	-62.85
5	ATTRITION RATE +100 basis points	-0.40%	1420.42	-5.69
6	ATTRITION RATE-100 basis points	0.44%	1432.38	6.28
7	MORTALITY RATE 10% UP	-0.01%	1425.94	-0.16

P.U.C method has been used for sensitivity analysis. If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis. The limitations are that in assessing the change other parameters are kept constant. As some of the assumptions may be correlated, it is unlikely that changes in assumptions will occur in isolation of one another.

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed

(iii) Actuarial measurements as on March 31,2023

The company has not started funding the Leave liability & has been following pay as you go method for settlement of the liability

(iv) Maturity profile of the liabilities
PRIVILEGE LEAVE

		31-03-2023	31-03-2022
Weighted average duration of the D B O		10.39	10.16
			₹ in lakh
Information on the maturity profile of the liabilities given below		31-03-23	31-03-22
Projected Benefit Obligation		8154.85	7721.79
		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	418.79	453.28
2	Year (II)	407.93	474.57
3	Year (III)	1401.17	1867.05
4	Year (IV)	1182.78	1686.30
5	Year (V)	1037.70	1589.38
6	Next 5 year pay-outs (6-10 years)	1932.54	3492.49
7	Pay-outs Above Ten Years	1764.93	6134.26

SICK LEAVE

		31-03-2023	31-03-2022
Weighted average duration of the D B O		10.39	10.16
			₹ in lakh
Information on the maturity profile of the liabilities given below		31-03-23	31-03-22
Projected Benefit Obligation		1,426	1705.39
		31-03-2023	
FIVE YEAR PAYOUTS		Discounted values	Undiscounted values
		/ Present value	/ Actual value
1	Year (I)	343.03	395.34
2	Year (II)	255.80	318.13
3	Year (III)	210.17	280.10
4	Year (IV)	143.54	203.90
5	Year (V)	99.49	153.66
6	Next 5 year pay-outs (6-10 years)	177.48	317.19
7	Pay-outs Above Ten Years	196.59	642.41

B Movement in net defined benefit (asset)/ liability in respect of Provident Fund

	₹ in Lakh		₹ in Lakh	
	Trust managed Provident Fund-Udyogamandal		Trust managed Provident Fund-Cochin Division	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
a. Changes in the present value of obligations				
Present value of obligations at the beginning of the year	24478.94	24591.64	2153.52	2351.74
Interest cost	1568.04	1527.18	132.96	144.31
Past service cost	-	-	-	-
Current service cost	1063.85	923.22	76.37	76.37
Plan participants contribution	3196.50	2893.90	244.53	249.72
Benefits paid	(6056.51)	(6583.93)	(669.25)	(678.09)
Actuarial loss/(gain) on obligation	621.81	1126.92	-25.40	9.47
Present value of obligations at the end of the year	24872.63	24478.94	1912.73	2153.52
b. Changes in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	24478.02	24591.63	2139.38	2354.68
Expected return on investment	1606.86	1560.28	134.72	147.26
Employer's & Plan participants contribution	4260.35	3817.11	320.91	326.09
Benefits paid	(6056.51)	(6583.93)	(669.25)	(678.09)
Actuarial (loss)/gain on plan assets	534.15	1092.92	(16.55)	(10.56)
Fair value of plan assets at the end of the year	24822.87	24478.02	1909.21	2139.38
Actual return on investment	2141.01	2653.21	118.17	136.70
c. Amount recognised in Balance sheet of the Trust				
Present value of obligations at the end of the year	24872.63	24478.94	1912.73	2153.52
Fair value of plan assets at the end of the year	24822.87	24478.02	1909.21	2139.38
Unfunded net liability	49.76	0.92	3.52	14.14
d. Expenses recognised in the Statement of Profit and Loss of the Trust during the year				
Current service cost	1063.85	923.22	76.37	76.37
Past service cost				
Interest cost	1568.04	1527.18	132.96	144.31
Expected return on investment	(1606.86)	(1560.28)	(134.72)	(147.26)
Net actuarial (gain) / loss recognised during the year	87.66	34.00	(8.85)	20.03
Total Expenses	1112.69	924.12	65.76	93.45

47. Additional Regulatory Information
(I) Fair value of investment property

Fair Value of Freehold Land is based on the notification issued by the Government of Kerala in their website. Management assumes the original cost of the Building as fair value

(ii) Capital-Work-in Progress (CWIP)
(a) CWIP ageing schedule
As on 31.03.2023

₹ In Lakh

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7788.84	2058.56	392.58	219.42	10459.40
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	7788.84	2058.56	392.58	219.42	10459.40

As on 31.03.2022

₹ In Lakh

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3046.53	980.95	223.92	0	4251.40
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total	3046.53	980.95	223.92	0	4251.40

(iii) Ratios

RATIO	NUMERATOR	DINOMINATOR	RATIO		% Variance	Reason for variation more than 25%
			2022-23	2021-22		
(a) Current Ratio,	Current Assets	Current Liabilities	1.08	0.98	10.00%	NA
(b) Debt-Equity Ratio	Total liabilities/debt	Shareholder's Equity	3.27	6.16	- 47.00%	The debt equity ration improved due to the profit earned during the year
(c) Debt Service Coverage Ratio,	Net profit after tax plus Finance cost and Non cash operating expenses	Finance cost, Current maturities of debt and accrued interest	0.28	0.21	33.26%	Due to increase in Net profit after tax
(d) Return on Equity Ratio	Profit after Tax	Shareholder's Equity	0.48	0.52	-8.03%	NA
(e) Inventory turnover ratio,	Turnover	Average inventory	7.55	7.50	0.64%	NA
(f) Trade Receivables turnover ratio,	Net Credit Sales	Average Accounts Receivable	5.77	4.27	35.20%	Due to reduction in the accrued subsidy as at the year end
(g) Trade payables turnover ratio,	Net credit Purchases	Average Accounts Payable	9.16	6.65	37.73%	Reduction in trade payables consequent to lower credit period of certain raw materials

RATIO	NUMERATOR	DINOMINATOR	RATIO		% Variance	Reason for variation more than 25%
			2022-23	2021-22		
(h) Net capital turnover ratio,	Net sales	Working capital	20.92	negative	NA	Working capital is negative as on 31.03.2022 as the current liabilities exceeds current assets on account of the Government of India loan and interest payable
(i) Net profit ratio	Net profit after tax	Turnover	0.10	0.08	26.34%	Better margin due to long term raw material procurement contract
(j) Return on Capital employed	Earnings before interest and taxes	Capital employed (Net Worth + Total Debt)	0.19	0.16	18.07%	NA
(k) Return on investment	Increase in the net assets value of investment in shares plus dividend	Original value of investment	0.42	0.32	29.43%	On account of the high profits earned by the investee companies

48. Contingent Liabilities and Commitments (to the extent not provided for):

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Claims against the company not acknowledged as debts in respect of:		
Central Excise Act, 1944	13313.01	12948.25
Service Tax (Finance Act, 1994)	361.35	347.93
Sales Tax / Value Added Tax/ Entry tax	282.87	16953.64
Income Tax Act, 1961	4.26	4.26
ESI Act	127.83	127.83
Suppliers and contractors	27000.74	26045.60
Payment of Bonus Act, 1965	33.59	33.59
Others	5844.76	1138.23

48.1. Sales Tax/Value Added Tax/Entry Tax includes Nil (previous year ₹ 16614.87 lakh- including interest up to 31.03.2022) towards differential tax demand in respect of the year 2011-12 on the disputed turnover, consequent to withdrawal of the demand notice during the year, by the Assessing Authority in the rectification of the assessment order.

48.2. The contract for the barge transportation of Ammonia awarded to a private company has been cancelled void ab initio during 2004-05 by the Company. The Contractor claimed ₹178489.75 lakh including interest till 31.03.2013 before the arbitrator. The arbitrator has passed an award during the year 2013-14 in favour of the contractor for ₹17308.04 lakh including interest as on 31.12.2013. As per the award, the mobilisation advance paid by the Company to the contractor along with interest of

₹2798.29 lakh is to be adjusted against the said award. The Company has not accepted the award on legal and factual grounds and has challenged the award before the Hon' District Court , Ernakulam which has since stayed the award. During the year 2019-20, as per the directive of Hon' District Court, Ernakulam the Company has provided 80.50 acres of land as security for the award. Accordingly, the award amount along with interest up to 31.03.2023, amounting to ₹26716.88 lakh without considering the adjustment of mobilisation advance and interest allowed under the arbitral award is not considered as a liability and included under Contingent Liability. The case is transferred to Commercial Court.

- 48.3. A plan loan of ₹100000.00 lakh bearing interest @13.50% per annum was released by the Government of India (GOI) on 29th March 2016 to maintain the operations of the Company. As per the order of Government of India, 100000.00 lakh along with the earlier loan and interest outstanding has been converted into a single loan carrying interest @ 13.50% per annum with one year moratorium. As per the terms of sanction , Government reserves right to enhance the rate of interest to 16.25% in case of default in repayment. As no communication in this regard has been received from the Government, as on date, ₹4895.52 lakhs (previous year- Nil) being additional interest for the year 2022-23 has been shown as contingent liability (refer Note 22.2)
- 48.4. 392.82 lakhs (Previous year- Nil) is claimed by a transport contractor in an arbitration petition filed by them in response to ₹298.53 lakhs withheld from the contractor bills and initiation to invoke bank guarantee of 151.22 lakhs towards compensation for non-delivery of goods. Company filed a counter claim of ₹224.03 lakhs (including interest). ₹94.80 lakhs is included in the contingent liability towards the claim.
- 48.5 Contingent Liability as on 31.03.2023, includes ₹91.56 Lakh being the amount payable as per the Arbitration award, to a customer whose contract for sale of bulk gypsum was terminated by the Company during the year 2016-17. In response to the Execution petition filed by the party, the Hon'ble High Court issued an interim injunction attaching an amount of ₹175.64 lakhs in the Company's bank account. Challenging the same, we have filed objection petition which has been admitted by the Hon Court and interim stay has been granted.
- 48.6 As per the Presidential directive and the agreement entered into between the Company and the trade unions for implementation of the 2017 wage revision, the company is not liable to pay arrears of salary and wages for the period from 01.01.2017 to 31.03.2022, in respect of managerial and non-managerial employees. Certain retired employees of FACT have filed Writ Petitions before the Hon. High Court of Kerala praying for a direction to the company to disburse arrears of pay revision and other consequential benefits for the period from 01.01.2017 to the respective retirement dates of the petitioners. Since a verdict/decision on payment of arrears relating is not taken, the amount of liability cannot be ascertained at this stage.

Particulars	As at 31.03.2023	As at 31.03.2022
49. Estimated amount of contracts remaining to be executed on capital account and not provided for.	48,811.14	56,417.27

50. Contingent Assets

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Amounts estimated to be receivable in respect of:		
Suppliers and Contractors	7992.75	120.81
Dealers and customers	84.68	15.05
Others	184.12	184.12
	8077.43	135.86

1. Contingent assets in respect of 'Suppliers and Contractors' includes ₹5385.59 lakhs (Previous year -Nil) for the year 2022-23 receivable from a contractor on the interest bearing mobilisation advance still retained by the party (refer Note 5.1, 13.2, 29.1). It also includes reduction in regasification charges 2472.98 lakhs receivable from oil companies in respect of Re-gassified Liquefied Natural Gas during the year 2019-20. This disputed matter is presently pending before Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD)

51. Construction Contracts

Income under services for own units reckoned by the Engineering and Consultancy Division (FEDO) and the Fabrication Division (FEW) is accounted by respective units under revenue expenditure ₹730.16 lakh (Previous year ₹784.02 lakh), and capital expenditure ₹2267.82 lakh (Previous year ₹905.40 lakh)

In the case of work being carried out by FACT Engineering and Design Organisation (FEDO), for National Institute of Technology (NIT), Nagaland, as an executing agency, on a cost plus basis, as a deposit work, FEDO is eligible for certain percentage of fees of total project cost. As per technical evaluation, 52.46% (previous year 52.46%) of work related to consultancy services by FEDO to NIT, has been completed as on 31.3.2023 and pro-rata credit of ₹888.27 lakh (previous year 862.73 lakh) has been taken, after considering ₹276.44 lakh towards work in progress (previous year 264.27 lakh). The value of construction work billed and certified during the year 2022-23 is taken as Nil, (previous year 234.35 lakh) and equivalent amount has been considered for direct charges on contract.

₹ In Lakh

Particulars	As at 31.03.2023	As at 31.03.2022
Amounts estimated to be receivable in respect of:		
Contract revenue recognised in the period.	547.42	705.07
Advance received against contract in progress.	538.89	500.07
Retention by customers against contract in progress.	69.89	89.96
Aggregate amount of cost incurred and recognised profit (less recognised loss) on contracts in progress upto the reporting date.	2,444.06	2,543.00
Gross amount due from customers for contract work as an asset.	171.51	143.28
Gross amount due to customers for contract work as a liability.	95.56	101.14

52. Disclosure in respect of changes in accounting policies, Changes in Accounting Estimates and Errors.

During the year certain errors or omission were identified. Accordingly, previous year financial statements are restated, as per the provisions of Ind AS 8. The nature of restatements and the impact in the previous financial statements and at the beginning of the earliest prior period is as follows. Regrouping of figures are not included in the statement.

Restatements at the beginning of the earliest prior period

1. During the year 2019-20, company had sold 481.79 acres of Land, as approved by Union Cabinet, Government of India ₹ 1 Crore per acre for 150 Acres (in lieu of free hold right accorded by the Government of Kerala over 143.22 acres of lease hold land) and remaining 331.79 acres ₹2.4758 Crore per acre as assessed by the District Collector. On receipt of valid order from revenue department during the year 2022-23, the fair value of the 143.22 acres of the land converted 47956 Lakhs, has been accounted as income and equivalent value as land, as restatement of the balance as on 01.04.2021.

Restatements of previous year figures

- ₹ 652.80 lakh received from Kochi Salem Pipeline Private Limited (KSPPL) towards compensation for Right of Use of land at Cochin Division for laying pipeline, fully accounted as income during 2021-22, has been amortised with effect from 27.01.2022, over the expected agreement tenure of 10 years, as the execution of final agreement is pending. Accordingly ₹641.36 lakhs accounted as income during 2021-22 has been restated as 'Advance rent received' as on 31.03.2022.
- An item of 'Property Plant & Equipment with cost of acquisition ₹ 87.45 lakhs which was available for use during 2021-22, has been capitalised and corresponding depreciation of ₹4.55 lakhs has been charged by way of restatement of 2021-22 figures
- Rectification of accounting of 'work in progress' with respect to in-house capital projects. Consequently, the capital work in progress is reduced by ₹63.31 lakhs, 'Other Accrued income' is increased by ₹18.50 lakhs and 'other expenses' increased by ₹44.81 lakhs

Reconciliation of restated items of Balance Sheet and Statement of Profit & Loss

₹ In Lakh

Sl. No	Particulars	Note No	Correction at the beginning of the earliest prior period (April 1,2021)			Restatement of figures of the year 2021-22		
			As reported during previous year	Adjustments	As restated	As reported during previous year after adjustments as on 01.04.2021	Adjustments	As restated
1	Property, plant and equipment	2	25157.91	47956.00	73113.91	78144.31	82.90	78227.21
2	Capital work-in progress	2A	NA			4402.16	-150.76	4251.40
3	Current Assets -Other Financial Assets	11	NA			55456.57	18.49	55475.06
4	Other Equity	16	-82706.43	47956.00	-34750.43	2186.15	-690.71	1495.44
5	Other Non current Liabilities	21	NA			564.77	576.12	1140.89

Sl. No	Particulars	Note No	Correction at the beginning of the earliest prior period (April 1,2021)			Restatement of figures of the year 2021-22		
			As reported during previous year	Adjustments	As restated	As reported during previous year after adjustments as on 01.04.2021	Adjustments	As restated
6	Other Current liabilities	26	NA			5014.35	65.24	5079.59
7	Other income	29	NA			11764.75	-641.36	11123.39
8	Depreciation and Amortization Expenses	2,2B,2C,2D	NA			2714.16	4.55	2718.71
9	Other expenses	35	NA			81639.83	44.82	81684.65
10	Earnings per share	37	NA			5.46	-0.11	5.35

53. INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 (viii) OF GENERAL INSTRUCTIONS FOR STATEMENT OF PROFIT AND LOSS OF SCHEDULE III TO THE COMPANIES ACT, 2013 FOR THE YEAR ENDED 31.03.2023

1 Value of imported and indigenous spare parts consumed and percentage thereof to total consumption.

	Current year	Percentage	Previous year	Percentage
Spare Parts , Components & Chemicals				
Imported	116.80	2.44%	334.84	8.17%
Indigenous	4662.02	97.56%	3765.35	91.83%
	4778.82		4100.19	

2 CIF Value of Imports	Current year	Previous year
(i) Raw Materials	169583.43	170093.53
(ii) Traded Products	0.00	0.00
(iii) Spares and other materials	163.65	70.20
(iv) Capital Goods	0.00	0.00
	169747.08	170163.73
3 Expenditure in foreign currency (Cash Basis)		
(i) Consultancy service	0.00	0.00
(ii) Others	41.13	56.61
	41.13	56.61

₹ in lakh

54. COST OF MATERIALS CONSUMED

SI No.	Particulars	2022-23				2021-22			
		Opening Stock	Purchases	Closing Stock	Consumption	Opening Stock	Purchases	Closing Stock	Consumption
1	Regassified Liquid natural Gas	2.56	134817.15	4.44	134815.27	1.99	68776.92	2.56	68776.35
2	Sulphur - Imported #	3,488.15	11.86	168.48	3331.53	801.37	16698.27	3488.15	14011.49
3	Sulphur	3,205.32	34261.29	2868.39	34598.22	1,333.36	19208.84	3,205.32	17336.88
4	Rock Phosphate-Imported	9,070.42	44774.94	2974.27	50871.09	344.97	34770.61	9070.42	26045.16
5	Phosphoric Acid-Imported	7,992.76	122893.00	5449.68	125436.08	4025.76	107169.96	7992.76	103202.96
6	Phosphoric Acid-Indegeneous	-	4919.85	16.72	4903.13				
7	Ammonia - Imported	206.29	11.06	187.03	30.32	1933.37	11310.57	206.29	13037.65
8	Benzene -Imported	0.09	0.00	0.09	0.00	10.24	0.00	0.09	10.15
9	Benzene	1,651.80	37185.78	1753.06	37084.52	123.89	18132.70	1651.80	16604.79
10	Caustic Soda * #	55.71	2634.06	47.17	2642.61	7.86	641.02	55.71	593.17
11	Rock Phosphate-18% for mixing	13.28	0.00	13.28	0.00	27.35	1.02	13.28	15.09
12	Sulphuric Acid**	1,271.85	17025.71	53.47	18244.09	88.41	4881.01	1271.85	3697.57
13	Sulphuric Acid-Imported	36.83	1685.75	679.52	1043.07	3.22	9,507.52	36.83	9473.91
	TOTAL	26995.06	400220.45	14215.61	412999.93	8701.79	291098.44	26995.06	272805.16
	Cost of Materials Consumed				412999.93				272805.16

2021-22 figures are net of amount consumed during trial run of petrochemical plants

55. The Company has earned profit continuously from the financial year 2018-19 and consequently the net worth of the Company has improved considerably. The net worth of the company is positive as on 31.03.2023. The Company has achieved excellent production, marketing and financial performance during the last four years and the same trend is expected in the financial year 2023-24 also. Financial restructuring packages submitted by the company requesting approval for waiver of Govt of India interest and restructuring Govt of India loan is under the consideration of the Government of India and the Company expects a favourable decision on the proposal. . Accordingly the accounts of the company are prepared on going concern basis
56. The consolidated financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 05.05.2023
57. The financial statements as approved by the Board of Directors are subject to audit by Comptroller and Auditor General of India and final approval by the Shareholders.
58. The figures of the previous year have been re-arranged and regrouped wherever necessary and / or practicable to make them comparable with those of the current year.

59. Events occurring after the Balance sheet date

Board of Directors have recommended a final dividend of 1.00 per equity share of 10/- each (Previous Year- Nil) i.e. 10.00 % on paid up equity share capital of the Company for the financial year 2022-23 which is subject to approval of Shareholders of the Company

In terms of our Report Attached

For K. Venkatachalam Aiyer and Co

Chartered Accountants

Firm Registration No. 004610S

For and on behalf of the Board of Directors

Sd/-

V.Ramachandran

Partner

Membership No.020504

Sd/-

S Sakthimani

Director (Finance) & Chief Financial Officer

DIN 07482308

Sd/-

Kishor Rungta

Chairman & Managing Director

DIN 00231106

Place: Kochi

Date: 05.05.2023

Sd/-

Susan Abraham

Company Secretary



Shri Kishor Rungta, CMD, hoisting the National Flag at the Independence Day celebrations held at FACT, Udyogamandal.



Shri Kishor Rungta, CMD, flagging off the Mini Marathon Organized as part of celebrating the Company's 75th year of fertilizer production



The Parliament Standing Committee on Chemicals and Fertilizers visiting FACT Fertilizer plants and railway sidings at FACT Cochin Division



Shri Kishor Rungta, CMD, distributing the prizes, as part of the Women's Day Celebrations held at FACT Ambalamedu House, Cochin Division.



FACT

प्रगति के पथप्रदर्शक
PIONEERS IN PROGRESS

BIO FERTILIZERS

CHEMICAL FERTILIZERS

ORGANIC MANURE

CAPROLACTAM

दि फ़र्टिलाइज़र्स एण्ड केमिकल्स ट्रावनकोर लिमिटेड

(भारत सरकार का उद्यम)

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सी आई एन : : L24129KL1943GOI000371

THE FERTILISERS AND CHEMICALS TRAVANCORE LIMITED

(A Government of India Enterprise)

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State Offices

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