Independent Auditors' Report

To the Members of Mangalore Chemicals & Fertilizers Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Mangalore Chemicals & Fertilizers Limited ("the Company"), which comprise the balance sheet as at 31 March 2024, and the statement of Profit and profit including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed 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 31 March 2024, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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 Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter

We draw attention to Note 22(g), which states that the Company had recognized urea subsidy income of INR 2,914 lakhs in during the financial year 2020-21 considering that benchmarking of its cost of production of urea using Naphtha with that of gas-based urea manufacturing units is arbitrary and for which the Company had already filed a writ petition against the Department of Fertilizers before the Hon'ble High court of Delhi. Based on legal opinion obtained, the management believes that the criteria for recognition of subsidy revenue is met.

We draw attention to Note 40 of the financial statements which describes about the proposed merger of the Company with Paradeep Phosphates Limited on a going concern basis. As at the date of approval of the financial statements, the Company is in the process of filing of the Scheme with Hon'ble National Company Law Tribunal (the "NCLT").

Our opinion is not modified in respect of these matter.

Key Audit Matters

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

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We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Sl. No	Key Audit Matter (Refer Note 9 and 22 to the financial statements)	How our audit addressed the Key Audit Matter
1.	**Impact of government policies / notifications on recognition of concession income and its recoverability** The Company recognises concession (subsidy) income receivable from the Department of Fertilizers, Government of India as per the New Pricing Scheme for Urea and as per Nutrient Based Subsidy Policy for Phosphatic and Potassic fertilizers at the time of sale of goods to its customers. During the current year, the Company has recognised concession income of INR 2,51,026.70 Lakhs and as at 31 March 2024 has receivables of INR 45,091.91 Lakhs relating to such income. We focused on this area because recognition of concession income and assessment of its recoverability is subject to significant judgement of interpretation of various notifications from the Department of Fertilizers and the positions based on various litigations thereof The area of judgement includes certainty around the satisfaction of conditions specified in the notifications and policies, collections and provisions thereof, likelihood of variation in the related computation rates, basis for determination of accruals of concession income and timely recoverability thereof.	Our audit procedures included among others, the following: • Read the relevant notifications and policies issued by the Department of Fertilizers to ascertain the recognition of concession income, adjustments thereto recognised pursuant to changes in the rates and basis for determination of concession income. • Obtained an understanding of the process and tested the design and operating effectiveness of controls as established by the management in recognition and assessment of the recoverability of the concession income. • Evaluated the management's assessment regarding compliance with the relevant conditions as specified in the notifications and policies and collections of concession income. • Performed substantive procedures to understand and validate the basis of computation of concession income with underlying notifications and policies. • Tested the ageing analysis and assessed the information used by the management to determine the recoverability of the concession income by considering collections against historical trends. • Assessed the adequacy of the disclosures in the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report, corporate governance, Management Discussion & Analysis Report and business responsibility and sustainability report but does not include the Financial Statements and our auditors' report thereon.

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

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

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

Responsibilities of the Management and Board of Directors for Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

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 Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. Attention is also drawn to the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
(d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
(e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
(f) With respect to the adequacy of the internal financial controls with reference to the Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
(g) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements – Refer Note 7 and 35 to the financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024

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

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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 such audit procedures that we have 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 (a) and (b) contain any material mis-statement.

v. The dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 13 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

vi. Relying on representations/explanations from the company and software vendor and based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares, except for the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of accounts.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545
ICAI UDIN: 24208545BKAEMV7437

Place of Signature: Bangalore
Date: 23rd May 2024

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Mangalore Chemicals & Fertilizers Limited ("the Company") on the Financial Statements as of and for the year ended 31 March 2024.

(i) (a)

(A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

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

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3A to the financial statements, as confirmed by bank are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence this clause is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

(ii)

a) The inventory except goods in transit has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.In respect of goods-in-transit, subsequent goods receipts have been verified. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such physical verification.

b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company.

(iii) Based on our audit procedures and according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.

(iv) Based on our audit procedures and according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of the products/services of the Company. We have broadly reviewed the books of account maintained by the Company as specified under sub section (1) of section 148 of the Act, for maintenance of cost records in respect of the products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not, made a detailed examination of cost records with a view to determine whether they are accurate or complete.

(vii)

(a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues as applicable with the appropriate authorities. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2024, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount demanded (In Lakhs)	Amount paid (In Lakhs)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	358.04	52.89	FY 2013-14	The High Court of Karnataka
The Central Excise Act, 1944	Excise duty	638.96	23.96	FY 2012-13 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal
Karnataka Value Added Tax Act, 2003	Entry tax	414.18	-	FY 2011-12	The High Court of Karnataka
The Customs Act, 1962	Customs duty	315.09	9.17	FY 2011-12 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal
The Customs Act, 1962	Customs duty	87.61	4.38	FY 2016-17	Commissioners of Customs, Nhava Sheva
The Customs Act, 1962	Customs duty	22.00	-	FY 2017-18	Additional Commissioners of Customs, Nhava Sheva
The Customs Act, 1962	Customs duty	44.97	-	FY 2017-18	Commissioner of Customs, Vijayawada
The Customs Act, 1962	Customs duty	74.93	-	FY 2018-19	Additional Commissioners of Customs, Nhava Sheva
The Finance Act, 1994	Service tax	15.49	1.14	FY 2012-13 to 2015-16	Customs, Excise and Service Tax Appellate Tribunal

(viii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix)

(a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or government authority. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the company.

(c) According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes. Accordingly, paragraph 3(ix)(d) of the Order is not applicable to the company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the company.

(x)

(a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) To the best of our knowledge and belief 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) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by secretarial auditor or by cost auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government of India for the period covered by our audit.

(c) As represented to us by the management, there are no whistle blower complaints received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

BANGALORE

(xiv)

(a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditors of the Company issued till date for the period under audit.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)

(a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

(b) Based on our audit procedures and according to the information and explanations given to us, 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. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx)

(a) Based on our audit procedures and according to the information and explanations given to us, in respect of other than ongoing projects, the Company having spent the required amount, there is no amount pending to be transferred to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(b) Based on our audit procedures and according to the information and explanations given to us, the company is not required to transfer unspent amount under sub-section (5) of section 135 of the said Act, pursuant to ongoing project to special account in compliance with provision of sub-section (6) of section 135 of the said Act. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545
ICAI UDIN: 24208545BKAEMV7437

Place of Signature: Bangalore
Date: 23rd May 2024

Annexure B

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

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

We have audited the internal financial controls with reference to Financial Statements of Mangalore Chemicals & Fertilizers Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date

Management's and Board of Directors' Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements

BANGALORE

due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Financial Statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

Seethalakshmi M
Partner
Membership No. 208545
ICAI UDIN: 24208545BKAEMV7437

Place of Signature: Bangalore
Date: 23rd May 2024

Mangalore Chemicals & Fertilizers Limited

FINANCIALS

2023-24

Mangalore Chemicals and Fertilizers Limited
Balance Sheet as at March 31, 2024
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	1,06,580.61	1,05,970.52
Capital work-in-progress	3A	1,117.25	1,408.49
Right-of-use assets	3B	1,543.94	1,620.84
Intangible assets	4	104.18	107.24
Financial assets			
(i) Investments	5	-	-
(ii) Others	6	588.74	594.71
Income tax assets (net)		99.75	144.08
Other non-current assets	7	2,521.62	627.64
		1,12,556.09	**1,10,473.52**
Current assets			
Inventories	8	16,855.85	24,113.96
Financial assets			
(i) Investments	5	0.10	0.10
(ii) Trade receivables	9	60,425.82	75,724.26
(iii) Cash and cash equivalents	10	27,942.94	32,979.95
(iv) Other bank balances	11	4,886.42	3,605.39
(v) Others	6	5,480.99	5,982.83
Other current assets	7	14,894.71	13,034.94
		1,30,486.83	**1,55,441.43**
Total assets		**2,43,042.92**	**2,65,914.95**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	11,854.87	11,854.87
Other equity	13	82,113.55	68,463.95
Total equity		**93,968.42**	**80,318.82**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	29,880.96	35,667.55
(ii) Lease liabilities	15	1,862.23	1,886.60
(iii) Others	16	-	-
Provisions	17	1,272.19	1,180.60
Deferred tax liabilities (net)	18	10,396.26	6,149.86
		43,411.64	**44,884.61**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	72,063.77	1,00,099.37
(ii) Lease liabilities	15	55.32	36.07
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	1,115.11	4,582.66
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	13,802.30	19,674.70
(iv) Others	16	15,153.08	12,820.50
Liabilities for current tax (net)		752.42	439.33
Other current liabilities	21	1,627.44	1,941.22
Provisions	17	1,093.42	1,117.67
Total liabilities		**1,05,662.86**	**1,40,711.52**
Total equity and liabilities		**2,43,042.92**	**2,65,914.95**

MANGALORE CHEMICALS & FERTILIZERS LTD. BANGALORE

	Notes
Summary of material accounting policies	2.1

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For and on behalf of the Board of Directors of
Mangalore Chemicals and Fertilizers Limited

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm Registration Number: 003990S S200018

Seethalakshmi M
Partner
Membership Number: 208545

Place of Signature: Bangalore
Date: May 23, 2024

Akshay Poddar
Chairman
DIN: 00008686

Nitin M Kantak
Whole-time Director
DIN: 08029847

T.M. Muralidharan
Chief Financial Officer

Vighneshwar G Bhat
Company Secretary

Date: May 23, 2024

MANGALORE CHEMICALS & FERTILIZERS LTD.
BANGALORE

Mangalore Chemicals and Fertilizers Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue from contracts with customers	22	3,79,544.16	3,64,152.40
Other income	23	4,126.20	3,064.62
Total income		**3,83,670.36**	**3,67,217.02**
EXPENSES			
Cost of materials consumed	24	1,85,488.98	1,99,625.52
Purchases of traded goods	25	47,051.99	25,813.56
Changes in inventories of finished goods, work-in-progress and traded goods	26	3,483.78	11,842.37
Employee benefits expense	27	6,782.89	6,917.18
Finance costs	28	10,492.99	10,437.76
Depreciation and amortisation expense	29	7,157.77	5,967.50
Other expenses	30	99,144.94	89,010.54
Total expenses		**3,59,603.34**	**3,49,614.43**
Profit before tax		**24,067.02**	**17,602.59**
Tax expense	31		
Current tax / Minimum Alternate Tax		4,310.00	3,077.00
Deferred tax charge / (credit)		4,275.50	1,060.08
Total tax expense		**8,585.50**	**4,137.08**
Profit for the year		**15,481.52**	**13,465.51**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit plan		(83.30)	(48.42)
Income tax effect on above		29.11	16.92
Total other comprehensive (loss)/income		(54.19)	(31.50)
Total comprehensive income for the year		**15,427.33**	**13,434.01**
Earnings per equity share (in INR) [nominal value per share INR 10 (Previous year: INR 10)]	32		
Basic		13.06	11.36
Diluted		13.06	11.36
Summary of material accounting policies	2.1		

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For and on behalf of the Board of Directors of
Mangalore Chemicals and Fertilizers Limited

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm Registration Number: 003990S/S200018

Akshay Poddar
Chairman
DIN: 00008686

Nitin M Kantak
Whole-time Director
DIN: 08029847

Seethalakshmi M
Partner
Membership Number: 208545

T.M. Muralidharan
Chief Financial Officer

Vighneshwar G Bhat
Company Secretary

Place of Signature: Bangalore
Date: May 23, 2024

Date: May 23, 2024

MANGALORE CHEMICALS & FERTILIZERS LTD.
BANGALORE

Mangalore Chemicals and Fertilizers Limited
Statement of Cash Flows for the year ended March 31, 2024
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
A Operating activities			
Profit before tax		24,067.02	17,602.59
Adjustments to reconcile profit before tax to net cash flows			
Depreciation and amortisation expense	29	7,157.77	5,967.50
Net loss on disposal of property, plant and equipment	30	577.78	521.96
Impairment of capital work in progress		120.20	-
Provision for impairment of other assets	30	1,233.65	-
Fair value loss/(gain) on financial instruments at fair value through profit or loss		(222.34)	(245.25)
Unrealised foreign exchange differences (net)		38.08	(90.26)
Finance costs	28	10,492.99	10,437.76
Interest income	23	(3,291.72)	(2,522.18)
Provisions no longer required written back	23	(656.33)	(389.08)
Operating profits before working capital changes		**39,517.10**	**31,283.04**
Working capital changes:			
(Increase)/decrease in Inventories		7,258.11	18,863.51
(Increase)/decrease in Trade receivables		15,298.44	(9,221.49)
(Increase)/decrease in Other financial assets		1,144.07	(57.25)
(Increase)/decrease in Other assets		(3,059.34)	(2,705.44)
(Decrease)/increase in Trade payables		(9,336.14)	(16,131.79)
(Decrease)/increase in Other financial liabilities		2,430.18	50.18
(Decrease)/increase in Other current liabilities and provisions		326.59	643.90
		14,061.91	**(8,558.38)**
Cash generated from/ (used in) operations		**53,579.01**	**22,724.66**
Income tax paid		(3,952.58)	(3,512.66)
Net cash flow from/(used in) operating activities (A)		**49,626.43**	**19,212.00**
B Investing activities			
Purchase of property, plant and equipment including capital work-in-progress and capital advances		(9,808.51)	(30,529.41)
Proceeds from sale of property, plant and equipment		191.99	228.48
Investments in bank deposits (having original maturity of more than three months)		(13,057.79)	(3,237.40)
Redemption/maturity of bank deposits (having original maturity of more than three months)		11,800.21	7,143.66
Interest received		2,630.39	2,093.71
Net cash flow from/(used in) investing activities (B)		**(8,243.71)**	**(24,300.96)**
C Financing activities			
Proceeds from long-term borrowings		204.89	23,320.59
Repayment of long-term borrowings		(9,192.49)	(6,989.69)
Payment of principal portion of lease liablities		(45.59)	(33.59)
Payment of interest portion of lease liablities		(198.24)	(202.05)
Proceeds from/(repayment of) short-term borrowings (net)		(24,876.48)	(14,723.38)
Finance cost paid		(10,534.09)	(10,087.99)
Dividend paid to equity shareholders	13	(1,777.73)	(1,422.18)
Net cash flow (used in)/ from financing activities (C)		**(46,419.73)**	**(10,138.29)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(5,037.01)**	**(15,227.25)**
Cash and cash equivalents at the beginning of the year	10	32,979.95	48,207.20
Cash and cash equivalents at the end of the year		**27,942.94**	**32,979.95**
Components of cash and cash equivalents	10		
Cash on hand		2.03	2.26
Bank balances on current accounts		10,190.91	3,302.69
Bank balances on deposit accounts with original maturity of three months or less		17,750.00	29,675.00
Total cash and cash equivalents		**27,942.94**	**32,979.95**

The summary of changes in liabilities arising from financing activities is as below:

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Non current borrowings (including current maturities)			
At beginning of the year	14	44,938.78	28,607.88
Cash flow changes		(8,987.60)	16,330.90
Non-cash changes (foreign currency exchange difference)		-	-
At end of the year	14	**35,951.18**	**44,938.78**
Current borrowings (excluding current maturities of long term borrowings)			
At beginning of the year	19	90,828.14	1,05,553.72
Cash flow changes		(24,876.48)	(14,723.38)
Non-cash changes (foreign currency exchange difference)		41.89	(2.20)
At end of the year	19	**65,993.55**	**90,828.14**
Lease Liabilities (including current maturities)			
At beginning of the year	15	1,922.67	2,113.75
Cash flow changes		(45.59)	(33.59)
Non-cash changes		40.47	(157.49)
At end of the year	15	**1,917.55**	**1,922.67**

MANGALORE CHEMICALS & FERTILIZERS LTD. BANGALORE

	Notes
Summary of material accounting policies	2.1

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership Number: 208545

Place of Signature: Bangalore
Date: May 23, 2024

For and on behalf of the Board of Directors of
Mangalore Chemicals and Fertilizers Limited

Akshay Poddar
Chairman
DIN: 00008686

Nitin M Kantak
Whole-time Director
DIN: 08029847

T.M. Muralidharan
Chief Financial Officer

Vighneshwar G Bhat
Company Secretary

Date: May 23, 2024

MANGALORE CHEMICALS & FERTILIZERS LTD.
BANGALORE

Mangalore Chemicals and Fertilizers Limited
Statement of changes in Equity for the year ended March 31, 2024
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

a) Equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	11,85,15,150	11,851.52	11,85,15,150	11,851.52
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	11,85,15,150	11,851.52	11,85,15,150	11,851.52
Changes during the year	-	-	-	-
At the end of the year	**11,85,15,150**	**11,851.52**	**11,85,15,150**	**11,851.52**

In addition to above, equity share capital as at March 31, 2024 includes Forfeited Shares (amount paid-up) of INR 3.35 Lakhs (March 31, 2023: INR 3.35 Lakhs).

b) Other equity

	Capital redemption reserve	General reserve	Retained earnings	Total
	Note 13	Note 13	Note 13	
Balance as at April 1, 2022	480.78	5,385.71	50,585.63	56,452.12
Changes in accounting policy / prior period errors	-	-	-	-
Profit for the year	-	-	13,465.51	13,465.51
Other comprehensive income	-	-	(31.50)	(31.50)
Total comprehensive income	-	-	13,434.01	13,434.01
Cash dividends (Refer Note 13)	-	-	(1,422.18)	(1,422.18)
Balance as at March 31, 2023	**480.78**	**5,385.71**	**62,597.46**	**68,463.95**
Balance as at April 1, 2023	480.78	5,385.71	62,597.46	68,463.95
Changes in accounting policy / prior period errors	-	-	-	-
Profit for the year	-	-	15,481.52	15,481.52
Other comprehensive income	-	-	(54.19)	(54.19)
Total comprehensive income	-	-	15,427.33	15,427.33
Cash dividends (Refer Note 13)	-	-	(1,777.73)	(1,777.73)
Balance as at March 31, 2024	**480.78**	**5,385.71**	**76,247.06**	**82,113.55**

Retained earnings - Retained earnings represent profits generated by the Company not distributed to shareholders.

Capital redemption reserve - The said reserve was created by way of transfer from general reserve on redemption of preference shares. This reserve account can be applied in paying up unissued shares to be issued to members of the Company as fully paid bonus shares in accordance with the provisions of the Companies Act, 2013.

General reserve - Under the erstwhile Companies Act, 1956, general reserve was created through transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the requirements of the Companies Act, 2013.

MANGALORE CHEMICALS & FERTILIZERS LTD. BANGALORE

Summary of material accounting policies 2.1

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership Number: 208545

Place of Signature: Bangalore
Date: May 23, 2024

For and on behalf of the Board of Directors of
Mangalore Chemicals and Fertilizers Limited

Akshay Poddar
Chairman
DIN: 00008686

Nitin M Kantak
Whole-time Director
DIN: 08029847

T.M. Muralidharan
Chief Financial Officer

Vighneshwar G Bhat
Company Secretary

Date: May 23, 2024

1. Corporate information

Mangalore Chemicals and Fertilizers Limited ("MCF" or "the Company") is a public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at Level 11, UB Tower, UB city, 24, Vittal Mallya Road, Bengaluru 560001, Karnataka, India. The Company is primarily engaged in the manufacture, purchase and sale of fertilisers. The Company has manufacturing facility in India. Information on related party relationships of the Company is provided in Note 38.

The Ind AS financial statements were approved by the Board of Directors of the Company on May 23, 2024.

2. Basis of preparation of Ind AS financial statements

The Ind AS financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Ind AS financial statements.

The Ind AS financial statements have been prepared on a historical cost basis, except for assets and liabilities which are required to be measured at fair value. The Ind AS financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

The material accounting policies adopted for preparation and presentation of these Ind AS financial statement have been applied consistently, except for the changes in accounting policy for amendments to the standard that were issued effective for the financial year beginning from on or after April 1, 2023 as stated in Note 2.3.

2.1 Summary of material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:
- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

MANGALORE CHEMICALS & FERTILIZERS LTD.★ MANGALORE

(b) Foreign currencies

The Ind AS financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income ("OCI") or the statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

MANGALORE CHEMICALS & FERTILIZERS LTD.
BANGALORE

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations. External valuers are involved, wherever considered necessary.

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

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

(d) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as a part of contract. The Company has concluded that it is the principal in its revenue arrangements.

Goods and Service Tax (GST) is not received by the Company on its own account and is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.2.

Sale of products

Revenue from sale of product is recognised at the point in time when control of the asset is transferred to the customer, generally on dispatch of the product. The normal credit term is 15 to 120 days upon delivery.

Revenue from the sale of products, including concession receivable from the Government of India under the applicable New Pricing Scheme / Nutrient Based Subsidy Policy, is recognised when control of the products has transferred to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as a part of contract.

Concessions in respect of Urea, as notified under the New Pricing Scheme, is recognized with adjustments for escalation/de-escalation in the prices of inputs and other adjustments, as estimated by the management in accordance with the known policy parameters in this regard.

Subsidy for Phosphatic and Potassic (P&K) fertilisers is recognized as per the rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time.

Freight subsidy on Urea, Complex fertilisers, etc. is recognized in accordance with the specified parameters and notified rates.

In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, and consideration payable to the customer (if any)

MANGALORE CHEMICALS & FERTILIZERS LTD. BANGALORE

(i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception.

(ii) Significant financing component

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Sale of services

Service income is recognized, on an accrual basis, at agreed rate in accordance with the terms of the agreement.

Interest Income

Interest income from dealers and others on delayed payments is recognized to the extent the Company is reasonably certain of their ultimate collection.

Other interest income is recognized using the effective interest rate (EIR) method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head "other income" in the statement of profit and loss.

Contract balances

Contract assets

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

Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in paragraph (o) Financial Instruments.

Contract liabilities

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

(e) Government grants

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

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(f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified year, i.e., the year for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(g) Property, plant and equipment

On transition to Ind AS i.e. 1 April 2015, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at 1 April 2015 measured as per the Indian GAAP and use that carrying value as the deemed cost of the PPE.

Property, plant and equipment, capital work-in-progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects, if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. Items of stores and spares that meet the definition of Property, plant and equipment are capitalized at cost, otherwise, such items are classified as inventories.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, estimated by the management, as follows:

	Useful life (years)
Buildings	5 to 60
Railway sidings	15
Roads, drainage and culverts	5 to 30
Plant and equipment (continuous process plant)	25
Computer equipment	3 and 6
Electrical installations and fittings	10
Office equipment	5 and 15
Furniture and fixtures	10
Cranes and locomotives	15
Vehicles	8 and 10

For the purpose of depreciation calculation, residual value is determined as 5% of the original cost for all the assets, as estimated by the management basis independent assessment by an expert. The Company, based on assessment made by technical expert and management estimate, depreciates following assets, not included above, over the estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

(i) The useful lives of components of certain plant and equipment are estimated as 2 to 20 years.
(ii) Insurance/ capital/ critical stores and spares are depreciated over the remaining useful life of related plant and equipment or useful life of insurance/capital/ critical spares, whichever is lower.
(iii) The useful lives of certain vehicles are estimated as 3 to 5 years.

Leasehold land is amortized on a straight-line basis over the period of lease.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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

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(h) Intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets are amortized over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of profit and loss, unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures are recognised as intangible asset when the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- intention to complete and its ability and intention to use or sell the asset,
- its future economic benefits,
- the availability of resources to complete the asset and
- the ability to measure reliably the expenditure during development.

Following initial recognition, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

Computer Software

The computer software is amortised on a straight-line basis over the useful economic life of 5 years, as estimated by the management.

(i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(j) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (l) Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Borrowings.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. 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.

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(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, packing materials, stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and Work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.
- Traded Goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

Cost is determined on a moving weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss, unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

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(m) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Retirement and other employee benefits

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

Retirement benefit in the form of superannuation fund is a defined contribution scheme. The Company has established a Superannuation Fund Trust to which contributions are made each month. The Company recognizes contribution payable to the superannuation fund scheme as expenditure, when an employee renders the related service. The Company has no other obligations beyond its monthly contributions.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognized in the statement of profit and loss on the earlier of:
- the date of the plan amendment or curtailment, and
- the date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the same is presented as non-current liability.

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(o) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met:
(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met:
(i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
(ii) The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as FVTOCI, then 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 investment. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

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

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-month ECL.
Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company categorizes them into Stage 1, Stage 2 and Stage 3, as described below:

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Stage 1: When financial assets are first recognized, the Company recognizes an allowance based on 12 months ECLs.
Stage 1 financial assets also include facilities where the credit risk has improved, and the financial assets has been reclassified from Stage 2.

Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Company records an allowance for the lifetime ECLs. Stage 2 loans also include facilities, where the credit risk has improved, and the financial assets has been reclassified from Stage 3.

Stage 3: Financial assets considered credit impaired. The Company records an allowance for the lifetime ECLs.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade and other payables, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised 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 amortisation is included as finance costs in the statement of profit and loss.

De-recognition

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

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Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets.

A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(p) Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments, such as forward currency contracts, currency and interest rate swaps, to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss.

(q) Cash and cash equivalents

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

(r) Cash dividend to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Contingent liabilities

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

(t) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(u) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company), whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Operating segments of the Company are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

2.2 Significant accounting judgements, estimates and assumptions

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

The Company bases its assumptions and estimates on parameters available when the Ind AS financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The judgements, estimates and assumptions management has made which have the most significant effect on the amounts recognized in the Ind AS financial statements are as below:

Revenue from contracts with customers

Concessions in respect of urea, as notified under the New Pricing Scheme, is recognized with adjustments for escalation/de-escalation in the prices of inputs and other adjustments, as estimated by the management in accordance with the known policy parameters in this regard. The Company recognises urea concession income from the Government of India ("GOI") based on estimates as per the GOI notification dated June 17, 2015 and changes, if any, are recognised in the year of finalisation of the prices by the GOI under the scheme.

Also, the Company determines and updates its assessment of expected rebates periodically and the accruals are adjusted accordingly. Estimates of expected rebates are sensitive to changes in circumstances and the Company's past experience regarding these amounts may not be representative of actual amounts in the future.

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

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Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and non-financial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3 Changes in accounting policies and disclosures

New and amended standards

The Company has applied the following amendments for the first time for their annual reporting period commencing April 1, 2023:

(i) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. "

(ii) Ind AS 1 - Presentation of Financial Statements
The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements."

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(iii) Ind AS 12- Income Taxes
The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The above amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods."

2.4 Standards issued but not yet effective

There are no standards or amendments issued on or before March 31,2024 but not effective, which may have any material impact on the Ind AS financial statements of the Company

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Notes to the Ind AS financial statements for the year ended March 31, 2024
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

3A Property, plant and equipment

	Cost				Depreciation				Net book value
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	On Disposals	As at March 31, 2024	As at March 31, 2024
Freehold land	6,817.79	-	-	6,817.79	-	-	-	-	6,817.79
Buildings	5,100.96	-	-	5,100.96	1,213.40	155.25	-	1,368.65	3,732.31
Railway sidings	733.07	-	-	733.07	388.02	59.45	-	447.47	285.60
Roads, drainage and culverts	412.48	37.43	0.04	449.87	255.34	17.19	-	272.53	177.34
Plant and equipment [a]	1,21,508.89	7,821.30	1,878.61	1,27,451.58	27,258.54	6,622.17	1,120.68	32,760.03	94,691.55
Electrical installations and fittings	244.70	-	-	244.70	174.52	16.55	-	191.07	53.63
Office equipment	446.69	39.67	1.92	484.44	291.75	34.63	1.68	324.70	159.74
Furniture and fixtures	312.63	15.73	0.20	328.16	210.02	17.76	0.16	227.62	100.54
Cranes and locomotives	206.99	47.03	-	254.02	146.40	13.99	-	160.39	93.63
Vehicles - Owned	272.30	408.94	28.61	652.63	147.99	53.25	17.09	184.15	468.48
Total	**1,36,056.50**	**8,370.10**	**1,909.38**	**1,42,517.22**	**30,085.98**	**6,990.24**	**1,139.61**	**35,936.61**	**1,06,580.61**

	Opening	Additions	Capitalised	Impairment	Closing
Capital work-in-progress [a]	**1,408.49**	**8,199.06**	**8,370.10**	**120.20**	**1,117.25**

Previous year

	Cost				Depreciation				Net book value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On Disposals	As at March 31, 2023	As at March 31, 2023
Freehold land	6,817.79	-	-	6,817.79	-	-	-	-	6,817.79
Buildings	5,227.26	-	126.30	5,100.96	1,121.45	156.45	64.50	1,213.40	3,887.56
Railway sidings	733.07	-	-	733.07	328.57	59.45	-	388.02	345.05
Roads, drainage and culverts	428.47	-	15.99	412.48	249.50	20.60	14.76	255.34	157.14
Plant and equipment [a]	66,563.69	57,097.26	2,152.06	1,21,508.89	23,290.81	5,449.37	1,481.64	27,258.54	94,250.35
Electrical installations and fittings	259.06	-	14.36	244.70	169.50	17.55	12.53	174.52	70.18
Office equipment	390.23	65.34	8.88	446.69	263.08	30.22	1.55	291.75	154.94
Furniture and fixtures	366.08	4.60	58.05	312.63	243.59	18.87	52.44	210.02	102.61
Cranes and locomotives	207.07	-	0.08	206.99	126.78	19.68	0.06	146.40	60.59
Vehicles - Owned	219.71	61.70	9.11	272.30	124.81	30.09	6.91	147.99	124.31
Total	**81,212.43**	**57,228.90**	**2,384.83**	**1,36,056.50**	**25,918.09**	**5,802.28**	**1,634.39**	**30,085.98**	**1,05,970.52**

	Opening	Additions	Capitalised	Impairment	Closing
Capital work-in-progress [a]	**31,738.51**	**26,898.88**	**57,228.90**	**-**	**1,408.49**

(a) Plant and machinery and capital work-in-progress additions during the period includes INR Nil Lakhs (March 31, 2023 : INR 1,331.91 Lakhs) and INR 96.94 Lakhs (March 31, 2023: INR 17.97 Lakhs), respectively, towards capitalisation of borrowing cost. The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.49% (March 31, 2023 : 9.27%), which is the weighted average interest rate of borrowings.

(b) Refer Note 14 and 19 for details of property, plant and equipment pledged as security.

(c) **Capital work in progress (CWIP) Ageing Schedule**

As at March 31, 2024

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,117.25	-	-	-	1,117.25
Projects temporarily suspended	-	-	-	-	-
Total	**1,117.25**	**-**	**-**	**-**	**1,117.25**

As at March 31, 2023

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	830.60	451.21	4.22	2.26	1,288.29
Projects temporarily suspended	-	-	3.54	116.66	120.20
Total	**830.60**	**451.21**	**7.76**	**118.92**	**1,408.49**

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

3B Right-of-use assets

	Cost				Depreciation				Net book value
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	On Disposals	As at March 31, 2024	As at March 31, 2024
Right-of-use land (Refer Note 33)	1,989.94	-	-	1,989.94	386.10	96.53	-	482.63	1,507.31
Right-of-use buildings (Refer Note 33)	43.12	40.47	1.89	81.70	26.12	20.84	1.89	45.07	36.63
Total	**2,033.06**	**40.47**	**1.89**	**2,071.64**	**412.22**	**117.37**	**1.89**	**527.70**	**1,543.94**

Previous year

	Cost				Depreciation				Net book value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On Disposals	As at March 31, 2023	As at March 31, 2023
Right-of-use land (Refer Note 33)	1,989.94	-	-	1,989.94	289.58	96.52	-	386.10	1,603.84
Right-of-use buildings (Refer Note 33)	233.10	-	189.98	43.12	74.05	15.42	63.35	26.12	17.00
Total	**2,223.04**	**-**	**189.98**	**2,033.06**	**363.63**	**111.94**	**63.35**	**412.22**	**1,620.84**

4. Intangible assets

	Cost				Amortisation				Net book value
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	On Disposals	As at March 31, 2024	As at March 31, 2024
Computer software	355.51	47.10	-	402.61	248.27	50.16	-	298.43	104.18
Total	**355.51**	**47.10**	**-**	**402.61**	**248.27**	**50.16**	**-**	**298.43**	**104.18**

Previous year

	Cost				Amortisation				Net book value
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On Disposals	As at March 31, 2023	As at March 31, 2023
Computer software	302.89	52.62	-	355.51	194.99	53.28	-	248.27	107.24
Total	**302.89**	**52.62**	**-**	**355.51**	**194.99**	**53.28**	**-**	**248.27**	**107.24**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
5. Financial assets - Investments (Unquoted)				
Investments at fair value through profit or loss				
Bangalore Beverages Limited [200,000 (March 31, 2023: 200,000) Redeemable cumulative preference shares of Re 1 each with coupon rate of 10% p.a. repayable after 20 years]	20,000.00	20,000.00	-	-
Less: Provision for impairment in value of investment	(20,000.00)	(20,000.00)	-	-
Aditya Birla Sun Life Low Duration Fund - Growth Regular Plan [22,199 (March 31, 2023: 22,199) units of INR 600.96 (March 31, 2023: INR 561.95) each]	-	-	0.10	0.10
Total	**-**	**-**	**0.10**	**0.10**
Aggregate amount of unquoted investment (gross)	20,000.00	20,000.00	0.10	0.10
Aggregate amount of impairment in value of investment	20,000.00	20,000.00	-	-

6. Financial assets - Others

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets at fair value through profit or loss				
Derivatives not designated as hedges*	-	-	1.54	26.61
Financial assets at amortised cost				
Security deposits	588.74	594.71	-	-
Rebate / discount receivable from suppliers	-	-	235.10	938.31
Other receivable	-	-	395.79	518.86
Less: Provision for impairment of other asset	-	-	(311.82)	-
Interest accrued on deposits and receivables				
Related parties (Refer Note 38)	-	-	5,096.63	4,348.45
Others	-	-	63.75	150.60
Total	**588.74**	**594.71**	**5,480.99**	**5,982.83**

*Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases

7. Other assets

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Capital advances	2,241.13	313.07	-	-
Advances other than capital advances				
Advance to suppliers	-	-	202.34	181.52
Employees and other advances	-	-	15.55	5.73
Prepaid expenses	280.49	314.57	1,647.49	1,446.95
Goods and Services Tax (GST) refund receivable	-	-	11,379.12	8,929.24
Balance with statutory / government authorities	-	-	1,650.21	2,471.50
	2,521.62	**627.64**	**14,894.71**	**13,034.94**
Unsecured, Credit impaired				
Advances other than capital advances				
Advances to United Breweries (Holdings) Limited	1,668.20	1,668.20	-	-
Balance with statutory / government authorities	-	-	2,077.05	1,155.22
Less: Provision for impairment of other asset	(1,668.20)	(1,668.20)	(2,077.05)	(1,155.22)
	-	-	-	-
Total	**2,521.62**	**627.64**	**14,894.71**	**13,034.94**

(a) There are no advances to directors or other officers of the Company or any of them either severally or jointly with any other person or advances to firms or private companies, respectively, in which any director is a partner or a director or a member.

(b) The GST authorities have denied and recalled refund of certain GST Credits and the Board of Directors of the company, based on the legal opinion, considered that the refunds are in accordance with the law, the matter is currently sub-judice and no quantification is made

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	As at March 31, 2024	As at March 31, 2023
8. Inventories		
(valued at lower of cost and net realisable value)		
Raw materials and packing materials	10,029.59	13,851.83
[includes in transit - INR 33.36 Lakhs (March 31, 2023 INR 968.84 Lakhs)]		
Work-in-progress	1,357.12	196.73
Finished goods	1,691.49	1,850.61
Traded goods [includes in transit INR Nil (March 31, 2023 INR Nil Lakhs)]	250.38	4,735.43
Stores and spares [includes in transit INR 100.00 Lakhs (March 31, 2023 INR 30.65 Lakhs)]	3,527.27	3,479.36
Total	**16,855.85**	**24,113.96**

Refer Note 19 for details of charge

9. Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade receivables	52,000.96	67,439.85
Receivables from related parties (Refer Note 38)	8,424.86	8,284.41
Total	**60,425.82**	**75,724.26**
Break-up for security details:		
Trade receivables		
Secured, considered good	4,544.63	4,675.37
Unsecured, considered good	55,881.19	71,048.89
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	1,057.03	1,646.61
	61,482.85	**77,370.87**
Impairment Allowance (allowance for bad and doubtful debts)		
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	(1,057.03)	(1,646.61)
	60,425.82	**75,724.26**

(a) Trade receivables include concession/subsidy receivable from the Government of India of INR 45,091.91 Lakhs (March 31, 2023 INR 63,358.47 Lakhs)

(b) No debts are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Also, no debts are due from firms or private companies, respectively, in which any director is a partner or a director or a member

(c) Trade receivables from dealers (other than related parties) are non-interest bearing during normal credit period and are generally on terms of 15 to 120 days. Management is of the view that there are no receivables included above which have significant increase in credit risk other than that already impaired as per management assessment.

(d) For terms and conditions relating to related party receivables, refer Note 38.

(e) Trade receivables Ageing Schedule

As at March 31, 2024

		Outstanding for following periods from due date of payment					
	Current but not due*	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	33,809.80	15,234.49	8.59	0.93	31.47	8,426.54	57,511.82
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	15.22	1,041.81	1,057.03
Disputed Trade receivables - considered good	-	-	-	-	2,914.00	-	2,914.00
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	33,809.80	15,234.49	8.59	0.93	2,960.69	9,468.35	61,482.85

* Includes unbilled subsidy outstanding of INR 26,514.37 Lakhs

As at March 31, 2023

		Outstanding for following periods from due date of payment					
	Current but not due**	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	37,376.42	26,574.89	136.56	200.11	2,729.17	5,793.11	72,810.26
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	16.51	89.02	1,541.08	1,646.61
Disputed Trade receivables - considered good	-	-	-	-	2,914.00	-	2,914.00
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	**37,376.42**	**26,574.89**	**136.56**	**216.62**	**5,732.19**	**7,334.19**	**77,370.87**

** Includes unbilled subsidy outstanding of INR 31,776.03 Lakhs.

(f) Refer Note 19 for details of charge.

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	As at March 31, 2024	As at March 31, 2023
10. Cash and cash equivalents		
Balances with banks		
- On current accounts	10,190.91	3,302.69
- On deposits accounts with original maturity of three months or less	17,750.00	29,675.00
Cash on hand	2.03	2.26
Total	**27,942.94**	**32,979.95**

Cash and cash equivalent balances don't include any amounts which are not avaliable for use by the Company

	As at March 31, 2024	As at March 31, 2023
11. Other bank balances		
Bank balances on unpaid dividend accounts*	142.91	119.46
Bank deposits with original maturity of 12 months or less but more than 3 months	1,100.00	5.21
Margin money deposits	3,643.51	3,480.72
Total	**4,886.42**	**3,605.39**

* The Company can utilise these balances only towards settlement of respective unpaid dividend amounts

Break up of financial assets carried at amortised cost

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Trade receivables (Refer Note 9)	-	-	60,425.82	75,724.26
Cash and cash equivalents (Refer Note 10)	-	-	27,942.94	32,979.95
Other bank balances (Refer Note 11)	-	-	4,886.42	3,605.39
Others (Refer Note 6)	588.74	594.71	5,479.45	5,956.22
Total	**588.74**	**594.71**	**98,734.63**	**1,18,265.82**

12. Equity share capital

	As at March 31, 2024	As at March 31, 2023
Authorised share capital		
12,40,00,000 (March 31, 2023: 12,40,00,000) equity shares of INR 10 each	12,400.00	12,400.00
6,00,000 (March 31, 2023: 6,00,000) 13% redeemable cumulative preference shares of INR 100 each	600.00	600.00
	13,000.00	**13,000.00**
Issued shares		
12,00,00,044 (March 31, 2023: 12,00,00,044) equity shares of INR 10 each	12,000.00	12,000.00
	12,000.00	**12,000.00**
Subscribed and fully paid-up shares		
11,85,15,150 (March 31, 2023: 11,85,15,150) equity shares of INR 10 each	11,851.52	11,851.52
Forfeited shares (amount originally paid-up)	3.35	3.35
	11,854.87	**11,854.87**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2024		As at March 31, 2023	
	Nos.	INR in Lakhs	Nos.	INR in Lakhs
At the beginning of the year	11,85,15,150	11,851.52	11,85,15,150	11,851.52
Changes during the year	-	-	-	-
Outstanding at the end of the year	**11,85,15,150**	**11,851.52**	**11,85,15,150**	**11,851.52**

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares issued and paid-up having a par value of INR 10 per share. Each holder of equity share is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% of the shares in the Company

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	%	Nos.	%
Equity shares of INR 10 each fully paid				
Zuari Agro Chemicals Limited (Holding Company)	6,40,28,362	54.03%	6,40,28,362	54.03%

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(d) Details of Shares held by Promoters of the Company

As at March 31, 2024

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shradha Agarwala	2,00,000	-	2,00,000	0.17%	0.00%
Jyotsna Poddar	1,57,152	-	1,57,152	0.13%	0.00%
Gaurav Agarwala	1,50,000	-	1,50,000	0.13%	0.00%
Akshay Poddar	14,02,431	-	14,02,431	1.18%	0.00%
Zuari Agro Chemicals Limited	6,40,28,362	-	6,40,28,362	54.03%	0.00%
Adventz Finance Private Limited	43,50,361	-	43,50,361	3.67%	0.00%
United Breweries Holdings Limited	-	-	-	0.00%	0.00%
Kingfisher Finvest India Limited	-	-	-	0.00%	0.00%
Mcdowell Holdings Limited	12,57,186	-	12,57,186	1.06%	0.00%
Zuari Industries Limited	3,06,194	-	3,06,194	0.26%	0.00%
Total	**7,18,51,686**	**-**	**7,18,51,686**	**60.63%**	

As at March 31, 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Shradha Agarwala	2,00,000	-	2,00,000	0.17%	0.00%
Jyotsna Poddar	1,57,152	-	1,57,152	0.13%	0.00%
Gaurav Agarwala	1,50,000	-	1,50,000	0.13%	0.00%
Akshay Poddar	12,18,503	1,83,928	14,02,431	1.18%	0.16%
Zuari Agro Chemicals Limited	6,40,28,362	-	6,40,28,362	54.03%	0.00%
Adventz Finance Private Limited	43,50,361	-	43,50,361	3.67%	0.00%
United Breweries Holdings Limited	-	-	-	0.00%	0.00%
Kingfisher Finvest India Limited	-	-	-	0.00%	0.00%
Mcdowell Holdings Limited	12,57,186	-	12,57,186	1.06%	0.00%
Zuari Industries Limited	3,06,194	-	3,06,194	0.26%	0.00%
Total	**7,16,67,758**	**1,83,928**	**7,18,51,686**	**60.63%**	

As per records of the Company, the above shareholding represents legal ownership of shares.
No shares have been issued for consideration other than cash for a period of five years immediately preceding the reporting date.

13. Other equity	**As at March 31, 2024**	**As at March 31, 2023**
Capital redemption reserve		
Balance as per last financial statements	480.78	480.78
Changes during the year	-	-
Closing balance	**480.78**	**480.78**
General reserve		
Balance as per last financial statements	5,385.71	5,385.71
Changes during the year	-	-
Closing balance	**5,385.71**	**5,385.71**
Retained earnings*		
Balance as per last financial statements	62,597.46	50,585.63
Add: Profit for the year	15,481.52	13,465.51
Add: Other comprehensive (loss)/income	(54.19)	(31.50)
Less: Appropriations		
Final equity dividend [amount per share Re. 1.50 (Previous year: Re. 1.20 per share)]	1,777.73	1,422.18
Closing balance	**76,247.06**	**62,597.46**
Total Other Equity	**82,113.55**	**68,463.95**

*Includes INR 5,721.21 Lakhs as at March 31, 2024 (March 31, 2023: INR 5,762.19 Lakhs) relating to revaluation of property, plant and equipment

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	As at March 31, 2024	As at March 31, 2023
Distribution made and proposed		
Dividends on equity shares declared and paid		
Dividend for the year ended March 31, 2023: Re 1.50 per share (Previous year: Re 1.20 per share)	1777.73	1,422.18
	1,777.73	**1,422.18**
Proposed dividends on equity shares		
Dividend for the year ended March 31, 2024: Re 1.50 per share (Previous year: Re 1.50 per share)	1,777.73	1,777.73
	1,777.73	**1,777.73**

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at year end.

14. Non-current borrowings

	As at March 31, 2024	As at March 31, 2023
Secured (at amortised cost)		
Indian currency term loans from banks	35,735.69	44,887.50
Indian currency vehicle loans from bank	215.49	51.28
Total	**35,951.18**	**44,938.78**
Less: Amount disclosed under the head "Current Borrowings" (Refer Note 19)	**(6,070.22)**	(9,271.23)
Non-current borrowings	**29,880.96**	**35,667.55**

Secured borrowings

Indian currency term loans

Term loan from a bank of INR 15,756.30 Lakhs (including current maturities of INR 2,424.47 Lakhs) [March 31, 2023: INR 16,962.30 Lakhs (including current maturities of INR 1,212.02 Lakhs)] carries interest in the range of 9.50% p.a to 10.45% p.a. [March 31, 2023: 9.95% p.a. to 10.30% p.a.]. The loan is repayable in 28 quarterly installments starting from November 2023 with the last instalment due on August 2030. The loan is secured by first pari-passu first charge on movable fixed assets to be created from proceeds of the facility for improvement in Energy Efficiency Project of the urea plant, with other participating lenders and first pari passu charge over all movable and immovable fixed assets of the Company excluding those exclusively charged to other term lenders.

Term loan from a bank of INR 6,055.45 Lakhs (including current maturities of INR 1,059.49 Lakhs) [March 31, 2023: INR 7,103.09 Lakhs (including current maturities of INR 1,057.60 Lakhs)] carries interest in the range of 10.00% p.a to 11.50% p.a. [March 31, 2023: 10.00% p.a. to 10.95% p.a.]. The loan is repayable in 28 quarterly installments starting from March 2023 with the last instalment due on December 2029. The loan is secured by first pari-passu first charge on all fixed assets to be created out of the proposed Energy Efficiency Project, with other participating lenders and first pari passu charge over all movable and immovable fixed assets of the Company excluding the fixed assets charged specifically to the term lenders.

Term loan from a bank of INR 3,203.40 Lakhs (including current maturities of INR 476.30 Lakhs) [March 31, 2023: INR 3,283.08 Lakhs (including current maturities of INR 118.61 Lakhs)] carries interest in the range of 9.80% p.a. to 11.20% p.a. [March 31, 2023: 9.50% p.a. to 10.35% p.a.] The loan is repayable in 28 quarterly installments starting from January 2024 with the last instalment due on October 2030. The loan is secured by first pari-passu first charge on movable fixed assets to be created from proceeds of the facility for improvement in Energy Efficiency Project of the urea plant, with other participating lenders and first pari passu charge over movable and immovable fixed assets of the Company excluding those exclusively charged to other term lenders.

Term loan from a bank of INR 3,288.95 Lakhs (including current maturities of INR 879.09 Lakhs) [March 31, 2023: INR 3,931.39 Lakhs (including current maturities of INR 657.49 Lakhs)] carries interest in the range of 9.70% p.a. to 10.40% p.a. [March 31, 2023: 8.65% p.a. to 9.70% p.a.]. The loan is repayable in 18 quarterly installments starting from August 2023 with the last instalment due on November 2027. The loan is secured by first pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).

Term loan from a bank of INR 4,954.26 Lakhs (including current maturities of INR 992.94 Lakhs) [March 31, 2023: INR 4,926.43 Lakhs (including current maturities of INR Nil)] carries interest rate in the range of 8.95% p.a.to 10.40% p.a. [March 31, 2023 : 8.95% p.a.]. The loan is repayable in 10 quarterly installments starting from April 2024 with the last instalment due on July 2026. The loan is secured by first pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).

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Term loan from a bank of INR 2,477.32 Lakhs (including current maturities of INR 186.18 Lakhs) [March 31, 2023: INR 2,470.52 Lakhs (including current maturities of INR Nil)] carries interest rate in the range of 9.25% p.a. to 10.25% p.a. [March 31, 2023: 9.25 % p.a.]. The loan is repayable in 15 quarterly installments starting from September 2024 with the last instalment due on March 2028. The loan is secured by first pari-passu first charge over movable and immovable fixed assets of the Company, excluding those exclusively charged to other term lenders (including long term loans availed for the energy efficiency capital expenditure).

Term loan from a bank of INR NIL (including current maturities of INR NIL) [March 31, 2023: INR 1,997.46 Lakhs (including current maturities of INR 1,997.46 Lakhs)] carried interest in the range of 8.00% p.a. [March 31, 2023: 8.00% p.a.] The loan was repayable in 20 equal quarterly installments starting from June 2019 with the last instalment due on March 2024. The loan was secured by first pari-pasu charge on all movable and immovable fixed assets (alongwith working capital lenders), other than fixed assets exclusively charged to other lenders

Term loan from a bank of INR NIL (including current maturities of INR NIL) [March 31, 2023: INR 1,495.80 Lakhs (including current maturities of INR 1,495.80 Lakhs)] carried interest in the range of 9.80% p.a. to 10.80% p.a. [March 31, 2023: 9.30% p.a. to 10.80% p.a.] The loan was repayable in 20 quarterly installments starting from June 2019 with the last instalment due on March 2024. The loan was secured by first pari-pasu charge on all movable and immovable fixed assets, both present and future (other than fixed assets exclusively charged to other lenders).

Term loan from a bank of INR NIL (including current maturities of INR NIL) [March 31, 2023: INR 2,717.41 Lakhs (including current maturities of INR 2,717.41 Lakhs)] carried interest rate of 9.00% p.a. [March 31, 2023: 9.00 % p.a.] The loan was repayable in monthly installments starting from April 2023 with the last instalment due on February 2024. The loan is secured by first pari-passu first charge over movable and immovable fixed assets of the Company both present and future, excluding those exclusively charged to other term lenders

Indian currency vehicle loans
Vehicle loans from a bank of INR 215.49 Lakhs (including current maturities of INR 51.75 Lakhs) [March 31, 2023: INR 51.28 Lakhs (including current maturities of INR 14.84 Lakhs)] carry interest at 8.85% p.a. to 9.35% p.a. [March 31, 2023: 8.36% p.a. to 9.35% p.a.] The loan is repayable in 36 to 60 monthly installments starting from July 2018 with the last instalment due on January 2029 and is secured by first pari-passu charge on fixed assets financed by the said term loans.

15. Lease Liabilities

	Non-current		Current	
	As at March 31, 2024	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**
Lease liabilities (Refer Note 33)	1,862.23	1,886.60	55.32	36.07
	1,862.23	**1,886.60**	**55.32**	**36.07**

16. Financial liabilities - Others

	Non-current		Current	
	As at March 31, 2024	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**
Financial liabilities at fair value through profit or loss				
Derivatives not designated as hedges	-	-	4.80	252.21
Financial liabilities at amortised cost				
Liabilities for capital goods	-	-	703.43	337.72
Interest accrued but not due on borrowings and others	-	-	82.93	322.27
Security deposits	-	-	5,339.83	5,244.19
Payable to Gas pool operator	-	-	4,492.05	3,119.88
Employee benefits payable	-	-	768.75	760.75
Other expenses payable	-	-	3,618.38	2,664.02
Unpaid dividend*	-	-	142.91	119.46
Total	-	-	**15,153.08**	**12,820.50**

*There are no amounts due for payment to the Investor Education and Protection Fund under the Companies Act, 2013 as at year end.

17. Provisions

	Non-current		Current	
	As at March 31, 2024	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**
Provision for employee benefits				
Gratuity (Refer Note 27)	1,272.19	1,180.60	3.86	106.49
Compensated absences	-	-	1,089.56	1,011.18
Total	**1,272.19**	**1,180.60**	**1,093.42**	**1,117.67**

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18. Deferred tax liabilities (net)

	Balance sheet		Statement of profit and loss	
	As at March 31, 2024	**As at March 31, 2023**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Deferred tax liabilities				
Property, plant and equipment, Right-of-use assets and Intangible assets: Impact of difference between tax depreciation and depreciation amortisation charged for the financial reporting	13,225.22	12,916.61	308.61	3,656.55
Others	134.63	161.92	(27.29)	41.69
	13,359.85	**13,078.53**	**281.32**	**3,698.24**
Deferred tax assets				
Allowance for doubtful receivables	265.95	414.67	(148.72)	(22.60)
Allowance for doubtful advances	78.48	-	78.48	-
Allowance for GST receivable	522.79	290.77	232.03	(9.33)
Provision for gratuity and compensated absences	595.42	578.47	16.95	34.12
Lease Liability	490.30	491.59	(1.29)	(56.59)
Others	215.83	173.91	41.92	128.74
Minimum Alternate Tax ("MAT") credit entitlement	794.82	4,979.26	(4,184.44)	2,580.74
	2,963.59	**6,928.67**	**(3,965.07)**	**2,655.08**
Net deferred tax liability	**10,396.26**	**6,149.86**		
Deferred tax charge /(credit)			**4,246.39**	**1,043.16**

Based on the profitability projections, the management is confident that there would be sufficient taxable profits in future which will enable the Company to utilize the aforesaid MAT credit entitlement. Accordingly, deferred tax asset have been recognised on the same. Also Refer Note 31

Reconciliation of movement in deferred tax liabilities (net)

Balance at the beginning of the year	6,149.86	5,106.70
Tax charge/(credit) during the year		
Recognised in profit and loss	4,275.50	1,060.08
Recognised in OCI	(29.11)	(16.92)
	4,246.39	1,043.16
Balance at the end of the year	**10,396.26**	**6,149.86**

19. Current borrowings

	As at March 31, 2024	**As at March 31, 2023**
Secured borrowings		
Foreign currency buyer's / suppliers' credit from banks	10,931.19	35,574.94
Indian currency bills discounted with banks	54,157.33	55,253.20
Indian currency cash credit from banks	0.15	-
Current maturities of long-term borrowings (Refer Note 14)	6,070.22	9,271.23
	71,158.89	**1,00,099.37**
Unsecured borrowings		
Indian currency short-term loans from banks	904.88	-
	904.88	**-**
Total	**72,063.77**	**1,00,099.37**

Secured borrowings

The facilities are secured by first pari-passu charge on all current assets (both present and future) and property, plant and equipment of the Company, excluding assets which are exclusively charged to other lenders. These facilities are repayable within 12 months period. The interest carried on these facilities are - buyers/suppliers credits: 5.01% to 5.89% p.a. [March 31, 2023: 0.37% to 5.58% p.a.], bills discounted: 6.55% to 7.75% p.a. [March 31, 2023: 4.40% to 7.50% p.a.], cash credit: 8.95% to 11.80% p.a. [March 31, 2023: 8.75% to 11.45% p.a.]

Unsecured borrowings

The short-term loans are repayable over a maturity period of 45 to 180 days and carry floating interest rate of 7.84% to 9.48% p.a. [March 31, 2023 : 8.50% to 9.00% p.a.]

The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

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20. Trade payables

	As at March 31, 2024	As at March 31, 2023
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer Note 36)	1,115.11	4,582.66
- total outstanding dues of creditors other than micro enterprises and small enterprises	13,802.30	19,674.70
	14,917.41	**24,257.36**
Trade payables	14,904.17	20,448.02
Trade payables to related parties (Refer Note 38)	13.24	3,809.34
Total	**14,917.41**	**24,257.36**

*Includes outstanding dues of micro and small enterprises (Refer Note 36 for details)

For explanations on the Company's credit risk management processes, refer Note 41

Trade payables (other than related parties) are normally non-interest bearing and are settled on 30 to 90 days term. For Terms and condition for related parties refer note 38

Trade payables Ageing Schedule

As at March 31, 2024

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises**	-	1,114.44	-	-	-	0.67	1,115.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	423.48	13,041.55	313.34	0.51	7.38	16.04	13,802.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**423.48**	**14,155.99**	**313.34**	**0.51**	**7.38**	**16.71**	**14,917.41**

** Outstanding dues of micro enterprises and small enterprises for more than 3 years of INR 0.67 lakhs pertains to interest provided in earlier years

As at March 31, 2023

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises***	-	4,581.99	-	-	-	0.67	4,582.66
Total outstanding dues of creditors other than micro enterprises and small enterprises	325.76	18,940.27	384.17	7.40	0.35	16.75	19,674.70
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**325.76**	**23,522.26**	**384.17**	**7.40**	**0.35**	**17.42**	**24,257.36**

***Outstanding dues of micro enterprises and small enterprises for more than 3 years of INR 0.67 lakhs pertains to interest provided in earlier years

21. Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	278.48	339.29
Contract liabilities - Advances from customers**	1,348.96	1,601.93
Total	**1,627.44**	**1,941.22**

**Revenue recognised from amounts included in contract liabilities at the beginning of the year is INR 930.92 Lakhs (March 31, 2023 : INR 1,203.71 Lakhs).

Break up of financial liabilities carried at amortised cost

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Non Current Borrowings (Refer Note 14)	29,880.96	35,667.55	-	-
Lease Laibilities (Refer Note 15)	1,862.23	1,886.60	55.32	36.07
Current Borrowings (Refer Note 19)	-	-	72,063.77	1,00,099.37
Trade Payables (Refer Note 20)	-	-	14,917.41	24,257.36
Others (Refer Note 16)	-	-	15,148.28	12,568.29
Total	**31,743.19**	**37,554.15**	**1,02,184.78**	**1,36,961.09**

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	For the year ended March 31, 2024	For the year ended March 31, 2023
22. Revenue from contracts with customers		
Sale of products (including concession subsidy on fertilisers)		
Manufactured	3,18,879.33	3,41,444.33
Traded	60,342.90	22,471.12
Sale of services	2.29	5.52
Other operating revenues (scrap sales)	319.64	231.43
Total	**3,79,544.16**	**3,64,152.40**

(a) Disaggregated revenue information

Manufactured		
Urea	1,81,586.89	1,79,677.75
Complex fertilizers	1,29,693.21	1,52,835.52
Others	7,599.23	8,931.06
	3,18,879.33	**3,41,444.33**
Traded		
Complex fertilizers	45,611.14	19,674.15
Muriate of Potash (MOP)	12,926.40	-
Others	1,805.36	2,796.97
	60,342.90	**22,471.12**

(b) Timing of revenue recognition

Products transferred for a point in time	3,79,541.87	3,64,146.88
Services rendered at a point in time	2.29	5.52
	3,79,544.16	**3,64,152.40**

(c) Reconciliation of amount of revenue recognised with contract price

Revenue as per contracted price (including concession subsidy on fertilisers)	3,90,586.44	3,72,027.46
Adjustments		
Rebates	(11,042.28)	(7,875.06)
Revenue from contracts with customers	**3,79,544.16**	**3,64,152.40**

(d) Performance obligation

The Company recognises revenue from sale of goods at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The performance obligation is satisfied upon delivery of the goods and payment is generally due within 15 to 120 days from delivery.

The Direct Benefit Transfer (DBT) Scheme entails 100% payment of subsidy to the Company on the basis of actual sales by the retailer to the beneficiary, however, the performance obligation of the Company is satisfied upon delivery of the goods.

(e) Sales of products include government concession / subsidies amounting to INR 2,51,026.70 Lakhs (Previous year: INR 268,770.17 Lakhs). The urea concession income has been recognized based on the applicable extant policy guidelines, as per management estimate in line with known policy parameters, pending finalization by the Government of India ('GOI').
The subsidy income for phosphatic and potassic fertilisers under Nutrient Based Subsidy Policy has been accounted in line with the applicable extant policy guidelines notified by GOI from time to time, pending finalization by GOI.

(f) Government of India has notified the pooling of Gas in Fertiliser (Urea) sector effective from June 2015. As per the notification, domestic Gas is pooled with Regasified Liquefied Natural Gas (RLNG) to provide natural Gas at uniform delivered price to all Natural Gas Grid connected Urea manufacturing plants.

(g) The Company had during the year ended March 31, 2021 recognised urea subsidy income of INR 2,914 Lakhs without benchmarking its cost of production using naphtha with that of gas-based urea manufacturing units recently converted to natural gas, as notified by the Department of Fertilizers [DoF] for subsidy income computation, against which the Company had filed a writ petition against the DoF before the Hon'ble High Court of Delhi [DHC]. Pending finalization of writ petition before the DHC, the management, based on legal opinion and considering the fact that the energy cost is always a pass through in subsidy computation, believes that artificial benchmarking is arbitrary and discriminatory and is confident of realisation of the aforesaid subsidy income.

(h) For details of contract balances, refer Notes 9 and 21. Also refer Note 39 for segment information.

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	For the year ended March 31, 2024	For the year ended March 31, 2023
23. Other income		
Interest income on bank deposits and others	3,291.72	2,522.18
Rental income	95.19	112.36
Insurance claim received	-	5.56
Provisions no longer required written back*	656.33	389.08
Other non-operating income	82.96	35.44
Total	**4,126.20**	**3,064.62**

* Includes Provision for impairment of GST credit of previous years reversed INR Nil Lakhs [Previous year- INR 37.04 Lakhs] and Provision for Impairment of Trade Recievabe reversed Rs. 589.58 Lakhs [Previous year - Provision for impairment of Trade Receivable written back INR 90.64 Lakhs]

	For the year ended March 31, 2024	For the year ended March 31, 2023
24. Cost of materials consumed		
Inventories at the beginning of the year	13,851.83	20,395.17
Add: Purchases during the year	1,81,666.74	1,93,082.18
Less: Inventories at the end of the year	10,029.59	13,851.83
Cost of materials consumed	**1,85,488.98**	**1,99,625.52**
Materials consumed		
Natural Gas	86,801.43	78,421.53
Phosphoric acid	62,091.85	62,988.49
Imported ammonia	16,455.75	36,591.70
Others	20,139.95	21,623.80
Total	**1,85,488.98**	**1,99,625.52**
25. Purchases of traded goods		
Complex fertilizers	34,425.00	22,862.00
Muriate of Potash (MOP)	11,314.78	-
Others	1,312.21	2,951.56
Total	**47,051.99**	**25,813.56**
26.Changes in inventories of finished goods, work-in-progress and traded goods		
Inventories at the beginning of the year		
Finished goods	1,850.61	18,439.38
Traded goods	4,735.43	150.49
Work-in-progress	196.73	35.27
	6,782.77	18,625.14
Less: Inventories at the end of the year		
Finished goods	1,691.49	1,850.61
Traded goods	250.38	4,735.43
Work-in-progress	1,357.12	196.73
	3,298.99	6,782.77
Changes in inventories of finished goods, work-in-progress and traded goods	**3,483.78**	**11,842.37**
27. Employee benefits expense		
Salaries, wages and bonus	5,929.10	6,078.43
Gratuity expense [refer note (i) below]	181.66	149.99
Contribution to provident and other funds [refer note (ii) below]	424.93	419.90
Staff welfare expenses	247.20	268.86
Total	**6,782.89**	**6,917.18**

(i) The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

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The following table summarises the components of net benefit expenses and the funded status for the plan:

	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Cost charged to the statement of profit or loss under employee cost		
Current service cost	85.71	84.41
Interest cost	101.82	101.07
Return on plan assets	(5.73)	(9.15)
Net employee benefit expense	**181.80**	**176.33**
(b) Re-measurement (loss) gain recognised in other comprehensive income		
Actuarial (loss)/gain		
Change in financial and demographic assumptions	(49.87)	11.04
Experience variance (actual vs assumption)	(37.12)	(57.14)
Actuarial (loss) on assets	3.69	(2.32)
Net actuarial (loss)/gain	**(83.30)**	**(48.42)**
(c) Changes in the present value of the defined benefit obligation		
Obligations at beginning of the year	1,363.84	1,395.12
Current service cost	85.71	84.41
Interest cost	101.82	101.07
Benefits paid	(155.44)	(262.86)
Actuarial (loss)	86.99	46.10
Obligations at end of the year	**1,482.92**	**1,363.84**
(d) Change in fair value of plan assets		
Plan assets at the beginning of the year	76.75	126.34
Return on plan assets	5.73	9.15
Contributions during the year	276.14	206.44
Benefits paid	(155.44)	(262.86)
Actuarial (loss)	3.69	(2.32)
Plan assets at end of the year	**206.87**	**76.75**
(e) Benefit asset/(liability)		
Fair value of plan assets	206.87	76.75
Less: Present value of defined benefit obligations	1,482.92	1,363.84
Benefit (liability)	**(1,276.05)**	**(1,287.09)**
(f) Major category of plan assets included in fair value of plan assets		
Fund balance with insurance companies	206.87	76.75
Total	**206.87**	**76.75**

(g) The principal assumptions used in determining gratuity obligations for the Company plan are as shown below:

Discount rate	7.20%	7.45%
Salary increase rate	6.50%-8.00%	6.50%-8.00%
Employee turnover	1.00%-3.00%	1.00%-3.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.

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(h) A quantitative sensitivity analysis for significant assumption is as below:

	As at March 31, 2024		As at March 31, 2023	
	Increase	**Decrease**	**Increase**	**Decrease**
Impact on defined benefit obligation				
Discount rate (+ - 0.5%)	(64.65)	70.23	(57.51)	62.43
Salary increase rate (+ - 0.5%)	69.98	(64.99)	62.25	(57.84)
Employee turnover (+ - 50% of attrition rates)	4.81	(5.38)	6.08	(6.82)
Mortality rate (+ - 10% of mortality rates)	0.25	(0.25)	0.31	(0.31)

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

(i) The following payments are expected contribution to the defined benefit plans in future years:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Within next 12 months	210.74	183.25
Between 2 to 5 years	457.35	536.10
Between 6 to 10 years	622.67	424.86
More than 10 years	2,227.93	2,152.50
Total	**3,518.69**	**3,296.71**

The average duration of the defined benefit plan obligation at the end of the reporting period year is 9 years (March 31, 2023: 9 years).

(ii) Contribution to provident and other funds includes the following defined contributions:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Provident fund	260.35	264.43
Superannuation fund and national pension scheme	156.07	144.72
Others	8.51	10.75
Total	**424.93**	**419.90**

28. Finance costs

Interest expense	8,816.01	7,131.23
Interest on Income Tax	80.00	32.00
Interest on Leases (Refer Note 33)	198.24	202.05
Exchange difference regarded as adjustment to borrowing cost	141.14	1,337.52
Other borrowing costs	1,257.60	1,734.96
Total	**10,492.99**	**10,437.76**

29. Depreciation and amortisation expense

Depreciation of property, plant and equipment	6,990.24	5,802.28
Depreciation of right of use assets	117.37	111.94
Amortisation of intangible assets	50.16	53.28
Total	**7,157.77**	**5,967.50**

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Notes to the Ind AS financial statements for the year ended March 31, 2024
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30. Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spares	1,101.58	892.30
Power, fuel and water	70,109.30	66,386.91
Bagging and other contracting charges	1,026.08	775.64
Transportation	15,420.50	10,500.82
Repairs and maintenance		
Buildings	149.36	130.44
Plant and equipment	3,173.53	2,759.75
Others	690.51	629.01
Rent	472.60	478.43
Rates and taxes	13.18	19.48
Insurance	798.11	796.40
Travelling and conveyance	258.22	245.14
Net loss on disposal of property, plant and equipment	577.78	521.96
Impairment of capital work in progress	120.20	-
Provision for impairment of other assets	1,233.65	-
Director's sitting fees	23.85	25.05
Auditors remuneration (refer details below)	38.75	33.56
CSR expenditure (refer note 37)	377.52	210.00
Foreign exchange differences (net)	559.59	1,800.69
Miscellaneous expenses	3,000.63	2,804.96
Total	**99,144.94**	**89,010.54**

Payment to Auditors		
As Auditor		
Statutory audit fee	17.00	17.00
Limited review fee	9.00	9.75
In other capacity		
Certification fees	9.00	6.00
Others (including reimbursement of expenses)	3.75	0.81
Total	**38.75**	**33.56**

31. Tax expenses

Income tax related to items charged or credited to statement of profit and loss during the year:

Profit and loss section		
Current tax (Minimum Alternate Tax)	4,310.00	3,077.00
Deferred tax charge/(credit)		
MAT credit utilisation/(accumulation)	4,184.44	(2,580.74)
Deferred tax charge for prior years	-	(1.25)
Deferred tax credit on others	91.06	3,642.07
Total	**8,585.50**	**4,137.08**

Deferred tax expense for the year includes deferred tax charge/(credit) relating to prior year recognized towards true-up adjustment on filing of income tax returns by the Company.

Other comprehensive income		
Deferred tax (credit)/charge on re-measurement of defined benefit plan	(29.11)	(16.92)
Total	**(29.11)**	**(16.92)**

Reconciliation of tax expense with accounting profit multiplied by statutory income tax rate:

Accounting profit before income tax	**24,067.02**	**17,602.59**
Tax as per statutory income tax rate of 34.94% (Previous period: 34.94%)	8,409.98	6,151.05
Non-deductible expenses for tax purposes		
CSR expenditure	131.92	73.38
Deferred tax charge for prior years	-	(1.25)
Other non-deductible expenses	57.04	223.82
Impact of change in tax rate for future period*	(13.44)	(2,309.92)
Income tax expense reported in statement of profit and loss account	**8,585.50**	**4,137.08**
Effective tax rate	**35.67%**	**23.50%**

* Management has assessed the utilization of Minimum Alternate Tax (MAT) on the basis of future profitability projections. Further, the management also assessed it to be probable that post utilization of MAT the Company will be exercising option to pay Income Tax at reduced rates as per the provisions/conditions defined in the new Section 115BAA in the Income Tax Act, 1961, inserted vide the Taxation Laws (Amendment) Ordinance 2019.

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32. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit attributable to equity shareholders	15,481.52	13,465.51
Weighted average number of equity shares considered for calculating basic diluted EPS	11,85,15,150	11,85,15,150
Earnings per share (Basic/Diluted)	**13.06**	**11.36**

33. Leases

The Company as a lessee

The Company has lease contracts for land, buildings and tanks. The leases for land generally have lease terms between 1 to 30 years, while others generally have lease terms between 1 to 6 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Refer Note 3B for details of carrying amounts of right-of-use assets recognised and the movements during the year. Set out below are the carrying amounts of lease liabilities (included under interest-bearing borrowings) and the movements during the year:

	For the year ended March 31, 2024	For the year ended March 31, 2023
At the beginning of the year	1,922.67	2,113.75
Additions	40.47	-
Leases terminated	-	(157.49)
Accretion of interest	198.24	202.05
Payments	(243.83)	(235.64)
At the end of the year	**1,917.55**	**1,922.67**
Current	55.32	36.07
Non-current	1,862.23	1,886.60

The maturity analysis of lease liabilities are disclosed in Note 41(c). The following are the amounts recognised in the statement of profit or loss:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	117.37	111.94
Interest expense on lease liabilities	198.24	202.05
Expense relating to short-term leases (included in rent expense)	472.60	478.43
Total amount recognised in the statement of profit or loss	**788.21**	**792.42**

The Company had total cash outflows for leases of INR 716.43 Lakhs (Previous year: INR 714.07 Lakhs). The Company also had non-cash additions to right-of-use assets and lease liabilities of INR 40.47 Lakhs (Previous year: Nil).

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The effective interest rate for lease liabilities is 9% - 10%, with maturity between 2024-2042

There are no future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

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	For the year ended March 31, 2024	For the year ended March 31, 2023
Expense relating to leases of low-value assets	-	-
Expense relating to short-term leases	29.30	78.67
Variable lease payments	443.30	399.76
Total Lease Payments not considered as Lease payments under Ind AS 116	**472.60**	**478.43**

The Company as a lessor
The Company has entered into cancellable operating leases in respect of a portion of its land and building. These leases have terms of between 10 years and above. The leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total rents recognised as income during the period is INR 95.19 lakhs (Previous year: INR 112.36 Lakhs).

	For the year ended March 31, 2024	For the year ended March 31, 2023
34. Capital and other commitments		
(a) Estimated amount of contract remaining to be executed (net of capital advances) on capital account and not provided for	19,703.49	5,225.19
(b) For commitments relating to lease arrangements, refer Note 33.		

35. Contingent liabilities

(a) Claims against the Company not acknowledged as debts		
Income tax	358.04	358.04
Excise duty	638.96	638.96
Entry tax	382.70	382.70
Customs duty	499.63	424.70
Service tax	15.49	15.49
Others	28.50	33.00

The income tax matters under appeal include certain deductions claimed by the Company for financial years 2012-13 and 2013-14 which have resulted in tax losses, on which deferred tax assets have been recognized and utilized against taxable profits of following years, which have been disallowed by the income tax authorities and the differential tax liability (deferred tax regular tax) that may arise is estimated to be INR 3,315 Lakhs and interest thereon. The Company is contesting aforesaid disallowances and the management, based on independent tax opinions, believes that its position will likely be upheld in the appellate process and accordingly no expense has been accrued in this regard.

The Company is contesting aforesaid demands and the management, based on advise of its advisors, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursements in respect of the above contingent liabilities.

In addition, the Company is subject to legal proceedings on indirect tax matters relating to subsidy, NBS reasonability guidelines notified from time to time and the assessment thereof. The Company's management does not expect adverse outcome on these which may have a material impact on the financial statements.

(b) Other money for which the Company is contingently liable		
Bank guarantees	1,058.16	904.23

36. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	For the year ended March 31, 2024	For the year ended March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises*	1,114.44	4,581.99
- Interest due on above	0.67	0.67
- Total	**1,115.11**	**4,582.66**

*Excluding liabilities for capital goods of INR 307.28 Lakhs (March 31, 2023 : INR 133.68 Lakhs)

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0.67	0.67

The information given above is to the extent such parties have been identified by the Company on the basis of information disclosed by the suppliers.

	For the year ended March 31, 2024	For the year ended March 31, 2023
37. Details of CSR expenditure		
a) Gross amount required to be spent by the Company during the year	280.80	209.71
b) Amount approved by the Board to be spent during the year	280.80	209.71
c) Amount spent		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	377.52	210.00
d) Details related to spent / unspent obligations:		
i) Amount spent	377.52	210.00
ii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
Total	**377.52**	**210.00**

Details of excess amount spent

In case of S. 135(5) Excess amount spent			
Opening Balance	**Amount required to be spent during the year**	**Amount spent during the year**	**Closing Balance**
0.53	280.80	377.52	97.25

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

38. Related party disclosures

Names of related parties

Names of related parties where control exists irrespective of whether transactions have occurred or not

Holding Company	Zuari Agro Chemicals Limited ("ZACL")
Common control	Paradeep Phosphates Limited ("PPL") Zuari Management Services Limited ("ZMSL") Zuari FarmHub Limited ("ZFL") Zuari Maroc Phosphates Private Limited ("ZMPPL")
Promoters Promoters Group	Zuari Industries Limited Adventz Finance Private Limited McDowell Holdings Limited United Breweries Holdings Limited Kingfisher Finvest India Limited Mrs Jyotsna Poddar Mrs Shradha Agarwala Mr Gaurav Agarwala

Names of other related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Nitin Manguesh Kantak Whole-time Director Mr Shubhabrata Saha, Managing Director (till 03.11.2022) Mr T.M. Muralidharan, Chief Financial Officer Mr Vijayamahantesh Khannur, Company Secretary (till 31.07.2023) Mr Vighneshwar G Bhat, Company Secretary (w.e.f. 20.10.2023)
Directors	Mr Akshay Poddar Mr DA Prasanna Mrs. Rita Menon (till 28.07.2023) Mrs. Kiran Dhingra (w.e.f. 10.07.2023) Mr Dipankar Chatterji (till 13.05.2022) Mr Marco Philippus Ardeshir Wadia Mr Nitin Manguesh Kantak (Non-Executive Director till 02.11.2022) Mr. Sabaleel Nandy (w.e.f.03.11.2022 till 25.03.2023) Mr N Suresh Krishnan (w.e.f. 25.03.2023)
Enterprises in which directors/shareholders are interested	Lionel India Limited ("LIL")
Employee benefit trusts	MCF Ltd Employees Gratuity Fund Trust ("MCF Gratuity Trust") MCF Ltd Employees Superannuation Trust ("MCF Superannuation Trust")

Summary of transactions entered into with related parties during the period

	Holding Company		Common control		Key Management Personnel and Directors		Others including Promoters & Promoters Group	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Sale of goods (net)								
ZFL	-	-	5,803.45	6,991.03	-	-	-	-
PPL	-	-	114.89	-	-	-	-	-
	-	**-**	**5,918.34**	**6,991.03**	**-**	**-**	**-**	**-**
Purchase of goods (net)								
ZFL	-	-	96.89	35.29	-	-	-	-
PPL	-	-	12,302.50	3,697.12	-	-	-	-
ZMPPL	-	-	1,910.00	-	-	-	-	-
	-	**-**	**14,309.39**	**3,732.41**	**-**	**-**	**-**	**-**
Interest income								
ZACL	748.18	743.48	-	-	-	-	-	-
ZFL	-	-	0.29	3.33	-	-	-	-
	748.18	**743.48**	**0.29**	**3.33**	**-**	**-**	**-**	**-**
Purchase of services								
ZMSL	-	-	100.82	89.98	-	-	-	-
	-	**-**	**100.82**	**89.98**	**-**	**-**	**-**	**-**
Travel expenses paid								
LIL	-	-	-	-	-	-	141.93	60.32
	-	**-**	**-**	**-**	**-**	**-**	**141.93**	**60.32**
Reimbursement of expenses by the Company								
ZFL	-	-	-	14.48	-	-	-	-
PPL	-	-	18.62	2.25	-	-	-	-
Adventz Finance Private Limited			-	-	-	-	-	7.46
	-	**-**	**18.62**	**16.73**	**-**	**-**	**-**	**7.46**

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Holding Company		Common control		Key Management Personnel and Directors		Others including Promoters & Promoters Group	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Reimbursement of expenses to the Company								
ZACL	-	143.33	-	-	-	-	-	-
ZFL	-	-	22.12	22.49	-	-	-	-
PPL	-	-	7.04	0.04	-	-	-	-
	-	**143.33**	**29.16**	**22.53**	**-**	**-**	**-**	**-**
Sitting fees paid								
Mr Akshay Poddar	-	-	-	-	3.60	4.30	-	-
Mr DA Prasanna	-	-	-	-	6.75	6.75	-	-
Mr Dipankar Chatterji	-	-	-	-	-	0.40	-	-
Mr Suresh Krishnan	-	-	-	-	2.00	-	-	-
Ms Rita Menon	-	-	-	-	1.60	5.75	-	-
Mr Marco Wadia					5.75	5.35	-	-
Mr Nitin M Kantak	-	-	-	-	-	1.50		
Mr Sabaleel Nandy	-	-	-	-	-	1.00	-	-
Ms Kiran Dhingra	-	-	-	-	4.15	-	-	-
	-	**-**	**-**	**-**	**23.85**	**25.05**	**-**	**-**
Directors' Remuneration								
Mr Akshay Poddar	-	-	-	-	5.00	5.00	-	-
Mr DA Prasanna	-	-	-	-	5.00	5.00	-	-
Mr Suresh Krishnan	-	-	-	-	5.00	-	-	-
Ms Rita Menon	-	-	-	-	1.70	5.00	-	-
Mr Marco Wadia	-	-	-	-	5.00	4.50	-	-
Mr Nitin M Kantak	-	-	-	-	-	2.92	-	-
Ms Kiran Dhingra	-	-	-	-	3.75	-	-	-
	-	**-**	**-**	**-**	**25.45**	**22.42**	**-**	**-**
Dividend paid on equity shares								
ZACL	960.43	768.34	-	-	-	-	-	-
Adventz Finance Private Limited	-	-	-	-	-	-	65.25	52.20
Zuari Industries Limited	-	-	-	-	-	-	4.59	3.67
McDowell Holdings Limited	-	-	-	-	-	-	18.86	15.09
Mrs Jyotsna Poddar	-	-	-	-	-	-	2.36	1.89
Mrs Shradha Agarwala	-	-	-	-	-	-	3.00	2.40
Mr Gaurav Agarwala	-	-	-	-	-	-	2.25	1.80
Mr Akshay Poddar	-	-	-	-	21.04	15.63	-	-
Mr D A Prasanna	-	-	-	-	0.17	0.13	-	-
Mr Suresh Krishnan					0.02	-	-	-
Mr. Vijayamahantesh Khannur	-	-	-	-	-	0.00	-	-
Mr Nitin M Kantak	-	-	-	-	0.01	0.01	-	-
Mr T M Muralidharan					0.00	-		
	960.43	**768.34**	**-**	**-**	**21.24**	**15.77**	**96.31**	**77.05**
Contributions made								
MCF Gratuity Trust	-	-	-	-	-	-	280.25	210.60
MCF Superannuation Trust	-	-	-	-	-	-	74.42	71.93
	-	**-**	**-**	**-**	**-**	**-**	**354.67**	**282.53**

	March 31, 2024	**March 31, 2023**
Compensation of key management personnel*		
Short-term employee benefits	339.92	576.79
Post-employment gratuity and medical benefits	-	-
Termination benefits	-	-
Share-based payment transactions	-	-
Total compensation paid to key management personnel	**339.92**	**576.79**

*The amounts disclosed above are the amounts recognised during the reporting period related to key management personnel. As the liabilities for gratuity and compensated absences are provided on an actuarial basis for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable and, therefore, not included above.

Summary of balances as at period/year end:

	Holding Company		Common control		Key Management Personnel and Directors		Others including Promoters & Promoters Group	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Interest receivable								
ZACL	5,096.63	4,348.45	-	-	-	-	-	-
	5,096.63	**4,348.45**	**-**	**-**	**-**	**-**	**-**	**-**
Trade receivables								
ZACL	8,038.36	8,003.60	-	-	-	-	-	-
ZFL	-	-	386.50	280.81	-	-	-	-
	8,038.36	**8,003.60**	**386.50**	**280.81**	**-**	**-**	**-**	**-**
Trade payables								
PPL	-	-	0.03	3,808.39	-	-	-	-
ZMSL	-	-	-	-	-	-	10.31	-
LIL	-	-	-	-	-	-	2.90	0.94
	-	**-**	**0.03**	**3,808.39**	**-**	**-**	**13.21**	**0.94**

Terms and conditions of transactions with related parties

The transactions for sale and purchases with related parties are made on terms equivalent to those prevailing in arm's length transactions. The outstanding receivable / payable balances are generally unsecured and interest is charged as per terms agreed with the related parties. There have been no guarantees provided or received for any related party receivables or payables.

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39. Segment information

The Company is engaged in the manufacture, sale and trading of fertilizers which the management has considered as single business operating segment. Further, the Company operates in India and caters to the needs of only domestic market. Accordingly, no further disclosures are required.

Revenue from single customer i.e. Government of India amounted to INR 2,51,026.70 Lakhs (Previous period INR 268,770.17 Lakhs) arising from the concession/subsidy on fertilizers.

40. The Board of Directors of the Company at its Meeting held on February 7, 2024, have, inter alia, approved a Composite Scheme of Arrangement amongst the Company, Paradeep Phosphates Limited ("Transferee Company" or "PPL"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder, subject to approval/consent/sanction from shareholders, creditors and other applicable regulatory authorities including Hon'ble National Company Law Tribunal. The Scheme provides for Amalgamation of the Company into the Transfereee Company as a going concern with effect from the Appointed Date i.e. April 1, 2024.

41. Financial instruments fair value measurement

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

Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value measurement hierarchy of the Company's assets and liabilities is as below:

	Carrying amount		Fair values					
			Level 1		Level 2		Level 3	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets measured at fair value								
Derivatives not designated as hedges	1.54	26.61	-	-	1.54	26.61	-	-
Financial assets for which fair values are disclosed								
Trade receivables	60,425.82	75,724.26	-	-	60,425.82	75,724.26	-	-
Cash and cash equivalents	27,942.94	32,979.95	-	-	27,942.94	32,979.95	-	-
Other bank balances	4,886.42	3,605.39	-	-	4,886.42	3,605.39	-	-
Security deposits	588.74	594.71	-	-	588.74	594.71	-	-
Rebate / discount receivable from suppliers	235.10	938.31	-	-	235.10	938.31	-	-
Other receivable	83.97	518.86	-	-	83.97	518.86	-	-
Interest accrued on deposits and others	5,160.38	4,499.05	-	-	5,160.38	4,499.05	-	-

	Carrying amount		Fair values					
			Level 1		Level 2		Level 3	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial liabilities measured at fair value								
Derivatives not designated as hedges	4.80	252.21	-	-	4.80	252.21	-	-
Financial liabilities for which fair values are disclosed								
Borrowings	1,01,944.73	1,35,766.92	-	-	1,01,944.73	1,35,766.92	-	-
Lease Liabilities	1,917.55	1,922.67	-	-	1,917.55	1,922.67	-	-
Trade payables	14,917.41	24,257.36	-	-	14,917.41	24,257.36	-	-
Liability for capital goods	703.43	337.72	-	-	703.43	337.72	-	-
Interest accrued on borrowings	82.93	322.27	-	-	82.93	322.27	-	-
Security deposits	5,339.83	5,244.19	-	-	5,339.83	5,244.19	-	-
Payable to Gas pool operator	4,492.05	3,119.88	-	-	4,492.05	3,119.88	-	-
Other payables	4,530.04	3,544.23	-	-	4,530.04	3,544.23	-	-

There has been no transfers between levels during the year. The fair values of derivatives are based on derived mark-to-market values. The management has assessed that the carrying values of financial assets and financial liabilities for which fair values are disclosed, reasonably approximate their fair values because these instruments have short-term maturities.

Borrowings include Indian currency and Foreign currency long-term loans wherein interest rates are linked to benchmark rates (Marginal Cost of Lending Rates/ Prime Lending Rates) of respective lenders. These benchmark rates are determined based on cost of funds of the lenders, as well as, market rates. The benchmark rates are periodically revised by the lenders to reflect prevalent market conditions. Accordingly, effective cost of debt for borrowings at any point of time is in line with the prevalent market rates. Due to these reasons, management is of the opinion that they can achieve refinancing, if required, at similar cost of debt, as current effective interest rates. Hence, the discounting rate for calculating the fair value of Borrowings has been taken in line with the current cost of debt.

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42. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances, security deposits and derivatives that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, without considering impact of derivatives not designated as hedges, as follows:

	March 31, 2024		March 31, 2023	
	0.5% increase	**0.5% decrease**	**0.5% increase**	**0.5% decrease**
INR Borrowings	(455.07)	455.07	(500.96)	500.96
USD Borrowings	(54.66)	54.66	(177.87)	177.87

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency borrowings and trade payables. The summary of derivative instruments and unhedged foreign currency exposure is as below:

Derivatives (not designated as hedges) outstanding as at the reporting date

Type	**Currency**	**March 31, 2024**		**March 31, 2023**	
		Foreign currency in Lakhs	INR in Lakhs	Foreign currency in Lakhs	INR in Lakhs
Forward contracts	USD	84.64	7,059.04	353.74	29,067.04

Un-hedged foreign currency exposure as at the reporting date

	As at March 31, 2024	**As at March 31, 2023**
Rebate / discount receivable from suppliers	235.10	938.31
Other receivables	83.97	341.01
Borrowings	3,872.15	7,267.09
Trade payables	16.69	946.03

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and without considering impact of derivatives not designated as hedges:

	March 31, 2024		**March 31, 2023**	
	5% increase	**5% decrease**	**5% increase**	**5% decrease**
Impact on profit before tax				
USD	(178.29)	178.29	(346.69)	346.69

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The Company's operating activities require the ongoing purchase of natural gas. Natural gas being international commodity is subject to price fluctuation on account of the change in the crude oil prices, demand supply pattern and exchange rate fluctuations. The Company is not affected by the price volatility of the natural gas as under the Urea pricing formula the cost of natural gas is pass through if the consumption of natural gas is within the permissible norm for manufacturing of Urea.

The Company deals in purchase of imported fertilizers (i.e., DAP and MOP), which are imported by the Company and sold in the domestic market. The import prices of these goods are governed by the international prices. There is a price and material availability risk, which may not be in line to meet the domestic market requirement. The risk is also with domestic manufacturers whose costing is based on majorly imported raw materials and small value-add. However, a dynamic alignment of procurement to sales and constant review of market conditions and competitors costing help in mitigating the impact.

The Company also deals in purchase of imported raw materials (i.e. P2O5, Ammonia and Urea) which are imported by the Company and used in the manufacturing of NP. The import prices of these materials are governed by international prices. There is a price and material availability risk.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

Trade Receivables

The Trade receivables can be classified into two categories, from the customers and from the Government in the form of subsidy/concession. The concession/subsidy receivable classified under trade receivables amounting to INR 45,091.91 Lakhs (March 31, 2023: INR 63,358.47 Lakhs) is receivable from the Government of India in the form of subsidy and being of sovereign nature credit risk is not perceived. The receivables from customers also include INR 8,424.86 Lakhs (March 31, 2023: INR 8,241.41 Lakhs) receivable from related party on which management does not expect any challenge in realisation. Further, as per terms agreed with related parties, interest is also charged on the overdue balances.

From market receivables from customers, the Company extends credit to customers in the normal course of business. The Company considers factors such as credit track record in the market and past dealings for extending credit to customers. The Company monitors the track record of the payments by the customers and the receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, since the customer base is large and located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigate the credit risk to some extent. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9. The Company holds collateral as security for many of its customers. At March 31, 2024, 9.49% (31 March 2023: 13.45%) of the Company's trade receivables from customers are covered by collateral security.

An impairment analysis is performed at the reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Reconciliation of provision for doubtful debts and other assets

	As at March 31, 2024	As at March 31, 2023
Impairment of Trade receivable		
Balance at the beginning of the year	1,646.61	1,737.25
Add: Provision made during the year	-	-
Less: Reversal of earlier years provisions	(589.58)	(90.64)
Balance at the end of the year	**1,057.03**	**1,646.61**
Impairment of Other assets		
Balance at the beginning of the year	1,155.22	1,192.26
Add: Provision made during the year	921.83	-
Less: Provision reversed during the year	-	(37.04)
Balance at the end of the year	**2,077.05**	**1,155.22**
Impairment of Other financial assets		
Balance at the beginning of the year	-	-
Add: Provision made during the year	311.82	-
Less: Provision reversed during the year	-	-
Balance at the end of the year	**311.82**	-

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

(c) Liquidity risk

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

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

	Maturities				
	Upto 1 year	1-3 years	3-5 years	Above 5 years	Total
March 31 2024					
Non-current borrowings	6,070.22	14,878.76	9,850.59	5,151.62	35,951.18
Lease liabilities	247.21	479.20	470.10	3,186.61	4,383.12
Current borrowings	65,993.55	-	-	-	65,993.55
Trade payables	14,917.41	-	-	-	14,917.41
Other financial liabilities	15,153.08	-	-	-	15,153.08
Total	**1,02,381.47**	**15,357.96**	**10,320.69**	**8,338.23**	**1,36,398.34**
March 31, 2023					
Non-current borrowings	9,271.23	13,829.25	12,755.51	9,082.79	44,938.78
Lease liabilities	231.63	462.28	470.82	3,373.10	4,537.83
Current borrowings	90,828.14	-	-	-	90,828.14
Trade payables	24,257.36	-	-	-	24,257.36
Other financial liabilities	12,820.50	-	-	-	12,820.50
Total	**1,37,408.86**	**14,291.53**	**13,226.33**	**12,455.89**	**1,77,382.61**

43. Ratio Analysis and its elements

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% change	Reason for variance above 25% as per Schedule III requirement
Current ratio	Current Assets	Current Liabilities	1.23	1.10	11.8%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.08	1.69	35.8%	Improved liquidity & profitability
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.93	1.80	6.9%	
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	17.77%	18.12%	(2.0%)	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	11.52	7.07	62.9%	Reduction in working capital cycle
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.58	5.12	8.9%	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	11.68	6.76	(72.7%)	Reduction in working capital cycle
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	15.29	24.72	38.1%	Improved current ratio due to improved liquidity
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	4%	3.70%	(10.3%)	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	18%	12.98%	35.9%	Improved profitability on account of better margins & volumes besides reduction in debt due to better liquidity

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(All amounts in Indian Rupees Lakhs, except as otherwise stated)

44. Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

(ii) **The Struck off Company details**

Name of the Struck off Company	Nature of transactions with struck off company	Balance Outstanding (INR)
Vaishak Shares Limited	Shares held by struck off company	60.00
Pushkar Financial Services Limited		10.00
Eastcoast Investments Limited		1,000.00
Ingita Financial Services Limited		1,000.00
Kothari & Sons (Nominees) Private Limited		1,000.00
New Ambadi Investments Private Limited		5,000.00
Naimnath Investments Private Limited		5,000.00
Usha Holdings Private Limited		500.00

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
(a) 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
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

45. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and capital ratios in order to support its business and maximise shareholder value

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, all non-current and current borrowings reduced by cash and cash equivalents and other bank balances.

	Notes	As at March 31, 2024	As at March 31, 2023
Non-current borrowings	14	29,880.96	35,667.55
Lease Liabilities	15	1,917.55	1,922.67
Current borrowings	19	72,063.77	1,00,099.37
Less: Cash and cash equivalents	10	(27,942.94)	(32,979.95)
Less: Other bank balances (excluding unpaid dividend accounts)	11	(4,743.51)	(3,485.93)
Net debt (A)		**71,175.83**	**1,01,223.71**
Equity share capital	12	11,854.87	11,854.87
Other equity	13	82,113.55	68,463.95
Total equity (B)		**93,968.42**	**80,318.82**
Gearing ratio (A / B)		**76%**	**126%**

In order to achieve this overall objective, the Company's capital management, amongst other things, also ensures that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

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46 Previous year figures have been regrouped re-classified wherever necessary, to conform to current period's classification.

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm Registration Number: 003990S/S200018

Seethalakshmi M
Partner
Membership Number: 208545

Place of Signature: Bangalore
Date: May 23, 2024

For and on behalf of the Board of Directors of
Mangalore Chemicals and Fertilizers Limited

Akshay Poddar
Chairman
DIN: 00008686

Nitin M Kantak
Whole-time Director
DIN: 08029847

T.M. Muralidharan
Chief Financial Officer

Vighneshwar G Bhat
Company Secretary

Date: May 23, 2024

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No: 003990S/S200018
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