



INDEPENDENT AUDITOR'S REPORT

To the Members of Madhya Bharat Phosphate Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Madhya Bharat Phosphate Private Limited** ("the company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss for the year then ended, statement of changes in equity and statement of cash flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Ind AS accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit for the year ended on that date, statement for changes in equity and statement of cash flow for the year ended on that date.

Basis for Opinion

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

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

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

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

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

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



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Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting standards (Ind AS) and accounting principles generally accepted in India, including the accounting Standards 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

Materiality is the magnitude of misstatements in the Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Results.

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.

Other Matters

The financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 1, 2019 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2020 and March 31, 2019 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were not audited by us, on which the previous statutory auditors expressed an unmodified opinion dated November 16, 2020 and September 6, 2019 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

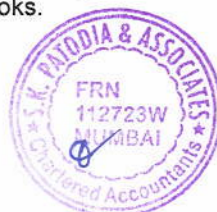
The Company, through National Company Law Tribunal (NCLT) under the provisions of Insolvency and Bankruptcy Code, 2016 was taken over by Shree Pushkar Chemicals and Fertilisers Limited (Acquirer company). The Acquirer Company, after approval from the NCLT, acquired 100% of the shareholding and recast / reorganise the balance sheet through a process of writing off / writing back of the values of the assets and liabilities so that the recasted balance sheet correctly represents the state of affairs of the company. The Acquirer Company has subscribed further equity shares of the Company during the year and has recasted the audited financial statements of the Company for the financial year 2019-20 as on April 1, 2020. Accordingly, the impact of recast on certain assets and liabilities has been disclosed in Note 40 of the financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations as at March 31, 2021 which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S K Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W



Dhiraj Lalpuria
Partner
Membership Number : 146268
UDIN : 21146268AAAAAOC4881



Place : Mumbai
Date : June 5, 2021

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Madhya Bharat Phosphate Private Limited

Page 1 of 2

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- (b) The Company has a regular programme of physical verification of its property, plant & equipment, by which all property, plant & equipment are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable properties as disclosed in the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- (ii) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- (iii) The company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion, and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, making investments and providing guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Act and accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (Note : As per the resolution plan, passed by the Hon'ble NCLT dated 05.03.2020, the statutory dues liability is maximum to Rs. Rs 10 lakhs and for labour dues is Rs.12 lakhs)
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, goods & service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution or banks at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures. Accordingly, the Paragraph 3(viii) of the order is not applicable to the Company.
- (ix) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and utilized the money raised by the way of term loans for the purpose for which they were obtained during the period.



Annexure B to Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Madhya Bharat Phosphate Private Limited
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- (x) According to the information and explanations given to us, no fraud by the Company or fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of related party transactions as required by the applicable accounting standards have been disclosed in the financial statements.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the reports of the Company examined by us and the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W



Dhiraj Lalpuria
Partner

Membership Number:
UDIN: 21146268AAAAOC4881

Place: Mumbai
Date: June 5, 2021



Annexure B to the Independent Auditor's Report

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Madhya Bharat Phosphate Private Limited

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

1. We have audited the internal financial controls over financial reporting of Madhya Bharat Phosphate Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included operating and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to the financial statements of the Company.

Meaning of Internal Financial controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that:



Annexure B to the Independent Auditor's Report

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Madhya Bharat Phosphate Private Limited

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

1. We have audited the internal financial controls over financial reporting of Madhya Bharat Phosphate Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included operating and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to the financial statements of the Company.

Meaning of Internal Financial controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that:



Annexure B to the Independent Auditor's Report

Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Madhya Bharat Phosphate Private Limited

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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

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

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Dhiraj Lalpuria
Partner
Membership Number: 146268
UDIN : 21146268AAAAOC4881

Place : Mumbai
Date : June 5, 2021



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2021

| Particulars | Note No. | (INR in Lakhs) | | |
|--|----------|------------------------|------------------------|------------------------|
| | | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| I ASSETS | | | | |
| 1. Non Current Assets | | | | |
| (a) Property, Plant and Equipment | 3 | 2,206.63 | 671.82 | 789.11 |
| (b) Capital Work-In-Progress | 3 | 332.95 | 448.32 | 448.32 |
| (c) Financial Assets | | | | |
| (i) Others | 4 | 179.99 | 32.86 | 32.86 |
| (d) Other Non Current Assets | 5 | 55.15 | 32.00 | 32.00 |
| | | <u>2,774.72</u> | <u>1,184.99</u> | <u>1,302.28</u> |
| 2. Current Assets | | | | |
| (a) Inventories | 6 | 723.85 | 274.74 | 274.74 |
| (b) Financial Assets | | | | |
| (i) Trade Receivables | 7 | 998.20 | 432.73 | 432.73 |
| (ii) Cash and Cash Equivalents | 8 | 1.14 | 127.72 | 195.79 |
| (iii) Loans & Advances | 9 | 0.06 | - | - |
| (c) Other Current Assets | 10 | 239.28 | 1,105.36 | 1,093.24 |
| | | <u>1,962.53</u> | <u>1,940.55</u> | <u>1,996.50</u> |
| Total Assets | | <u><u>4,737.25</u></u> | <u><u>3,125.54</u></u> | <u><u>3,298.78</u></u> |
| II EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity Share Capital | 11 | 343.86 | 706.37 | 706.37 |
| (b) Other Equity | 12 | 1,942.79 | (2,735.49) | (2,564.05) |
| | | <u>2,286.65</u> | <u>(2,029.11)</u> | <u>(1,857.68)</u> |
| LIABILITIES | | | | |
| 1. Non Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 13 | 833.33 | 664.30 | 664.30 |
| (ii) Other financial liabilities | 14 | 46.85 | - | - |
| (b) Provisions | 15 | 1.75 | - | - |
| (c) Deferred Tax Liabilities (Net) | 16 | 90.90 | 99.79 | 114.84 |
| (d) Other Non-Current Liabilities | 17 | 116.00 | - | - |
| | | <u>1,088.83</u> | <u>764.09</u> | <u>779.14</u> |
| 2. Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 18 | 576.34 | 3,091.08 | 3,091.08 |
| (ii) Trade Payable | 19 | | | |
| (a) total Outstanding dues of micro enterprises and small enterprises | | 1.93 | - | - |
| (b) total Outstanding dues of creditors other than micro enterprises and small enterprises | | 353.63 | 552.30 | 538.55 |
| (iii) Other Financial Liabilities | 20 | 189.69 | 81.23 | 81.23 |
| (b) Other Current Liabilities | 21 | 240.19 | 665.46 | 665.97 |
| (c) Provisions | 22 | 0.00 | 0.50 | 0.50 |
| | | <u>1,361.77</u> | <u>4,390.56</u> | <u>4,377.32</u> |
| Total Equity and Liabilities | | <u><u>4,737.25</u></u> | <u><u>3,125.54</u></u> | <u><u>3,298.78</u></u> |
| Summary of Significant Accounting Policies | 2 | | | |
| The notes referred to above are an integral part of the financial statements | 1-41 | | | |

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Dhiraj Lalpuria
Partner
Membership Number: 146268

Place : Mumbai
Date : June 05, 2021



For and on behalf of the Board of Directors

Punit Makharia
Director
DIN : 01430764

Place : Mumbai
Date : June 05, 2021

Virendrakumar Singh
Director
DIN : 09100992

MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

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

| Particulars | Note No. | (INR in Lakhs) | |
|---|----------|--------------------------------------|--------------------------------------|
| | | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| I Revenue | | | |
| Revenue from operations | 23 | 3,108.33 | - |
| Other Income | 24 | 21.59 | 5.91 |
| Total Income | | 3,129.92 | 5.91 |
| II Expenses | | | |
| Cost of Material Consumed | 25 | 1,985.56 | 8.90 |
| Changes in Inventories of Finished Goods and Work-in-Progress | 26 | (348.37) | - |
| Employee Benefit Expenses | 27 | 211.94 | - |
| Depreciation and Amortization | 28 | 131.56 | 117.29 |
| Finance Costs | 29 | 22.20 | 0.01 |
| Other Expenses | 30 | 877.46 | 66.19 |
| Total Expenses | | 2,880.36 | 192.39 |
| III Profit before tax (I- II) | | 249.57 | (186.48) |
| IV Less: Tax Expense: | | | |
| Current Tax | | - | - |
| Deferred Tax | | 90.90 | (15.05) |
| Total Tax Expense | | 90.90 | (15.05) |
| V Profit for the Year (III-IV) | | 158.67 | (171.44) |
| VI Other Comprehensive Income | | | |
| <u>Items that will not be reclassified to profit or loss</u> | | | |
| Re-measurement gains/ (losses) on defined benefit obligations | | - | - |
| Tax Effect on above | | - | - |
| Other Comprehensive Income for the year, net of tax | | - | - |
| VII Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year) | | 158.67 | (171.44) |
| VIII Earnings Per Equity Share (Face Value INR 10 Per Share): | | | |
| Basic (INR) | 31 | 8.64 | (2.43) |
| Diluted (INR) | | 8.64 | (2.43) |
| Summary of Significant Accounting Policies | 2 | | |
| The notes referred to above are an integral part of the financial statements | 1-41 | | |

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Dhiraj Lalpuria
Partner
Membership Number: 146268

Place : Mumbai
Date : June 05, 2021



For and on behalf of the Board of Directors

Punit Makharia
Director
DIN : 01430764

Place : Mumbai
Date : June 05, 2021

Virendrakumar Singh
Director
DIN : 09100992

MADHYA BHARAT PHOSPHATES PRIVATE LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

| Particulars | (INR in Lakhs) | |
|--|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
| A. Cash Flow from Operating Activities | | |
| Net profit before tax | | |
| Adjustments for: | 249.57 | (171.44) |
| Depreciation and amortisation | | |
| Finance costs | 131.56 | 117.29 |
| Deferred tax Adjustment | 22.20 | 5.91 |
| Allowances for Credit Losses | - | (15.05) |
| Operating profit/(loss) before working changes | 415.30 | (63.28) |
| Movement in working capital | | |
| Decrease/(Increase) in Inventories | (443.25) | - |
| Decrease/(Increase) in Trade Receivables | (1,010.17) | - |
| Increase/(Decrease) in Trade Payables | 315.55 | 13.75 |
| Increase/(Decrease) in Other Non-Current Liabilities | 116.00 | - |
| Increase/(Decrease) in Other Current Liabilities | 218.19 | (0.51) |
| Increase/(Decrease) in Other Current Financial Liabilities | 189.69 | 0.00 |
| Decrease/(Increase) in Other Current Assets | (212.67) | (12.12) |
| Decrease/(Increase) in Other Non Current Assets | (55.15) | - |
| Increase/(Decrease) in Long Term Provisions | 1.75 | - |
| Increase/(Decrease) in Short Term Provisions | (25.00) | - |
| Decrease/(Increase) in Other Non Current Financial Assets | (179.99) | - |
| Decrease/(Increase) in Financial assets - Loans & advances | 70.58 | - |
| Adjustment on account of acquisition of subsidiary | (938.36) | - |
| Cash Generated From Operations | (1,537.54) | (62.16) |
| Income taxes paid (net of refunds) | (1.89) | - |
| Net cash flow generated from / (used in) operating activities (A) | (1,539.43) | (62.16) |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property, Plant & Equipment (including capital work-in-progress) | (656.48) | - |
| Net Cash from/ (used in) Investing Activities (B) | (656.48) | - |
| C. Cash Flow from Financing Activities | | |
| Proceeds from/ (Repayment of) Financial Borrowings (net) | 405.32 | - |
| Proceeds from issue of shares | 1,639.36 | - |
| Lease liabilities | 46.85 | - |
| Finance costs | (22.20) | (5.91) |
| Net Cash flow from / (used in) Financing Activities (C) | 2,069.33 | (5.91) |
| Net cash Increase/(decrease) in cash and cash equivalents (A+B+C) | (126.58) | (68.07) |
| Cash and cash equivalents at the beginning of the year | 127.72 | 195.79 |
| Cash and cash equivalents at the end of the year | 1.14 | 127.72 |
| Net cash Increase/(decrease) in cash and cash equivalent | (126.58) | (68.07) |

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of Significant Accounting Policies

The notes referred to above are an integral part of these financial statements.

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1-41

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Dhiraj Lalpuria
Partner
Membership Number: 146268



Punit Makharja
Director
DIN : 01430764

Virendrakumar Singh
Director
DIN : 09100992

Place : Mumbai
Date : June 05, 2021

Place : Mumbai
Date : June 05, 2021

MADHYA BHARAT PHOSPHATES PRIVATE LIMITED

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

A : Equity Share Capital (Equity shares of INR 10 each issued, subscribed and fully paid)

| Particulars | Note No. | Numbers in Lakhs | Amount INR in Lakhs |
|--------------------------------------|-----------|------------------|---------------------|
| Balance as at April 1, 2019 | | 70.64 | 706.37 |
| Changes in equity share capital | | - | - |
| Balance at the March 31, 2020 | 11 | 70.64 | 706.37 |
| Allotment of equity shares | | 27.32 | 273.23 |
| Reduction in share capital | | 63.57 | 635.74 |
| Balance at the March 31, 2021 | 11 | 34.39 | 343.86 |

B : Other Equity

| Particulars | Note No. | Reserve and Surplus | | | Total Other Equity |
|---|-----------|---------------------|-----------------|-------------------|--------------------|
| | | Securities Premium | Capital Reserve | Retained Earnings | |
| Balance as at March 31, 2019 | 12 | 1,659.68 | - | (4,223.73) | (2,564.05) |
| Profit/(Loss) for the year | | - | - | (171.44) | (171.44) |
| Other Comprehensive Income | | - | - | - | - |
| Balance as at March 31, 2020 | 12 | 1,659.68 | - | (4,395.17) | (2,735.49) |
| Profit/(Loss) for the year | | - | - | 158.67 | 158.67 |
| Other Comprehensive Income | | - | - | - | - |
| Recasted due to acquisition (Refer Note 40) | | (1,659.68) | 417.98 | 4,395.17 | 3,153.47 |
| Allotment of Shares during the year | | 1,366.14 | - | - | 1,366.14 |
| Balance as at March 31, 2021 | 12 | 1,366.14 | 417.98 | 158.67 | 1,942.79 |

As per our report of even date attached

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number : 112723W



Dhiraj Lalpuria
Partner
Membership Number : 146268



Place : Mumbai
Date : June 05, 2021



For and on behalf of the Board of Directors

Punit Makharia
Director
DIN : 01430764

Place : Mumbai
Date : June 05, 2021



Virendrakumar Singh
Director
DIN : 09100992

MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Reconciliations Between Previous GAAP and Ind-AS

The following reconciliations provides the effect of transition to Ind-AS from IGAAP in accordance with Ind-AS 101:

- A. Equity as at beginning of April 1, 2019
- B. Equity as at March 31, 2020
- C. Net profit for the year ended March 31, 2020
- D. Cash flows for the year ended March 31, 2020

A. Reconciliation of equity as at beginning of April 1, 2019 (date of transition to Ind-AS)

| Particulars | Note No. | Indian GAAP * | Effects of transition to Ind-AS | (INR in Lakhs) | |
|--|----------|-----------------|---------------------------------|----------------|-----------------|
| | | | | | Ind-AS |
| I ASSETS | | | | | |
| 1. Non Current Assets | | | | | |
| (a) Property, Plant and Equipment | | 789.11 | - | | 789.11 |
| (b) Capital Work-In-Progress | | 448.32 | - | | 448.32 |
| (c) Financial Assets | | | | | |
| (i) Investments | | - | - | | - |
| (ii) Others | | 32.86 | - | | 32.86 |
| (d) Other Non Current Assets | | 32.00 | - | | 32.00 |
| | | <u>1,302.28</u> | - | | <u>1,302.28</u> |
| 2. Current Assets | | | | | |
| (a) Inventories | | 274.74 | - | | 274.74 |
| (b) Financial Assets | | | | | |
| (i) Trade Receivables | | 432.73 | - | | 432.73 |
| (ii) Cash and Cash Equivalents | | 195.79 | - | | 195.79 |
| (iii) Loans | | - | - | | - |
| (c) Other Current Assets | | 1,093.24 | - | | 1,093.24 |
| | | <u>1,996.50</u> | - | | <u>1,996.50</u> |
| Total Assets | | | | | |
| | | <u>3,298.78</u> | - | | <u>3,298.78</u> |
| II EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| (a) Equity share capital | | 706.37 | - | | 706.37 |
| (b) Other Equity | | (2,564.05) | - | | (2,564.05) |
| LIABILITIES | | | | | |
| 1. Non Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | | 664.30 | - | | 664.30 |
| (b) Deferred tax liabilities (Net) | | 114.84 | - | | 114.84 |
| | | <u>779.14</u> | - | | <u>779.14</u> |
| 2. Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | | 3,091.08 | - | | 3,091.08 |
| (ii) Trade Payable | | - | - | | - |
| (a) total Outstanding dues of micro enterprises and small enterprises | | - | - | | - |
| (b) total Outstanding dues of creditors other than micro enterprises and small enterprises | | 538.55 | - | | 538.55 |
| (iii) Other financial liabilities | | 81.23 | - | | 81.23 |
| (b) Other current liabilities | | 665.97 | - | | 665.97 |
| (c) Provisions | | 0.50 | - | | 0.50 |
| | | <u>4,377.32</u> | - | | <u>4,377.32</u> |
| Total Equity and Liabilities | | | | | |
| | | <u>3,298.78</u> | - | | <u>3,298.78</u> |

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

B. Reconciliation of equity as at March 31, 2020

| Particulars | Note No. | Indian GAAP * | (INR in Lakhs) | |
|--|----------|------------------------|---------------------------------|------------------------|
| | | | Effects of transition to Ind-AS | Ind-AS |
| I ASSETS | | | | |
| 1. Non Current Assets | | | | |
| (a) Property, Plant and Equipment | | 671.82 | - | 671.82 |
| (b) Capital Work-In-Progress | | 448.32 | - | 448.32 |
| (c) Financial Assets | | | | |
| (i) Others | | 32.86 | - | 32.86 |
| (d) Other Non Current Assets | | 32.00 | - | 32.00 |
| | | <u>1,184.99</u> | - | <u>1,184.99</u> |
| 2. Current Assets | | | | |
| (a) Inventories | | | | |
| (b) Financial Assets | | 274.74 | - | 274.74 |
| (i) Trade Receivables | | 432.73 | - | 432.73 |
| (ii) Cash and Cash Equivalents | | 127.72 | - | 127.72 |
| (c) Other Current Assets | | <u>1,105.36</u> | - | <u>1,105.36</u> |
| | | <u>1,940.55</u> | - | <u>1,940.55</u> |
| Total Assets | | | | |
| | | <u><u>3,125.54</u></u> | - | <u><u>3,125.54</u></u> |
| II EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | | 706.37 | - | 706.37 |
| (b) Other Equity | | <u>(2,735.49)</u> | - | <u>(2,735.49)</u> |
| | | <u>(2,029.11)</u> | - | <u>(2,029.11)</u> |
| LIABILITIES | | | | |
| 1. Non Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 664.30 | - | 664.30 |
| (b) Deferred tax liabilities (Net) | | <u>99.79</u> | - | <u>99.79</u> |
| | | <u>764.09</u> | - | <u>764.09</u> |
| 2. Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 3,091.08 | - | 3,091.08 |
| (ii) Trade Payable | | - | - | - |
| (a) total Outstanding dues of micro enterprises and small enterprises | | - | - | - |
| (b) total Outstanding dues of creditors other than micro enterprises and small enterprises | | 552.30 | - | 552.30 |
| (iii) Other financial liabilities | | 81.23 | - | 81.23 |
| (b) Other current liabilities | | 665.46 | - | 665.46 |
| (c) Provisions | | <u>0.50</u> | - | <u>0.50</u> |
| | | <u>4,390.56</u> | - | <u>4,390.56</u> |
| Total Equity and Liabilities | | | | |
| | | <u><u>3,125.54</u></u> | - | <u><u>3,125.54</u></u> |

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.



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C. Reconciliation of Total Comprehensive Income for the year ended March 31, 2020

| Particulars | Note No. | Indian GAAP * | (INR in Lakhs) | |
|--|----------|-----------------|---------------------------------|-----------------|
| | | | Effects of transition to Ind-AS | Ind-AS |
| I Revenue | | | | |
| Revenue from Operations | | - | - | - |
| Other Income | | 5.91 | - | 5.91 |
| Total Income | | 5.91 | - | 5.91 |
| II Expenses | | | | |
| Cost of Material Consumed | | 8.90 | - | 8.90 |
| Depreciation and Amortization | | 117.29 | - | 117.29 |
| Finance Costs | | 0.01 | - | 0.01 |
| Other Expenses | | 66.19 | - | 66.19 |
| Total Expenses | | 192.39 | - | 192.39 |
| III Profit/(loss) before tax (I- II) | | (186.48) | - | (186.48) |
| IV Less: Tax Expense: | | | | |
| Current Tax | | - | - | - |
| Deferred Tax | | (15.05) | - | (15.05) |
| V Profit for the year (III-IV) | | (171.44) | - | (171.44) |
| VI Other Comprehensive Income | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Re-measurement gains/ (losses) on defined benefit plans | | - | - | - |
| Tax effect | | - | - | - |
| Other Comprehensive Income for the year, net of tax | | - | - | - |
| VII Total Comprehensive Income for the year (V+VI) | | (171.44) | - | (171.44) |

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

D. Impact of Ind-AS adoption on the statement of cash flows for the year ended March 31, 2020

| Particulars | Note No. | Indian GAAP * | (INR in Lakhs) | |
|--|----------|----------------|---------------------------------|----------------|
| | | | Effects of transition to Ind-AS | Ind-AS |
| Net cash flow from operating activities | | (62.16) | - | (62.16) |
| Net cash flow from investing activities | | - | - | - |
| | | (5.91) | - | (5.91) |
| Net increase/ (decrease) in cash and cash equivalents | | (68.07) | - | (68.07) |
| Cash and cash equivalents at April 1, 2019 | | 195.79 | - | 195.79 |
| Cash and cash equivalents at March 31, 2020 | | 127.72 | - | 127.72 |

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.
There are no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind-AS.



MADHYA BHARAT PHOSPHATES PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 3 : Property, Plant and Equipment

| Particulars | Freehold Land | Leasehold Land | Factory Building | Plant and Machinery | Furniture and Fixtures | Computers Equipments | Motor Vehicles | Office Equipments | Right-of-use asset | Total | (INR in Lakhs) Capital Work-in Progress |
|---|---------------|----------------|------------------|---------------------|------------------------|----------------------|----------------|-------------------|--------------------|----------|--|
| Gross Carrying Amount as at April 1, 2019 | 13.79 | 21.93 | 561.24 | 951.10 | 7.18 | 15.82 | 66.60 | 21.91 | - | 1,659.57 | 448.32 |
| Additions / Transfer | - | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2020 | 13.79 | 21.93 | 561.24 | 951.10 | 7.18 | 15.82 | 66.60 | 21.91 | - | 1,659.57 | 448.32 |
| Recasted on April 01, 2020 (Refer Note 40) | 136.21 | 240.83 | 337.99 | 653.89 | (7.18) | (15.82) | (66.60) | (21.91) | - | 1,257.41 | (448.32) |
| Additions / Transfer | - | - | - | 237.19 | 0.13 | 1.28 | 7.47 | 0.94 | 76.51 | 323.53 | 332.95 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2021 | 150.00 | 262.76 | 899.23 | 1,842.18 | 0.13 | 1.28 | 7.47 | 0.94 | 76.51 | 3,240.51 | 332.95 |
| Accumulated depreciation as at April 1, 2019 | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation charge during the year | - | 8.53 | 168.40 | 619.62 | 6.09 | 15.03 | 37.10 | 15.68 | - | 870.46 | - |
| Accumulated depreciation on deletions | - | 0.73 | 19.67 | 85.37 | 0.64 | - | 10.63 | 0.25 | - | 117.29 | - |
| As at March 31, 2020 | - | 9.26 | 188.07 | 704.99 | 6.74 | 15.03 | 47.73 | 15.93 | - | 987.75 | - |
| Recasted on April 01, 2020 (Refer Note 40) | - | - | - | - | (6.74) | (15.03) | (47.73) | (15.93) | - | (85.43) | - |
| Depreciation charge during the year | - | 14.60 | 28.51 | 79.49 | 0.01 | 0.24 | 0.67 | 0.09 | 7.96 | 131.56 | - |
| Accumulated depreciation on deletions | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2021 | - | 23.86 | 216.58 | 784.48 | 0.01 | 0.24 | 0.67 | 0.09 | 7.96 | 1,033.88 | - |
| Net carrying amount as at March 31, 2021 | 150.00 | 238.90 | 682.66 | 1,057.70 | 0.12 | 1.04 | 6.81 | 0.85 | 68.55 | 2,206.63 | 332.95 |
| Net carrying amount as at March 31, 2020 | 13.79 | 12.67 | 373.17 | 246.11 | 0.44 | 0.79 | 18.87 | 5.98 | - | 671.82 | 448.32 |
| Net carrying amount as at April 1, 2019 | 13.79 | 13.40 | 392.84 | 331.47 | 1.08 | 0.79 | 29.49 | 6.24 | - | 789.11 | 448.32 |

Asset under Construction

Capital Work In Progress as at March 31, 2021 comprises of expenditure for Meghnagar plant situated at 176, AKVN Industrial Area, Thandla Road, Meghnagar, Jhabua, Madhya Pradesh, 457779 and Deewanganj plant situated at 57/2/5, Vidisha Road, Deewanganj, Raisen Madhya Pradesh, 464651



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2021**

Note 1: Company Overview

Madhya Bharat Phosphate Private Limited (the "Company") is a subsidiary of the Public Limited Company "Shree Pushkar Chemicals & Fertilisers Limited", domiciled in India and incorporated on February 19, 2003 under the provisions of Companies Act, 1956. The registered office of the Company is located at 301-302, 3rd Floor, Atlanta Center, Sonawala Road, Goregaon (East), Mumbai – 400063.

The Company is engaged in the business of manufacturing and trading of Chemicals, Cattle Feeds and Fertilisers.

The financial statements are authorized for issue in accordance with a resolution of the Board of Directors on June 5, 2021.

Note 2: Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These accounting policies have been applied to all the years presented by the Company unless otherwise stated.

A. Basis of preparation of financial statements

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind-AS") under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind-AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted the Indian Accounting standards in accordance with Ind-AS 101 "First time adoption of Indian Accounting Standards" during the year ended March 31, 2021.

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

ii. Basis of preparation

The financial statements have been prepared on historical cost basis except the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale- measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value; and

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2021

iii. 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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

- It is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading,
- It is 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.

B. Use of estimates

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note C below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Critical accounting estimates

(i) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after 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 the asset is acquired and reviewed periodically, including at each



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2021**

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, such as changes in technology.

(ii) Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

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

Further details about gratuity obligations are given in Note 37.

(iii) 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 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. See Note 32-33 for further disclosures.

(iv) Revenue from contracts with customers

The Company's contracts with customers include promises to provide the goods & services to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either fixed amount of customer consideration or variable consideration with elements such as schemes, incentives, cash discounts etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of the each period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customer's actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

D. Property, Plant and Equipment

Land (including Land Developments) is carried at historical cost. All other items of property, plant and equipment are stated in the balance sheet at historical cost less 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. All other repair and maintenance costs are recognised in profit or loss as incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and land developments) less their residual values over the useful lives, using the straight-line method ("SLM"). Management believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

| Description of Asset | Estimated useful lives |
|--|------------------------|
| Buildings | 30 years |
| Leasehold lands | 30 years |
| Computers and Printers, including Computer Peripherals (including server and networking) | 3-6 years |
| Office Equipments | 5 years |
| Furniture and Fixtures | 10 years |
| Motor Vehicles (including busses and trucks) | 8-20 years |
| Plant and Machinery | 15-20 years |

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the



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difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

E. Investment properties

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

F. Intangible Assets

Intangible asset including intangible assets under development are stated at cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management estimate. The amortization period and the amortisation method are reviewed at the end of each financial year.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised 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 with a finite useful life 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 with infinite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

G. Impairment of Non-Financial Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognized in the profit or loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication



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that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in profit or loss.

H. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

Part I - Financial Assets

a) 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

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

Financial Assets at amortised cost:

A Financial Assets is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

c) De-recognition

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



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

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.

d) Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance;
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 116
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases



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when the expected life of the financial instrument cannot be estimated reliably, then the Company uses the remaining contractual term of the financial instrument; and

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

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 grouped under the head 'other expenses'. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Part II - Financial Liabilities

a) Initial recognition and measurement

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

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

b) Subsequent measurement

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



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Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the 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 profit or 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 risks are recognized in OCI. These gains/ losses are not subsequently transferred to 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 or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.



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c) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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 or loss.

d) 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.

I. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively.

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.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

J. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K. Revenue from contracts with customers

The Company derives revenues primarily from manufacturing and trading of Chemicals, Dyes and Dyes Intermediate and other allied products.

Ind AS 115 "Revenue from Contracts with Customers" provides a control- based revenue recognition model and provides a five-step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;



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- Allocate the transaction price to the performance obligations;
- Recognize revenue when or as an entity satisfies performance obligations

Revenue from contracts with customers is recognized 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 when no significant uncertainty exists as to its realization or collection.

The amount recognized as revenue in its Statement of Profit and Loss is exclusive of Goods and Service Tax and is net of discounts.

Contract balances

Trade receivables

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

Contract liabilities

A contract liability is the obligation to perform the services as agreed with the customer for which the Company has received consideration (or an amount of consideration is due) from the customer. A contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

L. Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

M. Provisions and Contingent Liabilities

General

Provisions are recognised 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 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.



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A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

N. Accounting for Taxation of Income

(i) Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

(ii) Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

O. Fair value measurement

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



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Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

P. Foreign Currency-Transactions and Balances

The Company's functional currency is INR and accordingly, the financial statements are presented in INR.

Transactions in foreign currencies are initially recorded by the company in their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as 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 was 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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).



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Q. Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

R. Leases

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

As a lessee

The Ministry of Corporate Affairs ("MCA") notified the new Ind AS 116 "Leases" with the date of initial application being April 1, 2019.

On April 1, 2019, the Company has adopted Ind AS 116, Leases, which, applied to all lease contracts outstanding as at April 1, 2019, using modified retrospective method by recording the cumulative effect of initial application as an adjustment to opening retained earnings.

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. For arrangements entered into prior to April 01, 2019, the Company has determined whether the arrangement contains a lease on the basis of facts and circumstances existing on the date of transition.

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

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably



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certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently remeasured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and the right of use asset will be separately presented in the balance sheet and lease payments will be classified as financing activities.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in standalone statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

S. Employee Benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Company operates the following post-employment schemes:

- (i) Defined benefit plans such as gratuity
- (ii) Defined contribution plans such as provident fund.



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Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation. The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

T. Earnings Per Share

Basic Earnings Per Share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

U. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits (with an original maturity of three months or less from the date of acquisition), which are subject to an insignificant risk of changes in value.



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2021**

V. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

W. Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 4 : Non-Current Financial Assets - Others

| Particulars | (INR in Lakhs) | | |
|---------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Carried at amortised cost | | | |
| Security Deposits | 179.99 | 32.86 | 32.86 |
| Total | 179.99 | 32.86 | 32.86 |

Note 5 : Other Non-Current Assets

| Particulars | (INR in Lakhs) | | |
|-----------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Capital Advance | 55.15 | 32.00 | 32.00 |
| Total | 55.15 | 32.00 | 32.00 |

Note 6 : Inventories

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Raw Material | 151.02 | 128.59 | 128.59 |
| Work-in-Process | 40.80 | - | - |
| Finished Goods | 426.81 | 146.14 | 146.14 |
| Packing Material | 45.40 | - | - |
| Stores and Spares | 53.25 | - | - |
| Power and Fuel | 6.57 | - | - |
| Total | 723.85 | 274.74 | 274.74 |
| Included above, goods in transit : | | | |
| Raw Material | 2.44 | - | - |
| | 2.44 | | |
| Details of Work-in-Progress: | | | |
| Fertilizers | 40.80 | - | - |
| TOTAL | 40.80 | | |
| Details of Finished Goods: | | | |
| Fertilizers | 426.81 | 146.14 | 146.14 |
| TOTAL | 426.81 | 146.14 | 146.14 |

Note 7 : Current Financial Assets - Trade Receivables

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Trade Receivables considered good - Secured | - | - | - |
| Trade Receivables considered good - Unsecured | 998.20 | 432.73 | 432.73 |
| Trade Receivables which have significant increase in Credit Risk | 11.97 | - | - |
| Less: Allowance for credit losses | (11.97) | - | - |
| Trade Receivables - credit impaired | - | - | - |
| Total | 998.20 | 432.73 | 432.73 |

Note 8 : Current Financial Assets - Cash and Cash Equivalents

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Bank Balances | | | |
| - In current accounts | 0.58 | 27.66 | 195.39 |
| - In fixed deposits with maturity of less than 3 months | - | 100.00 | - |
| Cash on Hand | 0.56 | 0.05 | 0.40 |
| Total | 1.14 | 127.72 | 195.79 |

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the applicable short-term deposit bank rates.

Note 9 : Current Financial Assets - Loans & Advances

| Particulars | (INR in Lakhs) | | |
|----------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Unsecured, considered good | | | |
| Advances to Employees | 0.06 | - | - |
| Total | 0.06 | | |

Note 10 : Other Current Assets

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Advances other than capital advances: | | | |
| Advance payment to vendors | 57.04 | 960.07 | 960.09 |
| Balance with GST and other indirect tax authorities | 177.82 | 57.93 | 45.79 |
| Income Tax (net of advance tax and TDS) | 1.89 | 87.23 | 87.23 |
| Prepaid Expenses | 2.53 | 0.13 | 0.13 |
| Total | 239.28 | 1,105.36 | 1,093.24 |



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 11 : Share Capital

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Authorised Capital 70,70,000 (March 31, 2020: 70,70,000; April 1, 2019: 70,70,000) Equity shares of Rs. 10 each | 707.00 | 707.00 | 707.00 |
| | 707.00 | 707.00 | 707.00 |
| Issued, Subscribed and Paid up Capital 34,38,645 (March 31, 2020: 70,63,747; April 1, 2019: 70,63,747) Equity shares of Rs. 10/- each fully paid up | 343.86 | 706.37 | 706.37 |
| Total | 343.86 | 706.37 | 706.37 |

(a) Terms / rights attached to:

Equity Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors (if any) is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|--|--------------------------------|--------------------------|--------------------------------|--------------------------|
| | Number of shares (in Lakhs) | Amount (INR in Lakhs) | Number of shares (in Lakhs) | Amount (INR in Lakhs) |
| Balance as at the Beginning of the year | 70.64 | 706.37 | 70.64 | 706.37 |
| Add: Allotment of equity shares | 27.32 | 273.23 | - | - |
| Less: Recasted on April 01, 2020 (Refer Note No. 40) | 63.57 | 635.74 | - | - |
| Balance as at the end of the year | 34.39 | 343.86 | 70.64 | 706.37 |

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Equity Shares

| Shares held by | As at March 31, 2021 | | As at March 31, 2020 | |
|---|--------------------------------|---------|--------------------------------|--------|
| | Number of Shares (in Lakhs) | % | Number of Shares (in Lakhs) | % |
| Pawan Agrawal | - | - | 42.56 | 60.25% |
| SEAF India Agribusiness International Fund | - | - | 6.43 | 9.10% |
| Jeevan Malviya | - | - | 8.91 | 12.61% |
| SEAF India Investment Trust | - | - | 5.52 | 7.82% |
| Shree Pushkar Chemicals and Fertilisers Limited | 34.39 | 100.00% | - | - |

Note 12 - Other Equity

| Particulars | (INR in Lakhs) | | |
|--------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Securities Premium | 1,366.14 | 1,659.68 | 1,659.68 |
| Retained Earnings | 158.67 | (4,395.17) | (4,223.73) |
| Capital Reserve | 417.98 | - | - |
| Total | 1,942.79 | (2,735.49) | (2,564.05) |

(i) Securities Premium :

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Balance as at the beginning of the year | 1,659.68 | 1,659.68 | 1,659.68 |
| Recasted on April 01, 2020 (Refer Note No. 40) | (1,659.68) | - | - |
| Add: Additions during the year | 1,366.14 | - | - |
| Balance as at the end of the year | 1,366.14 | 1,659.68 | 1,659.68 |

The amount of Rs. 1,366.14 lakhs standing in the Securities Premium account pertains to the premium received on issue of shares during the year against issuance of 27,32,271 shares at a premium of Rs. 50 each.

(ii) Retained Earnings:

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Balance as at the beginning of the year | (4,395.17) | (4,223.73) | (3,796.19) |
| Recasted on April 01, 2020 (Refer Note No. 40) | 4,395.17 | - | - |
| Add: Profit / (Loss) for the year | 158.67 | (171.44) | (497.79) |
| Add: Prior period adjustments | - | - | 0.79 |
| Add: Provision for Stock Quality Improvement (2017-18) | - | - | 69.46 |
| Add: Items of Other Comprehensive Income recognised directly in Retained Earnings | - | - | - |
| Balance as at the end of the year | 158.67 | (4,395.17) | (4,223.73) |



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(iii) Capital Reserve

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Balance as at the beginning of the year | - | - | - |
| Add : Recasted on April 01, 2020 (Refer Note No. 40) | 417.98 | - | - |
| Balance as at the end of the year | 417.98 | - | - |

The amount of Rs. 417.98 lakhs standing in the Capital Reserve account pertains to the impact of recasting done as on April 01, 2020

Note 13 : Non-Current Financial Liabilities - Borrowings

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Secured Term Loans | | | |
| Rupee Term Loans from Banks | 1,000.00 | - | - |
| Quasi capital loan from SIDBI | - | 500.00 | 500.00 |
| Term Loans from SIDBI | - | 164.30 | 164.30 |
| Less: Current Maturities of Long term debt (Refer Note 20) | 166.67 | - | - |
| Total Non-Current Borrowings | 833.33 | 664.30 | 664.30 |

Notes:

(a) Nature of security and terms of repayment for Secured Borrowings :

1. Rupee Term Loan from Axis Bank Limited amounting to Rs. 1,000.00 lakhs (March 31, 2020 : Rs. Nil lakhs, April 01, 2019; Rs. Nil lakhs) carries interest rate @ 7.75% p.a and are secured as under

a) Primary Security:

i) First Pari-passu charge on leasehold rights of land located at Plot No. 176, admeasuring 26000 Sq. Mts. at M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. (AKVN), Industrial Area , Thandla Road, Meghnagar, Dist. Jhabua , M.P.

ii) First Pari-passu charge on entire movable fixed assets located at Plot No. 176, admeasuring 26000 Sq. Mts. at M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. (AKVN), Industrial Area , Thandla Road, Meghnagar, Dist. Jhabua , M.P.

b) Collateral Security:

i) Second Pari-passu charge on the entire current assets of the company.

c) Corporate Guarantee of Shree Pushkar Chemicals and Fertilisers Limited.

2. The SIDBI Quasi Capital Loan will become payable after the completion of moratorium period of 36 months, further during previous year no EMI payment was done.

Note 14 : Non-Current Financial Liabilities - Others

| Particulars | (INR in Lakhs) | | |
|-------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Lease Liabilities | 46.85 | - | - |
| Total | 46.85 | - | - |

Note 15 : Non-Current Provisions

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Provision for Employee Benefits: Provision for Gratuity | 1.75 | - | - |
| Total | 1.75 | - | - |

Note 16 : Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Deferred Tax Liabilities/ (Assets) arising on account of timing differences in: Property, Plant and Equipment including Intangible Assets - Depreciation | 76.76 | 99.79 | 114.84 |
| Gratuity | (0.44) | - | - |
| Allowances for credit losses | (3.01) | - | - |
| Lease Liability | 17.59 | - | - |
| Deferred Tax Liabilities (net) | 90.90 | 99.79 | 114.84 |

Movement in Deferred Tax Liabilities/ (Assets)

| Particular | (INR in Lakhs) | | | | |
|--|-----------------|---------------|--------------|---------------|--------------|
| | Lease Liability | ECL | Depreciation | Gratuity | Total |
| As at April 1, 2019 | - | - | 114.84 | - | 114.84 |
| Charged/ (Credited): | | | | | |
| To Profit or Loss | - | - | (15.05) | - | (15.05) |
| To Other Comprehensive Income | - | - | - | - | - |
| As at March 31, 2020 | - | - | 99.79 | - | 99.79 |
| Charged/ (Credited): | | | | | |
| Recasted on April 01, 2020 (Refer Note No. 40) | - | - | (99.79) | - | (99.79) |
| To Profit or Loss | 17.59 | (3.01) | 76.76 | (0.44) | 90.90 |
| To Other Comprehensive Income | - | - | - | - | - |
| As at March 31, 2021 | 17.59 | (3.01) | 76.76 | (0.44) | 90.90 |

Note 17 : Other Non-Current Liabilities

| Particulars | (INR in Lakhs) | | |
|---------------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Security Deposit From Customers | 116.00 | - | - |
| Total | 116.00 | - | - |



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 18 : Current Financial Liabilities - Borrowings

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Secured Loans (Repayable on demand) | | | |
| Working Capital Loans from Banks | | | |
| Loans From Banks | 151.85 | 2,844.34 | 2,844.34 |
| Acceptances from Banks | 424.49 | - | - |
| Unsecured Loans (Repayable on demand) | | | |
| Loan from others and Inter corporate Deposit | - | 246.74 | 246.74 |
| Total | 576.34 | 3,091.08 | 3,091.08 |

Notes:

1) Working capital loans from Axis Bank Limited Rs. 151.65 lakhs (March 31, 2020: Rs. Nil, April 1, 2019: Nil) carries interest rate @ 7.50% p.a. (Previous year: Nil) and are secured as under:

a) Primary Security:

i) First Pari-passu charge on the entire current assets of the company.

b) Collateral Security:

i) Second Pari-passu charge on leasehold rights of land located at Plot No. 176, admeasuring 26000 Sq. Mts. at M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. (AKVN), Industrial Area, Thandla Road, Meghnagar, Dist. Jhabua, M.P.

ii) Second Pari-passu charge on entire movable fixed assets located at Plot No. 176, admeasuring 26000 Sq. Mts. at M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. (AKVN), Industrial Area, Thandla Road, Meghnagar, Dist. Jhabua, M.P.

iii) Corporate Guarantee of Shree Pushkar Chemicals and Fertilisers Limited

2) Working capital loans from Kotak Mahindra Bank Ltd. Rs. 0.20 lakhs (March 31, 2020: Rs. Nil, April 1, 2019: Nil) carries interest rate @ 7.30% p.a. (Previous year: Nil) and are secured as under:

a) Primary Security:

i) Hypothecation of the entire current assets and movable fixed assets of the company on pari-passu basis with Axis Bank.

b) Collateral Security:

i) Equitable mortgage by way of pari-passu with Axis Bank on immovable properties located at Plot No. 176, admeasuring 26000 Sq. Mts. at M.P. Audyogik Kendra Vikas Nigam (Indore) Ltd. (AKVN), Industrial Area, Thandla Road, Meghnagar, Dist. Jhabua, M.P.

ii) Corporate Guarantee of Shree Pushkar Chemicals and Fertilisers Limited

3) Working capital cash credit limit of Rs. 2844.34 lakhs on March 31, 2020 (April 1, 2019: Rs. 2,844.34 lakhs) (Total Sanctioned limit of Rs. 2,500.00 lakhs) was secured by way of hypothecation of stock, stores & spares, packing material, finished goods and book debts of the company, both present and future. Working capital cash credit was also secured by way of personal guarantee of erstwhile director Mr. Pawan Agrawal. The said loan was settled under NCLT order dated March 20, 2020. (Refer note 40)

Note 19 : Current Financial Liabilities - Trade Payables

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Trade Payable | | | |
| Total Outstanding Dues of Micro Enterprises and Small Enterprises | 1.93 | - | - |
| Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises | 353.63 | 552.30 | 538.55 |
| Total | 355.55 | 552.30 | 538.55 |

Note: The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 20 : Current Financial Liabilities - Others

| Particulars | (INR in Lakhs) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Current Maturities of Long-Term Debt (Refer note No. 13) | | | |
| Rupee Term Loans from Banks | 166.67 | 66.01 | 66.01 |
| Vehicle Loan from Banks* | - | 15.22 | 15.22 |
| Lease Liabilities | 23.02 | - | - |
| Total | 189.69 | 81.23 | 81.23 |

*During the previous year, vehicle loans were secured by hypothecation of Vehicles against which the loans were taken.

Note 21 : Other Current Liabilities

| Particulars | (INR in Lakhs) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Statutory Dues Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes) | 12.36 | 5.30 | 4.03 |
| Advance from Customers | 177.98 | 285.17 | 285.17 |
| Expenses payable | 12.53 | 64.99 | 66.76 |
| NCLT Other Liabilities | 26.07 | - | - |
| Deposit From Customers | - | 110.00 | 110.00 |
| Deposit under IBC Proceeding | - | 200.00 | 200.00 |
| Employee Related Liabilities | 11.25 | - | - |
| Total | 240.19 | 665.46 | 665.97 |

Note 22 : Current Provisions:

| Particulars | (INR in Lakhs) | | |
|----------------------------------|-------------------------|-------------------------|------------------------|
| | As at March 31, 2021 | As at March 31, 2020 | As at April 1, 2019 |
| Provision for Employee benefits: | | | |
| Provision for Gratuity | 0.00 | 0.50 | 0.50 |
| Total | 0.00 | 0.50 | 0.50 |



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 23 : Revenue from Operations

| Particulars | (INR in lakhs) | |
|----------------------------|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Sale of Products: | | |
| Finished Goods | | |
| Total | 3,108.33 | - |
| | 3,108.33 | - |
| Products wise Sales | | |
| Fertilizers | | |
| Total | 3,108.33 | - |
| | 3,108.33 | - |

Note:- The amount of revenues are exclusive of goods and services tax.

Note 24 : Other Income

| Particulars | (INR in lakhs) | |
|-----------------------------|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Interest Income on | | |
| - Fixed Deposits with Banks | | 5.91 |
| Rent income | 21.59 | - |
| Total | 21.59 | 5.91 |

Note 25 : Materials Consumed

| Particulars | (INR in lakhs) | |
|--|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Raw Materials Consumed: | | |
| Inventories at the beginning of the year | 128.59 | 128.59 |
| Recasted on April 01, 2020 (Refer Note No. 40) | 32.77 | - |
| Add: Purchases during the year | 1,975.22 | 8.90 |
| | 2,136.58 | 137.50 |
| Less: Inventories at the end of the year | 151.02 | 128.59 |
| Total | 1,985.56 | 8.90 |
| Details of Raw Materials Consumed: | | |
| Rock Phosphate | 1,135.85 | 8.90 |
| Others | 849.71 | - |
| | 1,985.56 | 8.90 |

Note 26 : Change in inventories of finished goods and work-in-progress

| Particulars | (INR in lakhs) | |
|---|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Changes in Inventories of Finished Goods and Work-in-Progress: | | |
| Inventories at the end of the year | | |
| Work in Process | 40.80 | - |
| Finished Goods | 426.81 | 146.14 |
| | 467.61 | 146.14 |
| Inventories at the beginning of the year | | |
| Finished Goods | 146.14 | 146.14 |
| Recasted on April 01, 2020 (Refer Note No. 40) | (26.90) | - |
| | 119.24 | 146.14 |
| Total | (348.37) | - |

Note 27 : Employee Benefit Expenses

| Particulars | (INR in lakhs) | |
|--------------------------------------|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Salaries, Wages and Bonus | 208.64 | - |
| Gratuity Expenses (Refer note below) | 1.75 | - |
| Staff Welfare Expenses | 1.55 | - |
| Total | 211.94 | - |

The actuarial valuation for liability for gratuity & leave encashment for the previous year end was not done. However, the gratuity was funded with the "Life Insurance Corporation of India" (LIC) by paying premium.



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 28 : Depreciation and Amortisation Expense

| Particulars | (INR in lakhs) | |
|------------------------------------|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Depreciation on Tangible Assets | 123.60 | 117.29 |
| Depreciation on Right-of-use asset | 7.96 | - |
| Total | 131.56 | 117.29 |

Note 29 : Finance Costs

| Particulars | (INR in lakhs) | |
|-----------------------|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Interest Expense | | |
| - On Bank Loans | 18.01 | - |
| - On Others | 2.75 | - |
| Other Borrowing Costs | 1.45 | 0.01 |
| Total | 22.20 | 0.01 |

Note 30 : Other Expenses

| Particulars | (INR in lakhs) | |
|--|--------------------------------------|--------------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| Manufacturing Expenses | | |
| Consumption of Stores and Spares | 16.59 | - |
| Packing Material | 110.07 | - |
| Power and Fuel | 138.11 | - |
| Water Charges | 2.03 | - |
| Repairs and Maintenance | 4.51 | - |
| Security Expense | - | 24.96 |
| Insurance Expense | 2.63 | 5.73 |
| Other Administrative & Selling Expenses | | |
| Selling and Distribution Expenses | 518.57 | 0.04 |
| Travelling and Conveyance Expenses | 13.25 | 3.70 |
| Communication Expenses | 0.35 | 0.32 |
| Legal and Professional Expenses | 7.93 | 28.26 |
| Rent, Rates and Taxes | 32.00 | - |
| Printing and Stationery | 0.91 | - |
| Payments to Auditors: | | |
| - Audit Fees | 1.00 | 0.40 |
| - GST Audit Fees | - | 1.20 |
| Miscellaneous Expenses | 17.53 | 1.58 |
| Allowance for credit losses | 11.97 | - |
| Total | 877.46 | 66.19 |

Note 31 : Earnings Per Equity Share

| Particulars | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Net Profit attributable to Equity Shareholders (INR in Lakhs) | 158.67 | (171.44) |
| Weighted Average Number of Equity Shares (Nos. in Lakhs) | 18.37 | 70.64 |
| Diluted Number of Equity Shares (Nos. in Lakhs) | 18.37 | 70.64 |
| Basic Earnings Per Share (INR) | 8.64 | (2.43) |
| Diluted Earnings Per Share (INR) | 8.64 | (2.43) |
| Face value per Share (INR) | 10.00 | 10.00 |



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 32 : Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

| Particulars | (INR In Lakhs) | |
|-------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Non-Current Financial Assets | | |
| Others | 179.99 | 32.86 |
| Current Financial Assets | | |
| Trade receivables | 998.20 | 432.73 |
| Cash and Cash Equivalents | 1.14 | 127.72 |
| Loans | 0.06 | - |
| Total | 1,179.39 | 593.31 |

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 33 : Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

| Particulars | (INR In Lakhs) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| Non-Current Financial Liabilities | | |
| Borrowings | 833.33 | 664.30 |
| Others | 46.85 | - |
| Current Financial Liabilities | | |
| Borrowings | 576.34 | 3,091.08 |
| Trade Payable | 355.55 | 552.30 |
| Other Financial Liabilities | 189.69 | 81.23 |
| Total | 2,001.76 | 4,388.91 |

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Note 34 : Capital Management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

| Particulars | (INR In Lakhs) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2021 | As at March 31, 2020 |
| A) Net Debt | | |
| Borrowings (Current and Non-Current) | 1,576.34 | 3,836.61 |
| Cash and cash equivalents | (1.14) | (127.72) |
| Net Debt (A) | 1,575.20 | 3,708.89 |
| B) Equity | | |
| Equity share capital | 343.86 | 706.37 |
| Other Equity | 1,942.79 | (2,735.49) |
| Total Equity (B) | 2,286.65 | (2,029.11) |
| Gearing Ratio (Net Debt / Capital) i.e. (A / B) | 68.89% | -182.78% |

Note 35 : Contingent Liabilities not Provided for:

Bank guarantee given by the banks on behalf of the Company amounting to Rs.200 Lakhs (March 31, 2020: Nil Lakhs, April 1, 2019: Nil) to suppliers of goods.



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Note 36 : Segment Information:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Considering the nature of business and integrated manufacturing process of the Company, the Company considers its products under one segment only i.e. Chemicals & Fertilisers. Accordingly, Segment Reporting in accordance with Indian Accounting Standard - 108 "Operating Segment" issued by the Institute of Chartered Accountants of India and adopted by Companies (Accounting Standard) Rules, 2015 is not applicable to the Company.

Note 37 : Employee Benefits:

The Company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

- a. Employers' Contribution to Provident Fund and Employee's Pension Scheme

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

| | Year ended March 31, 2021 (INR in lakhs) | Year ended March 31, 2020 (INR in lakhs) |
|---|--|--|
| Employers' Contribution to Provident Fund and Employee's Pension Scheme | - | - |
| Total Expenses recognised in the Statement of Profit and Loss (Refer Note 27) | - | - |
| II. Defined Benefit Plan | | |
| Gratuity Fund | | |
| a. Major Assumptions | | |
| Discount Rate | (% p.a.) 7.06% | (% p.a.) 0.00% |
| Salary Escalation Rate @ | 5.00% | 0.00% |
| @ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. | | |
| Expected Rate of Return | 0.00% | 0.00% |
| Employee Turnover | 5.00% | 0.00% |
| b. Change in Present Value of Obligation | | |
| | (INR in lakhs) | (INR in lakhs) |
| Present Value of Obligation as at the beginning of the year | - | - |
| Current Service Cost | 1.75 | - |
| Interest Cost | - | - |
| Benefit paid | - | - |
| Remeasurements - Actuarial (Gain)/ Loss on Obligations | - | - |
| Present Value of Obligation as at the end of the year | 1.75 | - |
| c. Change in Fair value of Plan Assets | | |
| | (INR in lakhs) | (INR in lakhs) |
| Fair value of Plan Assets, Beginning of Period | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial Gains/(Losses) | - | - |
| Benefit Paid | - | - |
| Fair value of Plan Assets at the end of the year | - | - |
| d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets | | |
| | (INR in lakhs) | (INR in lakhs) |
| Present Value of Obligation | 1.75 | - |
| Fair Value of Plan Assets | - | - |
| Funded Status | (1.75) | - |
| Present Value of Unfunded Obligation | 1.75 | - |
| Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions | 1.75 | - |
| e. Expenses Recognised in the Statement of Profit and Loss | | |
| | (INR in lakhs) | (INR in lakhs) |
| Current Service Cost | 1.75 | - |
| Interest Cost | - | - |
| Expected Return on Plan Assets | - | - |
| Actuarial Losses Recognised in the year | - | - |
| Total expenses recognised in the Statement of Profit and Loss | 1.75 | - |
| f. Expense Recognised in the Statement of Other Comprehensive Income | | |
| | (INR in lakhs) | (INR in lakhs) |
| Remeasurements of the net defined benefit liability | - | - |
| Actuarial (gains) / losses obligation | - | - |
| Actuarial (gains) / losses on Obligation | | |
| Due to Demographic Assumption* | - | - |
| Due to Financial Assumption | - | - |
| Due to Experience | - | - |
| Total Actuarial (Gain)/Loss | - | - |

*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience



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MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

| | (INR in lakhs) | (INR in lakhs) |
|---|----------------|----------------|
| q. Amounts recognised in the Balance Sheet | | |
| Present Value of Obligation as at year end | (1.75) | - |
| Fair Value of Plan Assets as at year end | - | - |
| Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions | 1.75 | - |

III. Other Employee Benefit

The liability for leave entitlement as at March 31, 2021 is INR 1.75 lakhs (March 31, 2020: INR Nil lakhs).

IV. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

a. Gratuity

A quantitative sensitivity analysis for significant assumption as at March 31, 2021 and March 31, 2020 are as shown below:

| Particulars | Change in Discount Rate | Increase/ (Decrease) in Present Value of Obligations (INR in lakhs) | Change in Salary Escalation Rate | Increase/ (Decrease) in Present Value of Obligations (INR in lakhs) |
|----------------|-------------------------|---|----------------------------------|---|
| March 31, 2021 | + 1% | (0.14) | + 1% | 0.16 |
| | - 1% | 0.15 | - 1% | (0.15) |
| March 31, 2020 | + 1% | - | + 1% | - |
| | - 1% | - | - 1% | - |

V. Expected Cash Flows for the next 10 years

The following payments are projected benefits payable in future years from the date of reporting from the fund:

| Particulars | (INR in Lakhs) | |
|--|-----------------------------------|-----------------------------------|
| | For the Year Ended March 31, 2021 | For the Year Ended March 31, 2020 |
| Within the next 12 months (next annual reporting period) | 0.01 | - |
| Following year 2-5 | 0.10 | - |
| Sum of years 6-10 | 0.88 | - |
| Total expected payments | 0.99 | - |

VI. Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed:

| | |
|----------------|---|
| Interest risk | A decrease in the market yields in the government bond will increase the plan liability. |
| Longevity risk | The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary risk | The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

NOTE 38 : RELATED PARTY DISCLOSURE

a. Details of Related Parties

| Description of Relationship | Names of Related Parties |
|-----------------------------|---|
| Holding Company | M/s Shree Pushkar Chemicals and fertilisers Limited |

Notes:

- 1) The list of related parties above has been limited to entities with which transactions have taken place during the year.
- 2) Related party transactions have been disclosed till the time the relationship existed.



MADHYA BHARAT PHOSPHATE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

b. Details of Related Party transactions during the year ended March 31, 2021

| Particulars | (INR in Lakhs) | |
|---|-----------------------------------|-----------------------------------|
| | For the Year Ended March 31, 2021 | For the Year Ended March 31, 2020 |
| Advance received | | |
| M/s Shree Pushkar Chemicals and Fertilisers Limited | 1,014.88 | - |
| | 1,014.88 | - |
| Advance repaid | | |
| M/s Shree Pushkar Chemicals and Fertilisers Limited | 1,000.00 | - |
| | 1,000.00 | - |
| Equity Share capital | | |
| M/s Shree Pushkar Chemicals and Fertilisers Limited | 343.86 | - |
| | 343.86 | - |
| Purchase of Finished Goods/Stores & Spares | | |
| M/s Shree Pushkar Chemicals and Fertilisers Limited | 111.25 | - |
| | 111.25 | - |
| Reimbursement of Transport Charges | | |
| M/s Shree Pushkar Chemicals and Fertilisers Limited | 36.55 | - |
| | 36.55 | - |

c. Closing Balances of the Related Parties

| Particulars | (INR in Lakhs) | |
|---|-------------------------------|-------------------------------|
| | Balances as at March 31, 2021 | Balances as at March 31, 2020 |
| Advance received | | |
| M/s Shree Pushkar Chemicals and Fertilisers Limited | 14.88 | - |
| | 14.88 | - |

NOTE 39 : CIF VALUE OF IMPORTS

| Particulars | (INR in Lakhs) | |
|--------------------------------------|-----------------------------------|-----------------------------------|
| | For the Year ended March 31, 2021 | For the Year ended March 31, 2020 |
| CIF value of Imports of Raw Material | 909.91 | - |

Note 40 : Change in shareholders and management and implementation of NCLT order dated March 20, 2020

During the financial year 2018-19, the Company, Shree Pushkar Chemicals and Fertilisers Limited (SPCFL or Acquirer Company), a Company registered in Mumbai, Maharashtra, had submitted bid for acquisition of 100% stake in our Company, Madhya Bharat Phosphates Private Limited (MBPPL or Company), through National Company Law Tribunal (NCLT) under the provisions of Insolvency and Bankruptcy Code, 2016. The said proposal / bid had already been approved by the Committee of Creditors (COC), as constituted by NCLT, for an offer price of Rs.1,902 lakhs. The order of NCLT, was delivered on March 5, 2020 and the certified true copy of the Order, dated March 20, 2020, was received on April 17, 2020. The Acquirer Company has paid the entire consideration amount and the commercial production has been started at the companies plant.

As per the Resolution Plan, the Acquirer Company, after approval from the NCLT, shall acquire 100% of the shareholding of our company and recast / reorganise the balance sheet through a process of writing off / writing back of the values of the assets and liabilities so that the recasted balance sheet correctly represents the state of affairs of the company. The Acquirer Company has subscribed further equity shares of the Company during the year and has recasted the audited financial statements of MBPPL for the financial year 2019-20 as on April 1, 2020. Accordingly, the impact of recast on certain assets and liabilities has been disclosed separately.

Recasted Balance sheet of MBPPL as on April 01, 2020

| Particulars | (INR in Lakhs) | |
|-------------------------------|------------------|--|
| | As on 01.04.2020 | |
| Liabilities | | |
| (a) Share Capital | 70.64 | |
| (b) Capital Reserve | 417.98 | |
| (c) Long-term borrowings | 1,815.00 | |
| (d) Trade payables | 40.00 | |
| (e) Other current liabilities | 22.00 | |
| (f) Short-term provisions | 25.00 | |
| Total Liabilities | 2,390.62 | |
| Assets | | |
| (a) Tangible assets | 2,014.66 | |
| (b) Inventories | 280.60 | |
| (c) Other receivables | 70.64 | |
| (d) Other current assets | 24.72 | |
| Total Assets | 2,390.62 | |

Note 41 : Previous Years' Figures:

The Company has re-grouped, re-classified and/or re-arranged figures for previous year, wherever required to confirm with current year's classification.

The accompanying notes are an integral part of these financial statements

As per our report of even date attached
For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Dhiraj Lalpuria
Partner
Membership Number: 146268

Place : Mumbai
Date : June 05, 2021



For and on behalf of the Board of Directors

Punit Makharia
Director
DIN : 01430764

Place : Mumbai
Date : June 05, 2021

Virendrakumar Singh
Director
DIN : 09100992