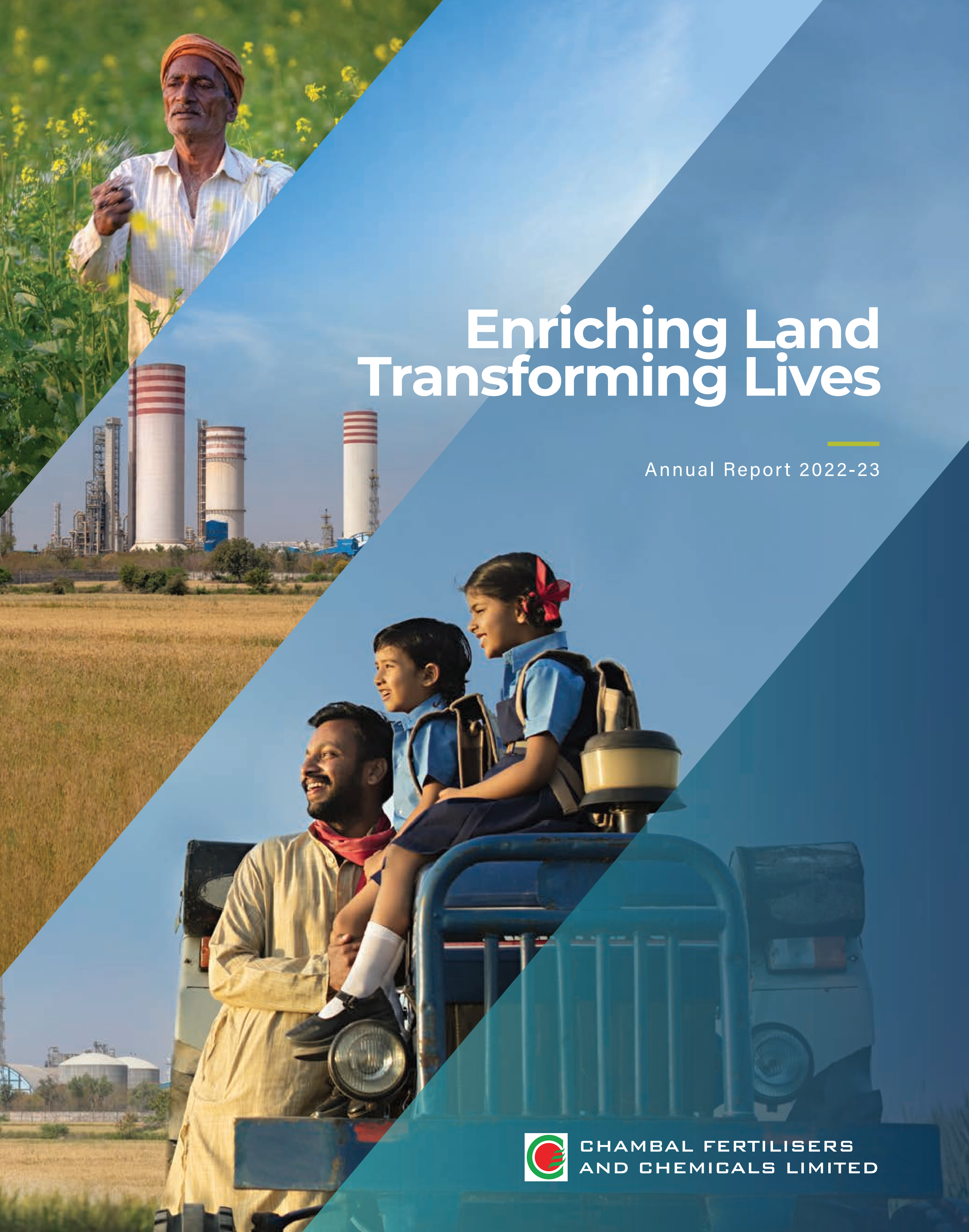


Enriching Land Transforming Lives

Annual Report 2022-23

CHAMBAL FERTILISERS AND CHEMICALS LIMITED

CONTENTS

DIRECTORS

Saroj Kumar Poddar
Chairman

Shyam Sunder Bhartia
Co-Chairman

Abhay Baijal
Managing Director
(With effect from July 21, 2023)

Pradeep Jyoti Banerjee

Rita Menon

Vivek Mehra

Chandra Shekhar Nopany

Berjis Minoo Desai

SECRETARY
Anuj Jain

LEADERSHIP TEAM

Anand Agarwal
Chief Financial Officer

Upendra Rajnarayan Singh
Vice President - Works

Ashish Kumar Srivastava
Vice President - Sales & Marketing

AUDITORS

Price Waterhouse
Chartered Accountants LLP

COST AUDITORS
K.G. Goyal & Associates

Chambal Fertilisers and Chemicals Limited
(CIN : L24124RJ1985PLC003293)
Registered Office: Gadepan, Distt. Kota, Rajasthan, PIN - 325 208
Tel. No. : 0744-2782915; Fax : 07455-274130
Corporate Office : “Corporate One”, First Floor, 5, Commercial Centre, Jasola, New Delhi -110 025
Tel. Nos. : +91-11- 46581300, 41697900; Fax : +91-11- 40638679
Email : isc@chambal.in; Website : www.chambalfertilisers.com

BOARD'S REPORT

Dear Members,

Your Board of Directors have pleasure in presenting the 38th Annual Report on the business and operations of the Company together with audited financial statements for the Financial Year ended March 31, 2023.

1. Standalone Financial Results

The financial performance of your Company on standalone basis is summarized below: (Rs. in Crore)

Particulars	Financial Year	
	2022-23	**2021-22**
Revenue from Operations	**27,772.81**	16,068.83
Other Income	**259.04**	95.56
Total Income	**28,031.85**	16,164.39
Total Expenses	**26,580.06**	14,212.48
Profit before Tax	**1,451.79**	1,951.91
Total Tax Expenses	**382.48**	664.79
Profit for the Year	**1,069.31**	1,287.12
Other Comprehensive Income for the Year (Net of Tax)	**(64.88)**	(23.45)
Total Comprehensive Income for the Year	**1,004.43**	1,263.67
Retained Earnings - Opening Balance	**5,289.32**	4,426.15
Add:		
Profit for the Year	**1,069.31**	1,287.12
Any Other Change	**(1.24)**	0.29
Re-measurement (Loss) / Gain on Defined Benefit Plans	**(0.29)**	0.34
Less:		
Cash Dividend	**312.16**	374.58
Transfer to General Reserve	**50.00**	50.00
Retained Earnings - Closing Balance	**5,994.94**	5,289.32

2. Operations

The Company has three plants i.e Gadepan-I, Gadepan-II and Gadepan-III located at Gadepan, District Kota, Rajasthan to manufacture Urea. Apart from manufacture of Urea, the Company is also engaged in marketing of other fertilisers such as Di-Ammonium Phosphate ("DAP"), Muriate of Potash ("MOP"), NPK fertilisers, Speciality Plant Nutrients and Crop Protection Chemicals.

The Financial Year 2022-23 was a challenging year for the Company. The year started with elevated prices of fertilizers, adverse movement in USD Rupee exchange rate and fixation of subsidy rates by Government of India for DAP, MOP and NPK fertilisers which negatively impacted the profitability of the Company in spite of higher sales volumes of DAP, MOP and NPK fertilizers in the Financial Year 2022-23 as compared to the previous financial year. Higher prices of DAP, MOP and NPK fertilisers and higher cost of production of Urea on account of substantial increase in natural gas prices resulted in increase of working capital deployment by the Company and consequently interest cost of the Company.

The prices of fertilisers and natural gas started coming down by the end of Financial Year 2022-23. Further, release of additional allocation of subsidy by the Government of India towards the end of the year 2022 had supported the Company in keeping its working capital deployment under control as at March 31, 2023. The additional contribution by new geographies along with strong growth in crop protection chemicals and speciality plant nutrients have contributed positively to the top line and bottom line of the Company. During the Financial Year 2022-23, the Company continued its focus on speciality plant nutrients and crop protection chemicals and introduced various new products.

The Company imparts the highest emphasis on Environment Social Governance parameters and achieved best ever safety performance in the Financial Year 2022-23. The Company continued to implement appropriate measures to maintain the reliability of the plants in the long run and increase the energy efficiency of its plants. Energy saving initiatives as well as good operational performance yielded significant benefits to the Company. During the Financial Year 2022-23, the Company achieved lowest ever energy consumption in plants of the Company and lowest ever water consumption at Gadepan site which apart from positive impact on financial results of the Company also resulted in lesser environmental footprints.

The production of ammonia in the Company is in excess of its requirement for manufacture of Urea due to technical reasons and such excess ammonia is sold by the Company in the market. There was strong demand due to global supply disruptions and high international prices. The Company achieved highest ever sales of ammonia during the year under review with strong contribution.

The Company had been continuously monitoring the situation arising on account of COVID-19 pandemic considering both internal and external factors and its production, dispatches, sales and market collections remained unaffected. The detailed information on the business operations of the Company, the Industry in which the Company operates and other relevant information is given in the Management Discussion and Analysis Report attached as **Annexure "A"** to this Report.

3. **Technical Ammonium Nitrate Plant**

Your Company had decided to set up a plant for manufacture of Technical Ammonium Nitrate, with a capacity of approximately 2,40,000 MT per annum including a plant to manufacture approximately 2,10,000 MT per annum of Weak Nitric Acid ("Project") at its existing site at Gadepan, District Kota, Rajasthan. The Company awarded a contract on April 5, 2023 to Larsen and Toubro Limited for implementation of the Project. The contract includes designing, engineering, procurement, supply of equipment and materials, construction, project management, pre-commissioning and commissioning of the Project and its associated facilities and grant/ transfer of requisite license to the Company. The Project is scheduled to be completed within 30 months from April 5, 2023 and is subject to necessary statutory and other approvals.

4. **Dividend**

The Board of Directors of the Company declared an interim dividend of Rs. 4.50 per equity share of Rs. 10 each @ 45% (Previous Year - Rs. 4.50 per equity share @ 45%) during the Financial Year ended March 31, 2023. Further, the Board of Directors recommended final dividend of Rs. 3 per equity share of Rs. 10 each @ 30% (Previous Year - Rs. 3 per equity share @ 30%) for the Financial Year 2022-23 which shall be paid after approval of shareholders at the ensuing Annual General Meeting of the Company. The total dividend for the Financial Year 2022-23 amounts to Rs. 7.50 per equity share of Rs. 10 each (Previous Year - Rs. 7.50 per equity share) with total outgo of Rs. 312.16 Crore (Previous Year - Rs. 312.16 Crore) on account of interim and final dividend.

The Dividend Distribution Policy of the Company is available on the website of the Company and can be accessed at the weblink: https://www.chambalfertilisers.com/pdf/Final-Dividend-Distribution-Policy.pdf. There has been no change in this policy during the year under review. The interim and final dividend declared/recommended by the Board of Directors are in accordance with the Dividend Distribution Policy of the Company.

5. **Consolidated Financial Statements**

In pursuance of the provisions of the Companies Act, 2013, the rules framed thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the applicable accounting standards, the Company has prepared Consolidated Financial Statements. The audited Consolidated Financial Statements alongwith Auditor's Report and the Statement containing salient features of the financial statements of subsidiaries/joint venture (Form AOC - 1) forms part of the Annual Report.

6. **Corporate Governance Report and Code of Conduct**

Your Directors are committed to maintain high standards of Corporate Governance. The Corporate Governance Report for the Financial Year 2022-23 is attached as **Annexure "B"** to this Report. All the Directors of the Company and senior management personnel have confirmed the compliance of Code of Conduct and Ethics of the Company. The declaration of the Managing Director confirming compliance with the 'Code of Conduct and Ethics' of the Company is enclosed as **Annexure "C"** to this Report and Auditor's Certificate regarding compliance with the conditions of Corporate Governance is enclosed as **Annexure "D"** to this Report.

7. **Subsidiaries and Joint Venture**

The details of the subsidiaries and joint venture as on March 31, 2023 are given below:

(a) **Subsidiaries**

CFCL Ventures Limited ("CVL") is a subsidiary of your Company in Cayman Islands. CVL has step down subsidiaries namely ISGN Corporation in United States of America and ISG Novasoft Technologies Limited ("ISGN, India") in India. There was no business activity in these subsidiaries during the year under review.

ISGN, India had received the order dated January 24, 2023 of National Company Law Tribunal, Bengaluru Bench confirming the reduction of its equity share capital. The paid-up equity share capital of ISGN, India has been reduced from Rs. 36,23,07,000 (3,62,30,700 equity shares of Rs. 10 each fully paid up) to Rs. 6,68,07,000 (66,80,700 equity shares of Rs. 10 each fully paid up). ISGN, India is in the process of completing the process of reduction of its equity share capital as provided in relevant rules and the order of National Company Law Tribunal.

Chambal Infrastructure Ventures Limited is a wholly owned subsidiary of the Company in India. There was no business activity in this subsidiary during the year under review.

(b) **Joint Venture: Indo Maroc Phosphore S. A. - IMACID**

Indo Maroc Phosphore S. A. - IMACID ("IMACID") is a joint venture of your Company in Morocco with Tata Chemicals Limited and OCP S.A., Morocco. Each partner is having equal stake (33.33% each) in the joint venture. IMACID is engaged in the manufacture of phosphoric acid in Morocco.

The performance of IMACID is summarized below:

Particulars	April 01, 2022 to March 31, 2023	April 01, 2021 to March 31, 2022
Production of Phosphoric Acid (MT)	3,89,867	5,00,367
Sales of Phosphoric Acid (MT)	3,87,090	4,57,266
Revenue	Moroccan Dirham 5323.13 Million (Rs. 4088.16 Crore)	Moroccan Dirham 5342.27 Million (Rs. 4337.92 Crore)
Profit after Tax	Moroccan Dirham 224.72 Million (Rs. 172.58 Crore)	Moroccan Dirham 1131.94 Million (Rs. 919.13 Crore)

The lower demand for phosphoric acid and increase in the prices of its raw material resulted in lower margins which led to sharp decline in profit after tax for the Financial Year 2022-23.

The Company does not have any material subsidiary as per the provisions of the Listing Regulations.

The performance of the subsidiaries of the Company is summarized in Form AOC - 1 attached to the Financial Statements of the Company in pursuance of Section 129 of the Companies Act, 2013. The contribution of subsidiaries and joint venture to the overall performance of the Company is also provided in Note no. 46 to the Consolidated Financial Statements.

The Company shall place the financial statements of subsidiaries on its website in pursuance of Section 136 of the Companies Act, 2013.

No subsidiary, associate or joint venture has been acquired or ceased/ sold / liquidated during the Financial Year 2022-23.

8. Health, Safety, Environment Protection and Quality

The Company continuously strives to improve the standards of Health, Safety, Security, Environment Protection and Quality of products. The Company has implemented a Health, Safety, Security, Environment & Quality Policy as part of a formal process to achieve this objective.

The brief outline of the Company's initiatives in this regard is as under:

(a) Health & Hygiene

The health assessment and occupational disease monitoring of employees and contractor work force is carried out through periodic medical examinations and hygiene monitoring at workplace.

A well-equipped Occupational Health Center at Gadepan operates round the clock to provide health services to employees and their families, contractor workforce and villagers in the vicinity of the plants. Three well equipped ambulances are available at Gadepan which also cater to the requirements of villagers in medical emergencies. The Company also facilitates employees to consult a Company affiliated doctor to ensure the well-being of the employees. The Company also organizes training and awareness programs on health and hygiene related matters from time to time through external experts. In addition to this, various health camps and campaigns like pulse polio & swine flu vaccination, blood donation, immunization program for children, etc. are also organized periodically. The self-sustainable complex at Gadepan provides a neat, clean and healthy environment for the employees and their families which goes a long way in their well-being.

(b) Safety Management

The Company strives to maintain the highest levels of health and safety of all its employees and contractor workforce through a well-defined health and safety management system. A strong process safety management system is also in place to take care of safety in the operation of plants and maintenance of equipment and machinery.

In order to take care of safety aspects in maintenance jobs at the plants, a cross functional team of senior management members reviews the jobs on a daily basis from safety perspective and ensures that all recommended safety measures are taken to prevent hazards while carrying out the jobs. Extensive training and drills are conducted by internal and external experts which helps the Company in maintaining and improving safety systems.

Your Company had reviewed the safety plan and executed various improvement schemes to strengthen workplace safety in the plants based on the learnings from incidents of the other companies. During the year under review, the Company has implemented improved Scaffolding Management System to reduce the risk of working at height.

The Chief Inspector of Factories & Boilers, Jaipur, Government of Rajasthan has recognized your Company for its safety, health and welfare practices and compliances of Factories Act, 1948 in the category of large-scale industry.

The schemes of "Near-Miss" and "Make-to-Good" reporting are also in place and various programs and campaigns are organized to encourage safety awareness and involvement among employees and contractor workforce. Keeping in view the nature of its operations, the Company has a well-defined "Onsite Disaster Management Plan" and "Mutual Aid and Response Group" arrangement with neighboring industry which works for the mutual benefit of all participants. In case of any fire emergency, the Company also provides services to neighboring villages of Gadepan plants.

(c) Environment Protection

Your Company follows the principles of prevention of pollution, minimization of waste, recycling and conservation of natural and other resources. During the Financial Year 2022-23, approximately 75% of the sludge generated from Reverse Osmosis (RO) plant was sent to cement companies for co-processing instead of dumping in land fill at the site approved by the Pollution Control Board.

Your Company has a robust mechanism in place to ensure that all the environmental parameters are maintained within the permissible limits. A dedicated Environment Management Cell monitors the compliances related to environment.

During the Financial Year 2022-23, the Company has implemented various schemes to reduce plant energy consumption. These schemes have resulted in reduction of greenhouse gases emissions and in turn will also result in further reduction of specific water consumption.

The Company is fully conscious of its responsibility towards environmental sustainability. The Company has installed roof top solar panels in Gadepan campus having capacity of 1000 Kilo Watt peak power as a step towards use of renewable energy. This will enable the Company to replace around 13.7% of grid power utilized by the Company in its Gadepan complex.

The Company has been conferred with Environment Protection Award 2022 for a Nitrogenous Fertilizer Plant (Runner Up) by The Fertiliser Association of India.

The Company has developed and maintained a dense green belt at Gadepan campus which also comprises a variety of fruit trees. It provides a healthy environment for the employees and their families and also helps in maintaining the ecological balance in the area. Your Company augmented 55 hectares area of green belt with irrigation network in the last two years. The green belt is maintained with utmost care and augmented through regular plantation. Only treated wastewater is used for maintaining the green belt through irrigation network spread all over the Gadepan complex.

The Gadepan-III plant of the Company is a zero liquid discharge plant. Effluents from Gadepan-III plant along with part of effluents from Gadepan-I and Gadepan-II plants are treated in reverse osmosis-zero liquid discharge plant and permeate therefrom is used as make up water for cooling towers, which results in lesser intake of fresh water from the river. The Gadepan-III plant is most energy efficient and therefore consumes less natural resources.

'Single Use Plastic' is strictly banned in the Gadepan campus as per Government guidelines.

The Company also operates Bio-Methanation plant at Gadepan to handle the kitchen waste of the canteen and township facilities and bio-gas is utilized in the kitchen of guest house at Gadepan complex.

(d) Quality Management

The Company is always focused on providing quality products to its customers and continuously works towards improvement in product quality through process improvements and technological interventions.

The quality is ensured at all stages of manufacturing processes, maintenance and support services. The Urea manufactured by the Company is preferred in its marketing territory because of its quality. The Company sources the products marketed by it from the reputed manufacturers in India and abroad and appropriate measures are taken to ensure quality of the products. The Company gives utmost importance to customer feedback which is one of the most important tool for improvement.

9. Corporate Social Responsibility

The Company has always given the utmost importance of its responsibility towards the community through its Corporate Social Responsibility projects and programmes.

With the concept of "Investing Today for a Sustainable Tomorrow", your Company is actively supporting the communities in the fields of Education including Technical and Vocational Education, Rural Development, Health care and Sanitation, Employability and Empowerment, Environmental Sustainability, Animal Welfare and Soil Health, Disaster Management and Promotion of Sports.

The highlights of the Corporate Social Responsibility ("CSR") projects and programmes of the Company are as under:

a) Project Akshar - Pre-Primary & School Education

Your Company has been consistently working on ensuring quality education and conducive learning environment. With the view to improve the level of education, the Company is reaching out to more than 12,000 students enrolled in 47 Aanganwadi centers and 53 Government schools adopted by the Company in Kota and Baran districts of Rajasthan. The Company is also extending its support to 52 schools of Punjab, Haryana and Madhya Pradesh.

The Company had developed 3 new Aanganwadi centers in nearby villages of plant location during the Financial Year 2022-23. These adopted Aanganwadi centers are now being developed as model preschool centres on PENCIL concept i.e. Protective, Effective 'N' Context-based Initiation of Learning.

The Company has been focusing on science and digital education to make it as integral part of curriculum for rural students. The Company had been regularly conducting cultural programs, extracurricular activities, sports and career counseling sessions in adopted schools to ensure holistic development of students.

CFDAV School is being run in collaboration with Dayanand Anglo Vedic College Trust & Management Society wherein majority of students are from nearby villages of the plant location.

The Company was conferred with Bhamashah Award for its commendable contribution in the development of various Government schools in Kota district by the Government of Rajasthan and the Corporate Social Responsibility Award 2020-21 by the Federation of Indian Chambers of Commerce and Industries for its exemplary efforts in the field of education.

b) Project Saksham - Technical and Vocational Education

Project Saksham is aimed in helping rural youth to enhance their technical skills to avail better employment opportunities.

Your Company is supporting 5 Industrial Training Institutes offering 1316 seats annually and one Government Polytechnic College offering 240 seats per year, near its plants at Gadepan. Apart from regular trade-based theoretical and practical classes, certificate training courses on Occupational Health and First Aid, Fire and Safety and Personality Development were offered to the students.

Short term vocational training courses were offered to rural youth, especially girls through vocational training centers. During the Financial year 2022-23, short term vocational courses such as tailoring, motor driving, soft toys making, beauty services, electrical wiring, food processing, embroidery, jewellery making, tie and dye techniques, hand block printing, plumbing and auto mechanic courses were offered to rural youth.

c) Project Saakar - Rural Development

The Company is committed to improve the quality of life for rural communities by developing basic infrastructure facilities in nearby villages of Gadepan and selected villages of Bundi district. During the Financial Year 2022-23, several infrastructure development projects were undertaken including developing common spaces for the community i.e. community hall, recreational areas, play area and walkways, cement concrete roads, entrance gates and installation of high mast lights. Storm water drain network was also strengthened in Gadepan and adjoining villages. Open gym facilities were established in 5 villages and efforts were also made to reduce plastic waste in villages through solid waste management initiatives.

d) Project Arogya - Health care and Sanitation

Project Arogya aims to strengthen healthcare services in rural areas of Kota and Baran districts of Rajasthan. During the Financial Year 2022-23, the second phase of infrastructure development jobs at adopted Government Primary Health Centers at Gadepan, Simliya and Kundanpur were completed. These adopted centers are offering early diagnosis of health issues and preventive healthcare facilities to over 1,15,000 community members.

The Company had organized specialized sessions and awareness camps in 32 villages near Gadepan plant location and 12 villages of Haryana, Madhya Pradesh and Punjab during the Financial Year 2022-23. The Company has also installed Reverse Osmosis ("RO") units in schools in Haryana, Madhya Pradesh and Punjab to ensure safe drinking water facilities. The Company is installing tuberculosis detection unit at the Government Primary Health Center at Gadepan to cater the needs of rural community of Kota and Baran districts.

e) Project Pragati - Employability and Empowerment

Project Pragati supports the community especially youth, women and farmers to become economically self-reliant.

Your Company organizes skill-based training programs for women. The Company is also supporting small and marginalized farmers to adopt modern and sustainable agriculture practices. The community members of nearby villages are facilitated to avail the benefits of various government social security schemes such as pension scheme, affordable housing, employment cards, Pradhan Mantri Ujjwala Yojana, Jan Aadhaar Yojana, Atal Pension Yojana etc.

f) Project Bhoomi - Environmental Sustainability, Animal Welfare and Soil Health

Project Bhoomi aims to introduce modern and sustainable agriculture methods amongst small and marginalized farmers in three northwestern states i.e. Punjab, Haryana and Rajasthan. Crop residue management initiative was successfully completed in 141 villages of 4 districts of Punjab and 70 villages of 4 districts of Haryana and residue burning was successfully prevented in over 75,000 acre land in these states. The project successfully reached out to over 1.10 lakhs farmers to promote alternative methods of crop residue management.

The agriculture development laboratory at Gadepan continues to facilitate farming communities to get soil testing services for their farmland, which helps them to understand the nutrient needs of their farms and optimize the farm inputs.

Your Company is also working to protect flora and fauna of the villages and nearby areas of its plants location. The second phase of development activities at Sorsan Eco Forest Reserve was completed during the Financial Year 2022-23. Plantation drives were also organized to increase the green cover in nearby villages.

g) Disaster Management

Your Company extended support to flood-affected rural communities in Sangod, Itawa and Sultanpur blocks of Kota district. The Company had made available food kits, ration and temporary shelters to provide immediate relief to flood-affected families.

h) Promotion of Sports

The Company focuses on building and upgrading rural sports infrastructure and developing sports culture in schools, technical institutes and nearby villages of plant location. With the aim of promoting sports at grassroot level, pragmatic interventions were launched in 20 senior secondary schools and 6 technical institutes at nearby villages. Apart from regular training sessions on various sports, your Company has been organizing various competitive events at village, school and cluster level.

The second phase of infrastructure development at sports stadium in the Sangod Block was completed and the stadium is now equipped with sports facilities such as cinder track, football ground, basketball, volleyball and badminton court and indoor and outdoor gymnasium. 2 mini sports development centers were also developed near the plant location. These centers have been offering regular training and support to the students and rural youth and aim to increase participation in state and national level sports events.

The composition and terms of reference of Corporate Social Responsibility Committee are given in the Corporate Governance Report. The Corporate Social Responsibility Policy of the Company is available on the website of the Company at http://www.chambalfertilisers.com/csroverview. The Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2022-23 (including the details of the development and implementation of the Corporate Social Responsibility Policy) as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure "F"** to this Report.

For the purpose of Section 135 of the Companies Act, 2013, the amount equivalent to 2% of the average net profits of the Company made during the immediately preceding three financial years works out to Rs. 34.28 Crore. As against this, the Company had spent Rs. 34.30 Crore on CSR projects / programmes during the Financial Year 2022-23.

10. Directors and Key Managerial Personnel

The Board of Directors of the Company was having eight directors as on March 31, 2023 with seven Non-Executive Directors including four Independent Directors and a Managing Director.

The shareholders of the Company at the Annual General Meeting held on September 13, 2022 appointed Mr. Berjis Minoo Desai (Director Identification Number: 00153675) as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from September 13, 2022 to September 12, 2027. The Board of Directors is of the opinion that Mr. Berjis Minoo Desai is a person of integrity with high level of ethical standards and having worked in the areas of mergers and acquisitions, corporate and financial laws, international business laws and international commercial arbitration, he possesses requisite expertise and experience for appointment as Independent Director of the Company. Mr. Berjis Minoo Desai is exempt from the requirement to undertake online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

Mr. Marco Philippus Ardeshir Wadia (Director Identification Number: 00244357) and Ms. Radha Singh (Director Identification Number: 02227854) completed their tenure as Independent Directors of the Company on September 14, 2022 and ceased to be the Directors of the Company with effect from September 15, 2022.

The tenure of appointment of Mr. Vivek Mehra (Director Identification Number: 00101328), Independent Director, shall expire on September 17, 2023. Mr. Vivek Mehra, being eligible, has offered himself for re-appointment as Independent Director. On the recommendation of the Nomination and Remuneration Committee and considering the other relevant factors, the Board of Directors recommends to the shareholders of the Company, the re-appointment of Mr. Vivek Mehra as Independent Director of the Company to hold office for a second term of 5 (five) consecutive years from September 18, 2023 to September 17, 2028.

Mr. Abhay Baijal, Chief Financial Officer of the Company, retired from the services of the Company on January 31, 2023 and ceased to be the Chief Financial Officer and Key Managerial Personnel of the Company with effect from February 01, 2023. The Board of Directors appreciated the contribution of Mr. Abhay Baijal during his service tenure as Chief Financial Officer of the Company.

On the recommendations of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors has appointed Mr. Anand Agarwal as Chief Financial Officer and Key Managerial Personnel of the Company with effect from February 01, 2023.

Mr. Rajveer Singh ceased to be the Company Secretary and Key Managerial Personnel of the Company from close of business hours on May 5, 2023. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Anuj Jain as Company Secretary and Key Managerial Personnel of the Company with effect from May 6, 2023.

Mr. Chandra Shekhar Nopany (Director Identification Number: 00014587) is due for retirement at the forthcoming Annual General Meeting and has offered himself for re-appointment.

All the Independent Directors have submitted declarations that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, the rules framed thereunder and the Listing Regulations. In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the names of all the Independent Directors of the Company have been included in the data bank maintained by the Indian Institute of Corporate Affairs.

During the Financial Year 2022-23, Mr. Gaurav Mathur had not received any commission or remuneration from any subsidiary of the Company.

Four meetings of the Board of Directors were held during the Financial Year 2022-23.

Other information on the Directors and the Board Meetings is provided in the Corporate Governance Report attached as **Annexure "B"** to this Report.

A certificate obtained by the Company from a Company Secretary in practice, confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority, is enclosed as **Annexure "E"** to this Report.

11. Internal Financial Controls

The Company has internal financial controls commensurate to the size and nature of its business. The Company has policies and procedures in place for ensuring orderly and efficient conduct of its business and operations including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The details of the internal control system are also given in the Management Discussion and Analysis Report attached as **Annexure "A"** to this Report.

12. **Remuneration Policy**

In pursuance of the provisions of Section 178 of the Companies Act, 2013 and Listing Regulations, the Company has formulated a Remuneration Policy. The Remuneration Policy, inter-alia, includes the appointment criteria & qualification requirements, process for appointment & removal, retirement policy, remuneration structure, etc. of the Directors including Managing Director and Whole Time Director(s), Key Managerial Personnel ("KMP") and other senior management personnel of the Company. As per the Remuneration Policy of the Company, a person proposed to be appointed as Director, KMP or other senior management personnel should be a person of integrity with a high level of ethical standards. In case of appointment as an Independent Director, the person should fulfill the criteria of independence prescribed under the Companies Act, 2013, rules framed thereunder and the Listing Regulations. The Remuneration Policy also contains provisions about the payment of fixed & variable components of remuneration to the Managing Director and Whole Time Director(s) and payment of sitting fee & commission to the Non-Executive Directors and describes fundamental principles for determination of remuneration of senior management personnel and other employees which are as follows:

a) demand-supply relationship of the concerned job expertise;

b) need of organization to retain and attract talent and its ability to pay;

c) employees' social aspiration for enhancing standard of living; and

d) compensation trends in the industries in which the Company operates.

There has been no change in the Remuneration Policy during the year under review. The Remuneration Policy of the Company is available on the website of the Company at the weblink: http://chambalfertilisers.com/pdf/RemunerationPolicy.pdf.

13. **Disclosures under the Companies Act, 2013, Rules thereunder and Secretarial Standards**

a) Your Company has not issued any shares during the Financial Year 2022-23.

b) No significant and material orders have been passed by the regulators or courts or tribunals or statutory and quasi-judicial bodies impacting the going concern status and Company's operations in future.

c) All related party transactions entered during the Financial Year 2022-23, were on arm's length basis and in the ordinary course of business. No material related party transaction (in terms of the Company's Policy on Related Party Transactions) was entered during the year by the Company and no contracts or arrangements were entered during the year with related parties which are required to be disclosed under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2.

d) A copy of annual return of the Company is available on the website of the Company at the weblink: http://chambalfertilisers.com/annualreturns/

e) The following information is given in the Corporate Governance Report attached as **Annexure "B"** to this Report:

   i) The performance evaluation of the Board of Directors, the Committees of the Board of Directors, Chairman of the Company and the individual Directors;

   ii) The composition of Audit Committee; and

   iii) The details of establishment of Vigil Mechanism/Whistle Blower Policy.

f) The particulars of loans and guarantees given, security provided and investments made, if any, under Section 186 of the Companies Act, 2013 are provided in Notes to the Financial Statements.

g) During the Financial Year 2022-23, the auditors, secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

h) The Company has complied with the applicable Secretarial Standards prescribed under Section 118(10) of the Companies Act, 2013.

i) The Company has complied with the provisions relating to the constitution of Internal Complaints Committees under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

j) There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year 2022-23 and the date of this Report.

14. **Directors Responsibility Statement**

Your Directors hereby state that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit and loss of the Company for the year ended March 31, 2023;

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

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. Auditors and Cost Auditors

The Notes to the Financial Statements read with the Auditor's Reports are self-explanatory and therefore do not call for further comments or explanations. There has been no qualification, reservation, adverse remark or disclaimer in the Auditor's Reports.

The shareholders of the Company, at the Annual General Meeting held on September 13, 2022, had re-appointed M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration Number: 012754N/ N500016) as Auditor of the Company, to hold office for the second term of 5 (five) consecutive years from the conclusion of Thirty Seventh Annual General Meeting of the Company till the conclusion of Forty Second Annual General Meeting of the Company.

The maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company in respect of production of fertilisers and accordingly such accounts and records are made and maintained by the Company.

The Board of Directors of the Company has appointed M/s. K.G. Goyal & Associates, Cost Accountants for conducting the audit of cost records of the Company, as applicable, for the Financial Year ending March 31, 2024. As required under the Companies Act, 2013 and Rules framed thereunder, your Directors are seeking ratification from the members of the Company for the remuneration payable to M/s. K.G. Goyal & Associates, Cost Accountants.

16. Secretarial Audit

The Board of Directors of the Company had appointed M/s. RMG & Associates, Company Secretaries for conducting the secretarial audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report issued by the aforesaid Secretarial Auditor is attached as **Annexure "G"** to this Report.

There has been no qualification, reservation, observation, disclaimer or adverse remark in the Secretarial Audit Report.

17. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company undertakes continuous efforts to make its manufacturing facilities and allied operations energy efficient and explores options in this regard from time to time. The energy conservation can be achieved by using energy more efficiently or by reducing the usage of energy. Gadepan-III plant of the Company is more energy efficient in comparison to Gadepan-I and Gadepan –II plants. The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of the Companies (Accounts) Rules, 2014 is set out in **Annexure "H"** attached to this Report.

18. Risk Management

Your Company has developed and implemented a detailed Risk Management Policy. The Risk Management Committee of the Company periodically reviews all risks, finalise the risk document and monitors various risks of the Company including the risks, if any, which may threaten the existence of the Company. The composition and terms of reference of the Risk Management Committee are given in the Corporate Governance Report.

The risk document containing Key and Non-Key risks including way forward for mitigation thereof, as approved by the Risk Management Committee, is also reviewed by the Audit Committee and the Board of Directors periodically.

19. Deposits

During the year under review, the Company had not accepted any deposits from the public under Chapter V of the Companies Act, 2013. There was no public deposit outstanding as at the beginning and end of the Financial Year 2022-23.

20. Particulars of Employees

Your Company always strives to keep its human resources motivated and encourages healthy relations, which is the base of a strong and long-running organization. Your Company maintains a cordial work environment, promotes the culture of entrepreneurship at all levels in the organization and encourages the employees to contribute their best. The information required to be disclosed in pursuance of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure "I"** to this Report.

21. Employees Stock Option Scheme

The members of the Company had approved CFCL Employees Stock Option Scheme 2010, as amended and revised from time to time ("ESOS 2010") for grant of stock options exercisable into not more than 41,62,000 equity shares of face value of Rs. 10/- each to eligible employees and Whole Time Director(s)/ Managing Director of the Company. Each stock option when exercised is converted into one fully paid-up equity share of Rs. 10/- of the Company.

The Company has not granted any stock options during the year under review.

There has been no change in ESOS 2010 during the Financial Year 2022-23. ESOS 2010 is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("ESOP Regulations") and implemented through CFCL Employees Welfare Trust ("Trust"). For the purpose of ESOS 2010, the Trustee of the Trust was holding 68,000 equity shares of the Company as on March 31, 2023 (3,27,000 equity shares as on March 31, 2022), being 0.02 % of the paid-up share capital of the Company, which were equivalent to the outstanding stock options. The ownership of these shares cannot be attributed to any particular employee till he/ she exercises the stock options granted to him / her and the concerned shares are transferred to him / her. Hence, the concerned employees to whom the stock options were granted under ESOS 2010 cannot exercise voting rights in respect of the aforesaid shares held by the Trustee of the Trust as such employees are not holders of such shares. The Trustee has not exercised the voting rights in respect of the aforesaid shares during the Financial Year 2022-23.

The disclosures required to be made under ESOP Regulations are given on the website of the Company at the weblink: https://www.chambalfertilisers.com/pdf/ESOP-Disclosure-2022-23.pdf. The disclosures in respect of ESOS 2010 are also given in the Notes to the Financial Statements.

22. Business Responsibility and Sustainability Report

In pursuance of the provisions of the Listing Regulations, the Business Responsibility and Sustainability Report for the Financial Year 2022-23, describing the initiatives taken by the Company from environmental, social and governance perspective, forms part of the Annual Report.

23. Investor Service Centre

The in-house Investor Service Centre of your Company is located in the Corporate Office of the Company at New Delhi which provides prompt and efficient service to the investors. The Company takes various initiatives for investor awareness including sending reminders to investors about their unclaimed dividends and shares due for transfer to Investor Education and Protection Fund.

The equity shares of your Company are listed at National Stock Exchange of India Limited and BSE Limited. The Company has paid annual listing fees to these Stock Exchanges for the Financial Year 2023-24.

The members are requested to refer to general shareholders' information given in Corporate Governance Report attached hereto.

24. Acknowledgements

The Board of Directors wishes to place on record its appreciation of the assistance and co- operation extended by all the stakeholders including the Department of Fertilisers, Government of India, Government of Rajasthan and other State Governments, Financial Institutions & Banks, investors and customers. The Board of Directors also conveys its appreciation of the services rendered by each and every employee with utmost commitment, hard work and dedication.

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

	Rita Menon	**Gaurav Mathur**
Place : New Delhi	Director	Managing Director
Date : May 26, 2023	DIN: 00064714	DIN: 07610237

Annexure "A" to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company is a major manufacturer of Urea in the country with annual production capacity of around 3.4 million MT of Urea. It has three Urea plants located at Gadepan, District Kota, Rajasthan, namely, Gadepan-I, Gadepan-II and Gadepan-III. Apart from manufacture of Urea, the Company markets other products such as Di Ammonium Phosphate ("DAP"), Muriate of Potash ("MOP"), NPK fertilisers, Speciality Plant Nutrients and Crop Protection Chemicals. The products marketed by the Company are sourced from the reputed suppliers in India and abroad.

The Management Discussion and Analysis Report in respect of business and operations of the Company is as under:

1. Industry Structure and Developments

A) Urea

The Urea is a major crop nutrient which plays a vital role in ensuring food security. The demand of Urea in the country is higher than its production capacity, hence part of the demand is met through imports. The price of Urea is regulated by the Government of India which pays subsidy on the Urea sold for agriculture use.

Most of Urea manufacturing units in India use natural gas as feedstock / raw material. The demand of natural gas is met through supplies from domestic sources and through imports. The supply of domestic gas to Urea manufacturers has reduced over the years and major part of natural gas requirement of Urea manufacturers is being met through imports. The imported gas is sourced through long-term, mid-term and short-term contracts. The prices under the mid-term and long-term contracts are less volatile in comparison to the prices of natural gas sourced through short-term contracts. There was lot of volatility in the prices of natural gas during last two financial years and geopolitical situation in the world has further added to the volatility in the prices of natural gas. The increase in prices of natural gas increases the cost of manufacturing of Urea, however, it is appropriately considered by the Government of India while fixing the subsidy for Urea units up to the Re-Assessed Capacity (RAC) of Urea plants. For production beyond RAC, as per prevailing policy of Government of India, subsidy is calculated considering cost of natural gas and a fixed cost component, which is common for the entire industry, but lower than the normal fixed cost paid for production up to RAC. This is compared to Import Parity Price (IPP) of Urea along with certain fixed incidental expenses. The IPP used is the annual average. If the IPP and incidental expenses of imported Urea are lower as compared to the subsidy calculated for production beyond RAC, then it may not be viable to operate the plants beyond RAC.

The New Investment Policy - 2012 ("NIP-2012") of the Government of India boosted the investment in Urea sector during last 6-7 years. Total 6 plants had been set-up / in process under NIP-2012 in public and private sector including Gadepan-III plant of the Company which commenced commercial production on January 1, 2019. This had led to addition of annual capacity of around 8 million MT of Urea in the country which will largely fill the demand & supply gap and will reduce dependence on imports. The country has reached to the level of almost self-sufficiency in Urea production after addition of these 6 plants. However, the increasing demand of Urea will require some import of Urea to meet the demand & supply gap.

The prices under most of the long-term gas supply contracts in India is linked to the prices of crude oil. The upsurge in the prices of crude oil and natural gas continued during the Financial Year 2022-23 and geopolitical developments, due to Ukraine-Russia conflict, has further worsened the situation. The natural gas prices had touched historically high levels which led to substantial increase in international prices of ammonia and Urea. The production cost of indigenous Urea has also gone up substantially due to increase in prices of natural gas. With the fixed MRP (Maximum Retail Price) of Urea to the farmers in India, the subsidy on Urea has gone up substantially which has put pressure on the finances of the Government of India as well as working capital requirements of fertilizer companies.

Urea production in the country during the Financial Year 2022-23 was 28.49 million MT against 25.07 million MT during the previous year. During the Financial Year 2022-23, total 7.58 million MT of Urea was imported in the country in comparison to 9.14 million MT of Urea imported during the previous year. The Urea sales in the country during the Financial Year 2022-23 were 35.73 million MT against the Urea sales of 34.18 million MT during the previous year.

The price of imported Urea was around USD 596.45 per MT at the beginning of the Financial Year 2022-23 which has touched the level of USD 750 per MT before climbing down to USD 330 per MT at the close of Financial Year 2022-23.

B) Other Products

DAP is other major product which is sourced from the international market and marketed by the Company. Apart from this, the Company also markets various grades of NPK fertilisers and MOP. DAP demand in India is met through local manufacturing and imports and during Financial Year 2022-23, imports were around 60% against total quantity supplied in the market. NPK fertilisers are largely manufactured in the country and some quantity is imported to meet the shortfall and demand of the market for few specific grades. In case of domestic manufacturing of DAP and NPK fertilisers, the raw materials like ammonia, rock phosphate, phosphoric acid, potash, etc. are also imported. Hence, the country has huge dependence on imports as far as DAP and NPK fertilisers are concerned. MOP is not produced in India and the country is fully dependent on imports.

The rally in the prices of fertilizer inputs like natural gas, ammonia, phosphoric acid, potash, etc. continued unabated during the first half of the Financial Year 2022-23 leading to high prices of all fertilisers products during this period. The fertilizer prices started declining in the second half of the Financial Year 2022-23 and came down substantially by the end of the Financial Year 2022-23. This volatility has adversely impacted the fertilizer industry in India which is largely dependent on import of inputs / raw material for fertilizer manufacturing and finished fertilisers.

The consecutive good monsoon has kept the demand high for all the fertilisers in India. While there was substantial increase in prices of phosphatic and potassic fertilisers, the MRP of these fertilisers were kept low for farmers leading to substantial increase in subsidy budget of the Government of India. Due to continuation of Russia-Ukraine conflict at the beginning of the Financial Year 2022-23 and higher demand in some of the markets kept the supply of Phosphatic and Potassic fertilisers constrained at the beginning of the year. The situation stabilized as the year progressed and the supplies came to normal levels by end of the Financial Year 2022-23 leading to comfortable stock levels in India. The export restrictions and custom inspections mandated by China during the previous year had continued but supplies from Morocco has enabled the country to withstand the pressure and supplies from China shown the sign of easing towards the end of the Financial Year 2022-23.

DAP sales in the country during the Financial Year 2022-23 were 10.53 million MT in comparison to 9.27 million MT during the Financial Year 2021-22 registering an increase of about 13.6%. DAP sales in the Financial Year 2021-22 were lower compared to normal average sales due to challenges in its availability as a result of high global demand. Total 4.35 million MT of DAP was manufactured in the country during the Financial Year 2022-23 as against 4.22 million MT manufactured during the previous year. Further, 6.18 million MT of DAP was imported in the country during the Financial Year 2022-23 as against 5.46 million MT of DAP imported during the previous year.

MOP is imported for direct application as fertiliser as well as for manufacture of NPK fertilisers in the country. MOP imports as fertiliser in the country during the Financial Year 2022-23 were 1.87 million MT as against 2.46 million MT during the Financial Year 2021-22. MOP sales for direct application during the Financial Year 2022-23 were 1.63 million MT against the sales of 2.45 million MT in the previous year.

The prices of DAP were in the range of USD 920-927 per MT (CFR India) in April 2022 which moved in the range of USD 577-578 per MT (CFR India) by end of the Financial Year 2022-23 after rising to a peak of around USD 960 per MT.

The prices of MOP were USD 590 per MT (CFR India) at the beginning of the Financial Year 2022-23 which decreased to USD 422 per MT (CFR India) during the quarter ended March 31, 2023.

The Company procures speciality plant nutrients from manufacturers of repute in India and abroad and these products are marketed under the brand names of the Company. The supply constraints during the first half of the Financial Year 2022-23 have impacted sales volumes of few products. However, the brand strength and focused approach have enabled the Company to keep the momentum to achieve higher sales volumes of almost all other products.

The crop protection chemicals business in India is largely dominated by the manufactures who cater to domestic and international markets. The Company procures crop protection chemicals from reputed formulators which are sold under its own brands. The Company has used its brand strength to penetrate into the crop protection market and gradually increased this business to sizeable level. The Company is rapidly growing this business through expansion of its product basket, deeper market penetration in the existing marketing territory and geographical expansion of its marketing territory.

2. **Opportunities and Threats**

The Company is a large manufacturer of Urea and markets bulk fertilisers such as DAP, NPK and MOP. The reliable supply channels, established marketing network and financial strength offer an opportunity to grow volumes of bulk fertilisers, crop protection chemicals and speciality plant nutrients. The geographical expansion of marketing territory and deeper penetration in existing territory offers an opportunity to grow its business of marketed products. A large portion of demand of phosphatic fertilisers is met through imports and the Company being an established player has the advantage to further increase volumes of these products subject to reasonable margins. The new territories have sizeable demand of NPK fertilisers, crop protection chemicals and speciality plant nutrients which gives opportunity to the Company to grow; however, the Company has to overcome the competition from large established players in these territories by focusing on the product requirements in the new territories and maintaining reasonable margins.

The new Urea plants which have become operational in India during last few years have reduced the demand-supply gap in the country. Further, the new players may also enter the marketing of bulk fertilisers and other agri-inputs resulting in increased competition. However, these plants are in eastern and southern part of India whereas the Company supplies major part of its products in northern and central part of India. Hence, the Company does not foresee much impact on its business due to the capacity addition by new players in the Urea Industry. The implementation of 'One-Nation-One-Fertiliser' concept by the Government of India may also impact the brand advantage of the Company. The Company is evaluating the impact of 'One-Nation-One-Fertiliser' and an appropriate strategy is being worked out to mitigate the impact thereof on the brand of the Company. The demand variation due to change in monsoon pattern, availability constraints, volatility in the prices of DAP, MOP and NPK fertilisers, variation in the foreign exchange rates and regulation of prices of products by the Government of India are few challenges which the Company faces in its business related to non-Urea fertilisers. The Company continuously evaluates these factors and strives to mitigate them through dynamic sourcing and pricing of the products and appropriate hedging of foreign exchange risk.

3. **Risks and Concerns**

Fertiliser is a regulated industry with high dependence on policies of the Government of India. The third Urea plant of the Company is under NIP - 2012 which is effective for 8 years from the start of production. The changes or delays in policies of the Government of India may sometimes adversely affect the Company. The volatility in the prices of marketed fertilisers along with regulation of prices of products by the Government of India may adversely impact the Company in short run. The high prices of gas but low IPP of Urea may impact the production of Urea beyond re-assessed capacity as the subsidy of Government of India for production of Urea beyond re-assessed capacity plants is also linked to IPP.

4. **Outlook**

The strong demand of its products in the market, geographical expansion of its marketing territory, diversification of business through implementation of technical ammonium nitrate plant and timely release of subsidy by the Government of India gives leg room for growth of the Company. Consistent performance of Urea business of the Company shall continue to give stability to the business of the Company barring short term hi-cups, if any, due to low IPP and high gas prices. The geographical expansion and deeper penetration in existing marketing territory shall enable the Company to achieve sustainable growth in non-urea fertilisers, crop protection chemicals and speciality plant nutrients.

5. **Operational and Financial Performance**

The operational and financial performance of the Company on standalone basis is summarized below:

Particulars	Financial Year	
	2022-23	**2021-22**
Urea Production (MT in Lakhs)	**33.47**	33.13
Urea Sales (MT in Lakhs)	**34.40**	33.14
Sales including other Agri-inputs (Rs. in Crore)	**27,771.45**	16,067.49
Profit before Interest, Depreciation and Tax (Rs. in Crore)	**2,080.10**	2,357.58

The revenue from branded marketed products was Rs. 11,082.31 Crore during the Financial Year 2022-23 in comparison to Rs. 5,141.94 Crore in the previous year.

The sales of various marketed products were as under:

Products	Financial Year	
	2022-23	**2021-22**
DAP (MT in Lakhs)	**10.65**	6.87
MOP (MT in Lakhs)	**1.89**	1.28
NPK Fertilisers (MT in Lakhs)	**2.69**	1.59
Crop Protection Chemicals and Speciality Plant Nutrients – (Rs. in Crore)	**716.99**	472.09

The sales of DAP and MOP have increased mainly due to easing of availability in the international market with early planning for procurement of products. The geographical expansion and focused approach have helped the Company in achieving the highest ever sales volumes of NPK fertilisers. The focused approach on marketing of crop protection chemicals and speciality plant nutrients through expansion of product basket and deeper penetration have enabled the Company to achieve best ever performance in sales of these products.

6. **Key Financial Ratios and details of significant changes therein on standalone basis (i.e. change of 25% or more in comparison to the previous financial year)**

Sr. No.	Key Financial Ratio	Financial Year 2022-23	Financial Year 2021-22
1.	Debtors Turnover	14.20	9.66
2.	Inventory Turnover	11.59	7.07
3.	Interest Coverage Ratio	5.54	19.43
4.	Current Ratio	1.79	1.59
5.	Debt Equity Ratio	0.47	0.69
6.	Operating Profit Margin (%)	6.38	12.81
7.	Net Profit Margin (%)	3.85	8.01

There was significant change in Debtors Turnover Ratio (47%), Inventory Turnover Ratio (63.93%), Interest Coverage Ratio (71.49%), Debt Equity Ratio (31.88%), Operating Profit Margin (50.20%) and Net Profit Margin Ratio (51.94%) in comparison to the previous financial year. The reasons for such changes are as under:

(i) <u>Change in Debtors Turnover Ratio</u>

The increase in natural gas price, increase in sales volume and increase in prices of fertilisers contributed to around 73% increase in turnover of the Company. The average debtors of the Company for the Financial Year 2022-23 were around 17% higher in comparison to the previous year. The Debtors Turnover Ratio has improved on account of increase in turnover, which has been partly offset by increase in average debtors.

(ii) **Change in Inventory Turnover Ratio**

The average inventory of fertilisers as on March 31, 2023 was higher around 15% in value terms, in comparison to the previous year. The Cost of Goods Sold (COGS) was around 88% higher than last year due to increase in natural gas price, increase in sale volume and increase in prices of fertilisers of the Company. The Inventory Turnover Ratio has improved on account of increase in COGS, which has been partly offset by increase in average inventory.

(iii) **Change in Interest Coverage Ratio**

The average working capital borrowings of the Company during the Financial Year 2022-23 were higher by more than 50% in comparison to the previous year due to increase in natural gas prices, international prices of fertilisers and delay in receipt of subsidy from the Government of India. Further, the interest rates were almost doubled during the Financial Year 2022-23 in comparison to the previous year. In addition, the profitability of the Company was lower during the Financial Year 2022-23 as compared to the previous year. These factors have resulted into lower Interest Coverage Ratio.

(iv) **Change in Debt Equity Ratio**

The debt of the Company has reduced by around 23% due to repayment of scheduled installments of the long-term borrowings and reduction in short term borrowings on account of receipt of higher subsidy during Financial Year 2022-23. The equity of the Company has increased due to the addition of profits during Financial Year 2022-23. These factors have enabled to improve the debt equity ratio of the Company.

(v) **Operating Profit and Net Profit Margin**

The turnover of the Company for the Financial Year 2022-23 has increased around 73% mainly on account of higher prices of natural gas and fertilisers. However, the profit of the Company did not increase commensurate with the increase in cost of goods sold as bulk fertilisers including Urea are regulated by the Government of India. The lower Operating Profit Margin and Net Profit Margin during Financial Year 2022-23 in comparison to the previous year was mainly attributed to these factors.

7. Details of change in Return on Net Worth as compared to the previous financial year and explanation thereof

The return on net worth is calculated by dividing profit after tax for the financial year by average net worth during the financial year on standalone basis. The Return on Net Worth during the Financial Year 2022-23 was 16.38% in comparison to 22.43% during the Financial Year 2021-22.

The standalone profit after tax of the Company during the Financial Year 2022-23 was lower in comparison to the previous financial year which was mainly attributable to lower profit margin on DAP and MOP fertilisers and higher interest cost which was partly offset by higher contribution in Urea, higher other income and lower tax liability including deferred tax. On the other hand, the average net worth for the Financial Year 2022-23 was higher in comparison to the previous year. Both the factors have impacted the return on net worth during the Financial Year 2022-23 in comparison to the previous year.

8. Material Developments in Human Resources/ Industrial Relations

The Company is running three hi-tech Urea plants. The efficient and safe operation of these manufacturing plants is of the highest importance to the Company.

The Company is committed to maintain a positive and productive environment in which people are engaged and enabled to deliver their best to achieve its goals. The Company has a team of highly qualified and experienced personnel with high retention rate. The appropriate recruitment, induction, engagement, retention and training plans are in place to maintain the Company's talent pool. The relevant technical training is imparted to new employees in the plants, which includes classroom sessions, training through simulator and on the job training. In case of existing employees, the training and development needs are identified periodically and multiple interventions for skill building were undertaken during the year. The Company provided focused development opportunities and conducted various capability building sessions to enhance competencies for a future ready organisation. The Company has a self-development scheme for its employees to enhance their knowledge and skills by encouraging them to enroll in professional training courses.

The permanent employee strength of the Company was 1050 as on March 31, 2023. The Company continues to maintain open and cordial employee relations at the manufacturing plants as well as other locations of its operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a strong internal control system comprising various levels of authorization, supervision, checks & balances and procedures through documented policy guidelines and manuals. The Company's internal control systems are adequate and operating effectively. The Internal Audit Department regularly monitors the efficacy of internal controls and compliances with Standard Operating Procedures and Manuals with an objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance that all transactions are authorized, recorded and reported correctly and policies, laws and regulations are complied with.

The managers exercise their control over business processes through operational systems, procedure manuals and financial limits of authority manual. These processes are reviewed and updated on regular basis to improve their efficacy and meet the business needs.

The Internal Audit team develops a risk-based annual audit programme which is aligned to the previous year's observations, suggestions from the operating managers and statutory auditors. The internal audit programme is approved by the Audit Committee.

The audit approach is based on random sample selection and takes into consideration the generally accepted business practices. The internal audit reports are discussed by the Management Committee and subsequently placed before the Audit Committee of the Board of Directors along with the directions/ action plan recommended by the Management Committee. The directions of the Audit Committee are implemented by the respective departments and Action Taken Report is placed before the Audit Committee.

The Internal Audit Department also assesses opportunities for improvement in business processes, systems and controls, gives recommendations and reviews the implementation of directions issued by the management, Board of Directors or its committees.

CAUTIONARY STATEMENT

The report may contain certain statements that the Company believes are or may be considered to be "forward looking statements" that describe its objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

	Rita Menon	**Gaurav Mathur**
Place : New Delhi	Director	Managing Director
Date : May 26, 2023	DIN: 00064714	DIN: 07610237

Annexure "B" to Board's Report

CORPORATE GOVERNANCE REPORT

(1) Company's Philosophy on Code of Governance

The Company believes in conducting its business with responsibility, integrity, fairness and transparency and is committed to implement the best corporate governance practices. The Company is focused on creation of high ethical standards and follows good corporate governance practices taking into account the interests of all the stakeholders. The Company takes into consideration the rights of all stakeholders and endeavors long term value creation for its shareholders.

The Company believes that corporate governance is not limited to merely creating checks and balances but it goes beyond the requirements prescribed in the laws and encompasses the basic business ethics and values that need to be adhered. The corporate governance aims to align the interests of all stakeholders.

The Company endeavors to leverage its resources to seize the opportunities and inculcate dynamism and entrepreneurship at all levels. The Company seeks to protect and facilitate the exercise of rights by the shareholders, provides timely information to them and ensures equitable treatment to all the shareholders. The Company encourages co-operation between the stakeholders and the Company and ensures timely and accurate disclosure of all material matters including the financial situation, performance, ownership and governance of the Company.

(2) Board of Directors

As on March 31, 2023, the Board of Directors of the Company was comprised of eight Directors including a Managing Director.

Out of the seven Non-Executive Directors, four are Independent Directors including one Independent Woman Director. The composition of Board of Directors is appropriately balanced in terms of specialization / expertise in one or more areas. The Board of Directors provides strategic guidance to the Company's management while discharging its fiduciary responsibilities and ensures that the management follows high standards of ethics, transparency and disclosures.

The Non-Executive Directors bring an independent perspective as they have a wider view of external factors affecting the Company and its business. The Independent Directors understand the business in addition to the expertise in their area of specialization. The Company has received declaration from each of the Independent Directors of the Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, Rules framed thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company. The Company had issued letters of appointment to the Independent Directors and the terms and conditions of their appointment have been uploaded on the website of the Company.

The shareholders of the Company, at the Annual General Meeting held on September 13, 2022, appointed Mr. Berjis Minoo Desai (Director Identification Number: 00153675) as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from September 13, 2022 to September 12, 2027.

Ms. Radha Singh (Director Identification Number: 02227854) and Mr. Marco Philippus Ardeshir Wadia (Director Identification Number: 00244357) completed their tenure as Independent Directors of the Company on September 14, 2022 and ceased to be Directors of the Company with effect from September 15, 2022. The Board of Directors expressed its sincere thanks and appreciation of the immense contribution made by Ms. Radha Singh and Mr. Marco Philippus Ardeshir Wadia during their tenure as Directors of the Company.

During the Financial Year 2022-23, no Independent Director resigned before the expiry of his/her tenure.

The Company has obtained a certificate from a company secretary in practice confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is attached as **Annexure "E"** to the Board's Report.

Mr. Chandra Shekhar Nopany (Director Identification Number: 00014587), Director is retiring by rotation at the forthcoming Annual General Meeting scheduled to be held on Tuesday, September 12, 2023 and being eligible has offered himself for re-appointment.

The tenure of appointment of Mr. Vivek Mehra (Director Identification Number: 00101328), Independent Director shall expire on September 17, 2023. Mr. Vivek Mehra, being eligible, has offered himself for re-appointment as an Independent Director of the Company. On the recommendation of the Nomination and Remuneration Committee and considering the other relevant factors, the Board of Directors recommended to the shareholders of the Company, the re-appointment of Mr. Vivek Mehra as an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years from September 18, 2023 to September 17, 2028.

The brief resume and other requisite details of the Directors proposed to be appointed/ re- appointed shall be given in the notice of ensuing Annual General Meeting.

In pursuance of the Listing Regulations, the chart setting out the core skills / expertise/ competencies identified by the Board of Directors as required by it in the context of the Company's business for it to function effectively and those actually available with the Board of Directors and the names of Directors who have such skills / expertise / competencies are as under:

Name of Director	Skills/ Expertise / Competencies			
	Corporate Governance	Accounting and Finance	Leadership and General Management	Industry Experience
Mr. Saroj Kumar Poddar	√	√	√	√
Mr. Pradeep Jyoti Banerjee	√		√	√
Mr. Shyam Sunder Bhartia	√	√	√	√
Mr. Berjis Minoo Desai	√		√	
Mr. Gaurav Mathur	√		√	√
Mr. Vivek Mehra	√	√	√	
Mrs. Rita Menon	√	√	√	
Mr. Chandra Shekhar Nopany	√	√	√	√

(3) Meetings and Attendance

The meetings of the Board of Directors are generally held at the Corporate Office of the Company at "Corporate One", First Floor, 5, Commercial Centre, Jasola, New Delhi - 110025. The Company provides facility of video conferencing to facilitate the Directors to participate in the Board meetings. The meetings of the Board of Directors are scheduled in such a manner that it coincide with the announcement of quarterly/annual financial results. Additional Board meetings are convened depending upon the business requirements. As and when required, the resolutions are also passed by circulation as permitted by law. During the Financial Year 2022-23, four Board meetings were held on May 19, 2022, August 03, 2022, November 01, 2022 and February 07, 2023. The gap between two consecutive Board meetings did not exceed one hundred and twenty days.

The composition of the Board of Directors, attendance of the Directors at the Annual General Meeting held on September 13, 2022 and meetings of the Board of Directors of the Company held during the Financial Year 2022-23 and number of other directorships of the Directors as well as their membership / chairpersonship of the Committees of the Board of Directors of other Indian public limited companies as on March 31, 2023, are as follows:

Name of Director	Category of Director	Whether Attended Last Annual General Meeting	Number of Board Meetings attended	Number of other Directorships	Membership of Committees of other Board of Directors	
					Chairperson	Member
Mr. Saroj Kumar Poddar	NED/PG	Yes	4	11	0	0
Mr. Pradeep Jyoti Banerjee	NED/ID	Yes	4	16	1	5
Mr. Shyam Sunder Bhartia	NED/PG	Yes	4	14	0	1
Mr. Berjis Minoo Desai (Appointed with effect from 13.09.2022)	NED/ID	Not Applicable	2	11	2	4
Mr. Gaurav Mathur	MD	Yes	4	2	0	0
Mr. Vivek Mehra	NED/ID	Yes	3	11	3	3
Mrs. Rita Menon	NED/ID	Yes	4	1	0	2
Mr. Chandra Shekhar Nopany	NED/PG	Yes	4	8	1	0
Ms. Radha Singh (Ceased to be Director with effect from 15.09.2022)	NED/ID	Yes	2	Not Applicable	Not Applicable	Not Applicable
Mr. Marco Philippus Ardeshir Wadia (Ceased to be Director with effect from 15.09.2022)	NED/ID	Yes	2	Not Applicable	Not Applicable	Not Applicable

ID - Independent Director, MD - Managing Director, NED - Non-Executive Director, PG - Promoter Group

Notes:

(i) Other directorships given above excludes directorships in foreign companies.

(ii) In accordance with Regulation 26 of the Listing Regulations, memberships / chairpersonships of only Audit Committee and Stakeholders Relationship Committee of other Indian public limited companies have been considered.

(iii) The aforesaid Directors are not relatives of each other (as defined under the Companies Act, 2013 and Rules thereunder).

During the year under review, the Independent Directors held a separate meeting in pursuance of applicable statutory and regulatory provisions.

Names of the other listed entities in which Directors of the Company are directors and category of directorships as on March 31, 2023, are as follows:

S. No.	Name of the Company	Category of Directorship
Mr. Saroj Kumar Poddar		
1.	Paradeep Phosphates Limited	Non-Executive Chairman
2.	Texmaco Infrastructure & Holdings Limited	Non-Executive Chairman
3.	Texmaco Rail & Engineering Limited	Executive Chairman
4.	Zuari Agro Chemicals Limited	Non-Executive Chairman
5.	Zuari Industries Limited	Non-Executive Chairman
Mr. Pradeep Jyoti Banerjee		
1.	Atul Limited	Independent - Non-Executive
2.	Gabriel India Limited	Independent - Non-Executive
3.	Jubilant Ingrevia Limited	Independent - Non-Executive
4.	Whirlpool of India Limited	Independent - Non-Executive
Mr. Shyam Sunder Bhartia		
1.	Jubilant Foodworks Limited	Non-Executive Chairman
2.	Jubilant Pharmova Limited	Non-Executive Chairman
3.	Jubilant Ingrevia Limited	Non-Executive Chairman
Mr. Berjis Minoo Desai		
1.	Jubilant Foodworks Limited	Independent - Non-Executive
2.	Man Infraconstruction Limited	Non-Executive Chairman
3.	Nuvoco Vistas Corporation Limited	Independent - Non-Executive
4.	Praj Industries Limited	Independent - Non-Executive
5.	Star Health and Allied Insurance Company Limited	Independent - Non-Executive
6.	The Great Eastern Shipping Company Limited	Non-Executive Director
Mr. Vivek Mehra		
1.	Digicontent Limited	Independent - Non-Executive
2.	DLF Limited	Independent - Non-Executive
3.	Havells India Limited	Independent - Non-Executive
4.	HT Media Limited	Independent - Non-Executive
5.	Jubilant Pharmova Limited	Independent - Non-Executive
6.	Zee Entertainment Enterprises Limited	Independent - Non-Executive
Mrs. Rita Menon		
1.	Mangalore Chemicals and Fertilisers Limited	Independent - Non-Executive
Mr. Chandra Shekhar Nopany		
1.	Avadh Sugar & Energy Limited	Non-Executive Director
2.	Magadh Sugar & Energy Limited	Non-Executive Chairman
3.	New India Retailing & Investment Limited	Non-Executive Chairman
4.	SIL Investments Limited	Non-Executive Chairman
5.	Sutlej Textiles and Industries Limited	Executive Chairman

Mr. Gaurav Mathur does not hold any directorship in any other listed entity.

(4) Board Meeting Agenda

The annual calendar of the meetings of the Board of Directors is normally shared by the Company with the Directors in the beginning of the year. Further, the notices of Board meetings are given well in advance to all the Directors. The Directors are provided agenda setting out the business to be transacted at the meeting, with well-structured and comprehensive notes on agenda, to enable them to take informed decisions. Agenda papers are circulated atleast seven days prior to the date of the meeting. Additional/ supplementary items are taken up with the permission of Chairperson and requisite consent of the Directors. Where it is not practicable to attach any document to the agenda, the same is circulated/ placed in the meeting.

(5) Committees of the Board of Directors

The Board of Directors has constituted various committees with specific terms of reference to ensure timely and effective working of the Board of Directors and the Company in addition to, comply with the provisions of the Companies Act, 2013, Rules framed thereunder, Listing Regulations and other applicable regulations, guidelines, circulars and notifications of the Securities and Exchange Board of India ("SEBI"). There are eight Committees of the Board of Directors, which have been delegated requisite powers to discharge their roles & responsibilities and business of the Company. These Committees are - (i) Audit Committee; (ii) Corporate Social Responsibility Committee; (iii) Nomination and Remuneration Committee; (iv) Stakeholders Relationship Committee; (v) Risk Management Committee; (vi) Banking and Finance Committee; (vii) Project Monitoring Committee; and (viii) Strategy Committee. The Committees meet as often as required considering the business needs of the Company and the minutes of meetings of these Committees are also circulated to the Board of Directors.

The brief description of the terms of reference and composition of these Committees are as follows:

5.1 Audit Committee

(i) Terms of reference:

The terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations. It also discharges such other functions as may be delegated by the Board of Directors from time to time. The terms of reference of the Audit Committee, inter-alia, include oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; recommending the appointment, remuneration and terms of appointment of auditors of the Company; approval of payment for any other services rendered by the statutory auditors; reviewing with the management and examination of the annual financial statements and the auditor's report thereon before submission to the Board of Directors for approval; reviewing with the management the quarterly financial statements before submission to the Board of Directors for approval; review and monitor the auditor's independence and performance and effectiveness of audit process; approval or any subsequent modification of transactions with related parties including omnibus approval for related party transactions; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, wherever necessary; evaluation of internal financial controls and risk management systems; reviewing the performance of statutory and internal auditors and adequacy of the internal control systems, with the management; reviewing the adequacy of internal audit function and formulation of the scope, functioning, periodicity and methodology for conducting the internal audit, in consultation with the internal auditor; discussion with internal auditors of any significant findings and follow up thereon; reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors; discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors; reviewing the functioning of the whistle blower mechanism; approval of appointment of Chief Financial Officer; reviewing the financial statements, in particular, the investments made by the unlisted subsidiary; reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments; consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and reviewing compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and to verify that the systems for internal control are adequate and are operating effectively.

The Audit Committee is also required to review the management discussion and analysis of financial condition and results of operations, management letters / letters of internal control weaknesses issued by the statutory auditors, internal audit reports, appointment, removal and terms of remuneration of the Chief Internal Auditor and such other matters / information as prescribed under applicable law.

In addition to the above, the Audit Committee reviews the contracts entered into by the Company related to products marketed by the Company valuing more than a particular amount as prescribed by the Board of Directors, the contracts entered in the register maintained under Section 189 of the Companies Act, 2013 and status of material claims filed against the Company.

(ii) Composition:

As on March 31, 2023, the Audit Committee comprised of four Independent Directors. All members of the Audit Committee are financially literate. Mr. Vivek Mehra, being Chartered Accountant, and Mrs. Rita Menon are having accounting and financial management expertise. The Company Secretary is the secretary of the Committee. The permanent invitees include Managing Director, Chief Financial Officer, Internal Auditor and representatives of Auditors. Further, the Cost Auditor and other employees of the Company are invited in the Audit Committee meetings, as and when required. The Chairman of the Audit Committee was present at the last Annual General Meeting. The Audit Committee met four times during the Financial Year 2022-23 on May 19, 2022, August 02, 2022, November 01, 2022 and February 06, 2023 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. Marco Philippus Ardeshir Wadia*	Chairman	Independent Director	2
Mr. Pradeep Jyoti Banerjee**	Chairman	Independent Director	2
Mr. Berjis Minoo Desai***	Member	Independent Director	1
Mr. Vivek Mehra	Member	Independent Director	4
Mrs. Rita Menon	Member	Independent Director	4
Ms. Radha Singh*	Member	Independent Director	2

* Ceased to be Member of the Audit Committee with effect from September 15, 2022.

** Appointed as Member of the Audit Committee with effect from August 04, 2022 and designated as Chairman of the Audit Committee with effect from September 15, 2022.

*** Appointed as Member of the Audit Committee with effect from November 02, 2022.

5.2 Corporate Social Responsibility Committee

(i) Terms of reference:

The terms of reference of the Corporate Social Responsibility Committee are as prescribed under the Companies Act, 2013 and the Rules framed thereunder and it discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Committee includes formulating and recommending to the Board of Directors a Corporate Social Responsibility ("CSR") Policy and Annual Action Plan in pursuance of CSR Policy, recommending the amount of expenditure to be incurred on CSR projects and programmes of the Company and monitoring the CSR Policy of the Company from time to time. The Corporate Social Responsibility Committee also reviews periodically the progress of CSR projects/ programmes/ activities undertaken by the Company.

(ii) Composition:

As on March 31, 2023, the Corporate Social Responsibility Committee comprised of three Directors. The Committee met twice during the Financial Year 2022-23 on May 18, 2022 and February 07, 2023 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. Chandra Shekhar Nopany	Chairman	Non-Executive Director	2
Mr. Gaurav Mathur	Member	Managing Director	2
Ms. Radha Singh*	Member	Independent Director	1
Mrs. Rita Menon**	Member	Independent Director	1

* Ceased to be Member of the Corporate Social Responsibility Committee with effect from September 15, 2022.

** Appointed as Member of the Corporate Social Responsibility Committee with effect from August 04, 2022.

5.3 Nomination and Remuneration Committee

(i) Terms of reference:

The terms of reference of the Nomination and Remuneration Committee are in accordance with the provisions of the Companies Act, 2013, Listing Regulations and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. It discharges such other functions as may be delegated by the Board of Directors from time to time.

The role of the Nomination and Remuneration Committee includes formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees of the Company; evaluation of the balance of skills, knowledge and experience on the Board of Directors for every appointment of an Independent Director and on the basis of such evaluation, preparation of a description of the role and capabilities required of an Independent Director; formulation of criteria for evaluation of performance of Directors including Independent Directors and the Board of Directors; specifying the manner for effective evaluation of performance of the Board of Directors, its committees and individual Directors of the Company to be carried out either by the Board of Directors or by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; devising a policy on diversity of Board of Directors; identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal; recommending to the Board of Directors, all remuneration, in whatever form, payable to senior management of the Company; and determining whether to extend or continue the term of appointment of an Independent Director of the Company, on the basis of the report of performance evaluation of Independent Directors of the Company.

The Nomination and Remuneration Committee is also authorised to superintend and administer the Employees Stock Option Scheme(s) of the Company including CFCL Employees Stock Option Scheme 2010.

The performance evaluation parameters / criteria for Independent Directors, as determined by the Nomination and Remuneration Committee, include level of participation in decision making process, understanding of Company's business and industry, ascertaining and ensuring adequacy and functionality of vigil mechanism, communication with fellow Board members and senior management, striving to safeguard the interest of all stakeholders in particular the minority shareholders, ensuring that adequate deliberations are held before approving related party transactions and assuring themselves that the same are in the interest of the Company, etc.

(ii) Composition:

As on March 31, 2023, the Nomination and Remuneration Committee comprises of three Directors. The Committee met four times during the Financial Year 2022-23 on May 18, 2022, August 03, 2022, November 01, 2022 and February 07, 2023 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Ms. Radha Singh*	Chairperson	Independent Director	2
Mr. Vivek Mehra**	Chairman	Independent Director	2
Mr. Pradeep Jyoti Banerjee***	Member	Independent Director	2
Mr. Chandra Shekhar Nopany	Member	Non-Executive Director	4
Mr. Marco Philippus Ardeshir Wadia*	Member	Independent Director	2

* Ceased to be Member of the Nomination and Remuneration Committee with effect from September 15, 2022.

** Appointed as Member of the Nomination and Remuneration Committee with effect from August 04, 2022 and designated as Chairman of the Nomination and Remuneration Committee with effect from September 15, 2022.

*** Appointed as Member of the Nomination and Remuneration Committee with effect from August 04, 2022.

5.4 Stakeholders Relationship Committee

(i) Terms of reference:

The terms of reference of the Stakeholders Relationship Committee are in accordance with the provisions of Companies Act, 2013 and the Listing Regulations. It discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Stakeholders Relationship Committee includes resolving the grievances of the security holders of the Company; issue of duplicate certificates for securities of the Company; deciding the dates of book closure/ record date in respect of shares and other securities issued by the Company; review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent of the Company; review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and approve, from time to time, issue of new share certificates, transfer / transmission of shares to Investor Education and Protection Fund Authority or any other statutory body or authority, as may be applicable, and all other matters allied or incidental thereto, in pursuance of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

To provide quick service to investors and expedite the processing of investor requests, the Board of Directors had delegated sufficient powers to the Company's employees to deal with various matters related to investors.

(ii) Composition:

As on March 31, 2023, the Stakeholders Relationship Committee comprised of three Directors. The Chairperson of the Stakeholders Relationship Committee was present at the last Annual General Meeting. The Committee met four times during the Financial Year 2022-23 on May 18, 2022, August 02, 2022, November 01, 2022 and February 06, 2023 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Ms. Radha Singh*	Chairperson	Independent Director	2
Mrs. Rita Menon**	Chairperson	Independent Director	2
Mr. Pradeep Jyoti Banerjee***	Member	Independent Director	2
Mr. Gaurav Mathur	Member	Managing Director	4
Mr. Marco Philippus Ardeshir Wadia*	Member	Independent Director	2

* Ceased to be Member of the Stakeholders Relationship Committee with effect from September 15, 2022.

** Appointed as Member of the Stakeholders Relationship Committee with effect from August 04, 2022 and designated as Chairperson of the Stakeholders Relationship Committee with effect from September 15, 2022.

*** Appointed as Member of the Stakeholders Relationship Committee with effect from August 04, 2022.

(iii) Name, designation and address of the Compliance Officer

Mr. Anuj Jain
Assistant Vice President - Finance & Company Secretary
Chambal Fertilisers and Chemicals Limited
"Corporate One", First Floor,
5, Commercial Centre, Jasola,
New Delhi -110 025

Telephone : 91 11 41697900
Fax : 91 11 40638679
E-mail: complianceofficer@chambal.in

(iv) Shareholders' complaints received and solved during the Financial Year:

The Company had 2,35,141 shareholders as on March 31, 2023. During the Financial Year 2022-23, the status of investor complaints was as follows:

No. of Investor Complaints			
Opening Balance as on April 01, 2022	Received	Solved to the satisfaction of investors	Pending as on March 31, 2023
4	272	271	5 *

* since redressed

5.5 Risk Management Committee

(i) Terms of reference:

The terms of reference of the Risk Management Committee are in accordance with the provisions of the Listing Regulations. It discharges such other functions as may be delegated by the Board of Directors from time to time.

The role of the Risk Management Committee includes formulation of a detailed Risk Management Policy; ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; monitoring and overseeing implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems; periodically reviewing the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity; keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; and reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

(ii) Composition:

As on March 31, 2023, the Risk Management Committee comprised of three Directors. The Committee met two times during the Financial Year 2022-23 on July 14, 2022 and January 09, 2023 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. Vivek Mehra	Chairman	Independent Director	2
Mr. Pradeep Jyoti Banerjee	Member	Independent Director	2
Mr. Gaurav Mathur	Member	Managing Director	2

5.6 Banking and Finance Committee

(i) Terms of reference:

The Banking and Finance Committee was formed to approve availment of various types of finances and any other specific matters delegated by the Board of Directors of the Company from time to time.

(ii) Composition:

As on March 31, 2023, the Banking and Finance Committee comprised of four Directors. No meeting of the Banking and Finance Committee was held during the Financial Year 2022-23. The composition of the Committee as on March 31, 2023 was as follows:

Name of the Member	Status	Category
Mr. Shyam Sunder Bhartia	Chairman	Non-Executive Director
Mr. Gaurav Mathur	Member	Managing Director
Mr. Vivek Mehra	Member	Independent Director
Mr. Chandra Shekhar Nopany	Member	Non-Executive Director

5.7 Project Monitoring Committee

(i) Terms of reference:

The Project Monitoring Committee was formed to review progress of various projects of the Company. The Committee has also been authorized to finalise and approve the contracts and all other matters, deeds and things in respect of Technical Ammonium Nitrate project.

(ii) Composition:

As on March 31, 2023, the Project Monitoring Committee comprised of three Directors. The Committee met once during the Financial Year 2022-23 on March 21, 2023 and the attendance of members at the meeting was as follows:

Name of the Member	Status	Category	Meeting attended
Mr. Chandra Shekhar Nopany	Chairman	Non-Executive Director	Yes
Mr. Pradeep Jyoti Banerjee*	Member	Independent Director	Yes
Mr. Gaurav Mathur	Member	Managing Director	Yes
Ms. Radha Singh**	Member	Independent Director	Not Applicable

* Appointed as Member of the Project Monitoring Committee with effect from May 20, 2022.

** Ceased to be Member of the Project Monitoring Committee with effect from September 15, 2022.

5.8 Strategy Committee

(i) Terms of reference:

The terms of reference of the Strategy Committee include evaluation of the options, proposals and projects for inorganic and organic growth and expansion of the business of the Company and make necessary recommendation to the Board of Directors in this regard, from time to time and appointment of legal, tax, financial, management and other consultants for advising the Company in respect of growth and expansion of the business of the Company.

(ii) Composition:

As on March 31, 2023, the Strategy Committee comprised of four Directors. The Committee met two times during the Financial Year 2022-23 on July 02, 2022 and November 01, 2022 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. Shyam Sunder Bhartia	Chairman	Non-Executive Director	2
Mr. Pradeep Jyoti Banerjee	Member	Independent Director	2
Mr. Gaurav Mathur	Member	Managing Director	2
Mr. Chandra Shekhar Nopany	Member	Non-Executive Director	1
Mr. Marco Philippus Ardeshir Wadia*	Member	Independent Director	0

* Ceased to be Member of the Strategy Committee with effect from September 15, 2022.

(6) Details of remuneration paid to Directors during the Financial Year 2022-23

6.1 Executive Directors

(Amount in Rs.)

Name	Designation	Salary	Performance Bonus	Value of Perquisites as per Income Tax Act, 1961	Others - Retirement Benefits & Other Perquisites
Mr. Gaurav Mathur	Managing Director	3,29,19,500	1,50,00,000	17,74,000	20,48,488*

* The liabilities for the gratuity, leave, post-retirement medical benefits, long service award scheme and settlement allowance are provided on an actuarial basis and determined for the Company as a whole rather than for each of the individual employees. Accordingly, the said liabilities cannot be ascertained separately for Managing Director, hence not included, except for the amount actually paid.

Notes:

(i) The shareholders of the Company at the Annual General Meeting held on September 16, 2021 had approved the appointment of Mr. Gaurav Mathur as Managing Director of the Company for the period from April 16, 2021 to January 05, 2025, not liable to retire by rotation. The employment of Mr. Gaurav Mathur can be terminated by either party by giving ninety days written notice to other party.

(ii) No sitting fee or severance fee is payable to Mr. Gaurav Mathur.

(iii) The performance bonus payable/paid by the Company to Managing Director is determined by the Board of Directors considering the recommendation of the Nomination and Remuneration Committee based on the performance of the Company, industry trends and other relevant factors.

6.2 **Non - Executive Directors**

The Company paid sitting fee for attending the meetings of the Board of Directors and its committees to its Non-Executive Directors @ Rs. 50,000 per Board meeting and Audit Committee meeting and Rs. 15,000 per meeting of other Committees of the Board of Directors.

The shareholders of the Company, at the Annual General Meeting held on September 10, 2020, had approved payment of commission to Non-Executive Directors of the Company during the period of 5 financial years commencing from April 01, 2020 subject to the aggregate limit of one percent of the net profits of the Company in any financial year and the commission payable to a Non-Executive Director not to exceed Rs. 10,00,000 per financial year. In pursuance of the approval of the shareholders and considering the recommendations of the Nomination and Remuneration Committee, the Board of Directors determined the commission payable to each Director for the Financial Year 2022-23 based on the criteria of time devoted and contribution made by individual Directors, in the affairs of the Company.

The details of sitting fee paid and commission payable to the Directors are as follows:

S. No.	Name of the Director	Sitting Fee Paid (Rs.)	Commission payable for the Financial Year 2022-23 (Rs.)
1.	Mr. Saroj Kumar Poddar	2,00,000	10,00,000
2.	Mr. Pradeep Jyoti Banerjee	4,35,000	10,00,000
3	Mr. Berjis Minoo Desai*	1,50,000	5,47,945
4.	Mr. Vivek Mehra	4,10,000	10,00,000
5.	Mrs. Rita Menon	4,45,000	10,00,000
6.	Mr. Chandra Shekhar Nopany	3,20,000	10,00,000
7.	Ms. Radha Singh$	2,75,000	4,57,534
8.	Mr. Marco Philippus Ardeshir Wadia$	2,60,000	4,57,534

* Appointed as Director with effect from September 13, 2022

$ Ceased to be Director with effect from September 15, 2022

Mr. Shyam Sunder Bhartia has opted out from receiving any sitting fee and commission. There was no other pecuniary relationship or transaction with the Non-Executive Directors.

(7) Board Diversity Policy

A diverse Board of Directors is imperative in view of globalization of business, rapid deployment of technology, greater social responsibility, ever increasing emphasis on corporate governance and increasing need for risk management. Having members of the Board of Directors from different fields enable the Company to keep pace with changing business dynamics and provide financial, reputational and qualitative benefits. The Board of Directors had adopted "Board Diversity Policy" which sets out the basic guidelines to constitute a diverse Board of Directors that can, inter alia, draw upon a range of perspectives, experience and knowledge.

(8) Performance Evaluation

In pursuance of the provisions of the Companies Act, 2013 and Listing Regulations, the Company has laid down a Performance Evaluation Policy. The said policy prescribes in detail the process for effective evaluation of performance of the Board of Directors, the Committees thereof, individual Directors and the Chairman of the Company. The Nomination and Remuneration Committee had finalized the proformas/ questionnaires containing different parameters to evaluate the performance of Board of Directors and its Committees, individual Directors and the Chairman of the Company.

As per the Performance Evaluation Policy of the Company, the evaluation of performance of the Board of Directors as a whole, Committees of the Board of Directors, individual Directors and Chairman of the Company was carried out for the Financial Year 2022-23. The Independent Directors in their separate meeting carried out the evaluation of the Board of Directors as a whole, Chairman of the Company and Non-Independent Directors and briefed the Board of Directors in this regard.

Based on the responses to the questionnaires received from the Directors and considering the evaluations carried out by Independent Directors, the Board of Directors evaluated its own performance as well as performance of its Committees and individual Directors including Independent Directors.

(9) Vigil Mechanism/ Whistle Blower Policy

The Company has a Whistle Blower Policy for establishing vigil mechanism for Directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud, violation of the Company's "Code of Conduct and Ethics" or leak of Unpublished Price Sensitive Information of the Company. The Directors and employees are not only encouraged but required to report their genuine concerns and grievances under the Whistle Blower Policy. The vigil mechanism under the Whistle Blower Policy provides adequate safeguard against victimization of the Directors and the employees who avail of the mechanism and also provides for direct access to Chairman of the Audit Committee in appropriate or exceptional cases. No personnel was denied access to the Audit Committee during the Financial Year 2022-23. The Whistle Blower Policy is available on the website of the Company at the weblink: http://chambalfertilisers.com/pdf/Whistle-Blower-Policy.pdf.

(10) Related Party Transactions

During the Financial Year 2022-23, there were no materially significant transactions with related parties that may have potential conflict with the interest of the Company at large. The Company has formulated a policy on dealing with related party transactions which has been uploaded on the website of the Company and can be accessed at the weblink: http://www.chambalfertilisers.com/pdf/Policy-on-Related-Party-Transactions.pdf.

(11) Fees paid to Auditors and firms / entities in its network

The details of total fee paid/payable by the Company for the Financial Year 2022-23 to M/s. Price Waterhouse Chartered Accountants LLP, Auditor are as under:

Particulars	Amount* (Rs. in Crore)
Audit Fee	0.40
Fee for limited review of quarterly results	0.30
Tax Audit Fee	0.07
Fees for issue of various certificates	0.59
Out of pocket expenses	0.06
Total	**1.42**

* The fees is exclusive of taxes.

The Company had not paid any fees to any entity in the network firm of the Auditor or to any network entity of which Auditor is a part. No fee was paid/payable by the Company's subsidiaries to M/s. Price Waterhouse Chartered Accountants LLP, Auditor or the entities in the network firm of the Auditor or the network entities of which the Auditor is a part, during the Financial Year 2022-23.

(12) Credit Ratings

The details of the Credit Ratings assigned to the Company as on March 31, 2023 are as under:

Type of Facility/ Programme	Amount (Rs. in Crore)	Credit Rating by CRISIL Ratings Limited	Credit Rating by ICRA Limited
Commercial Paper Programme	4500.00	CRISIL A1+	[ICRA] A1+
Bank Loan Facilities (Long Term Rating)	8573.56	CRISIL AA+/Stable	-
Bank Loan Facilities (Short Term Rating)*	3800.00	CRISIL A1+	-

* CRISIL Ratings Limited has re-affirmed the Short Term Rating for the Bank Loan Facilities of the Company for the enhanced amount of Rs. 4720 Crore vide its letter dated April 27, 2023.

(13) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

13.1 Commodity Risk

(i) Risk Management Policy of the Company with respect to commodities

SEBI vide its circular dated November 15, 2018 pertaining to disclosure regarding commodity risk has prescribed that all listed entities shall make uniform disclosures regarding commodity risk and hedging activities in the Corporate Governance Report section of the Annual Report. The disclosure pertaining to exposure and commodity risks may apply only for those commodities where the exposure of the Company in the particular commodity is material. As per Risk Management Policy of the Company approved by the Board of Directors, for the purpose of the above disclosure, the exposure of the Company in a particular commodity shall be considered material if the total expenditure on such commodity exceeds 10% of the total expenses of the Company, as per the last audited financial statements of the Company.

As per the above policy, the Company is having material exposure in following commodities:

(a) Di-Ammonium Phosphate;

(b) Nitrogen Potassium Phosphorus; and

(c) Natural Gas.

The mitigating factors in respect of commodity risk are described below in para 13.1(iii) hereof.

(ii) Exposures of the Company to aforesaid commodities and commodity risks faced by the Company throughout the Financial Year 2022-23

a. Total exposure of the Company to aforesaid commodities - Rs. 21,292.53 Crore

b. Exposure of the Company to the aforesaid commodities is as under:

Commodity Name	Exposure in INR towards the particular commodity (Rs. in Crore)	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
Di-Ammonium Phosphate	6,351.32	8,78,314 MT	NIL	NIL	NIL	NIL	NIL
Nitrogen Potassium Phosphorus	1,625.74	2,80,465 MT	NIL	NIL	NIL	NIL	NIL
Natural Gas	13,315.47	2,097.12 Million Standard Cubic Meters	NIL	NIL	NIL	NIL	NIL

(iii) Commodity Risks faced by the Company during the Financial Year 2022-23 and how they have been managed

Di-Ammonium Phosphate ("DAP") and Nitrogen Potassium Phosphorus Fertiliser ("NPK") are fertilisers imported by the Company for supply in its marketing territory. The prices of DAP and NPK may fluctuate due to demand-supply scenario, outage of plants, fluctuation in prices of raw materials, etc. The Company takes following steps to mitigate the risks pertaining to fluctuation in prices of DAP and NPK:

(a) Dynamic sourcing strategy and review of demand and supply on regular basis;

(b) No long term commitments; and

(c) Constant review of market conditions including costing of competitors.

The Company did not enter into any transactions to hedge the risk pertaining to fluctuation in prices of DAP and NPK.

Natural Gas is the major raw material for manufacture of Urea. The prices of natural gas are mostly linked to international crude oil prices and vary with the fluctuation in the prices of crude oil, demand supply pattern, etc. The part of the natural gas quantity required by the Company has also been purchased at fixed price. As per the guidelines for pooling of gas in fertilizer (Urea) sector issued by the Government of India, the natural gas is available to the Urea manufacturers at uniform price. The cost of natural gas is considered appropriately by the Government of India while determining subsidy on Urea payable to the Company. The Company did not enter into any transaction for hedging the fluctuations in the prices of natural gas.

13.2 Foreign Exchange Risk

The foreign exchange risk of the Company arises mainly out of import of fertilisers and foreign currency borrowings.

The long term borrowings of the Company comprises of External Commercial Borrowings/ Foreign Currency Term Loans availed for financing of third Urea plant of the Company at Gadepan ("Gadepan-III Plant"). The repayment of these borrowings had commenced during the Financial Year 2019-20. The revenue of the Company from Gadepan-III Plant is linked to US Dollars in terms of New Investment Policy 2012 of the Government of India. Accordingly, the Company has natural cover against fluctuation of foreign exchange rates and did not enter into transactions to hedge foreign exchange risk in respect of aforesaid foreign currency borrowings.

In order to mitigate the foreign exchange risk in respect of imported fertilisers, the Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts and option structures. As on March 31, 2023, the major portion of foreign exchange exposure of the Company in respect of imported fertilisers was hedged by the Company through foreign exchange hedging transactions. The details of foreign currency risk and hedging activities are also given in the Notes to Financial Statements.

(14) Shareholding of Directors as on March 31, 2023

Name	Number of Shares held
Mr. Saroj Kumar Poddar	7,06,128
Mr. Pradeep Jyoti Banerjee	NIL
Mr. Shyam Sunder Bhartia	NIL
Mr. Berjis Minoo Desai	NIL
Mr. Gaurav Mathur	NIL
Mr. Vivek Mehra	NIL
Mrs. Rita Menon	NIL
Mr. Chandra Shekhar Nopany*	2,90,275

* Apart from 2,90,275 equity shares mentioned above, Chandra Shekhar Nopany HUF was holding 2,40,100 equity shares, Chandra Shekhar Nopany, on behalf of Shruti Family Trust, was holding 1,000 equity shares and Chandra Shekhar Nopany, on behalf of Shekhar Family Trust, was holding 1,40,01,000 equity shares of the Company as on March 31, 2023.

(15) General Body Meetings

15.1 The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Location
2021-22	13.09.2022	1030 Hours	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and deemed venue: Registered Office of the Company at Gadepan, District Kota, Rajasthan, PIN – 325 208
2020-21	16.09.2021	1030 Hours	
2019-20	10.09.2020	1030 Hours	

15.2 The Company had taken shareholders' approval by way of special resolutions in the previous three annual general meetings, as per the details given below:

Date of Annual General Meeting	Nature of approval
September 13, 2022	Appointment of Mr. Berjis Minoo Desai as an Independent Director of the Company.
September 16, 2021	1. Re-appointment of Mr. Saroj Kumar Poddar, who retires by rotation and, being eligible, offers himself for re-appointment and who had attained the age of seventy five (75) years, as a Director of the Company. 2. Approval for continuation of Ms. Radha Singh as an Independent Director of the Company, after she attains the age of seventy five (75) years, upto the completion of her tenure on September 14, 2022.
September 10, 2020	Approval for continuation of Mr. Saroj Kumar Poddar as a Director of the Company, after he attains the age of seventy-five (75) years.

15.3 Shareholders' approval through postal ballot was not sought for any matter during the Financial Year 2022-23.

There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

(16) Disclosures

16.1 No penalties or strictures have been imposed on the Company by stock exchanges or SEBI or any other statutory authority for non-compliance by the Company, on any matter related to capital markets, during the last three years.

16.2 The Company is fully compliant with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats, have been submitted to the concerned stock exchanges within the prescribed time.

16.3 The Company has formulated a "Policy for determining Material Subsidiaries" which is available on the website of the Company (www.chambalfertilisers.com) and can be accessed at the weblink: http://www.chambalfertilisers.com/pdf/Policy-for-determining-Material-Subsidiary.pdf.

16.4 The "Dividend Distribution Policy" has been uploaded on the website of the Company (www.chambalfertilisers.com) and can be accessed at the weblink: http://www.chambalfertilisers.com/pdf/Final-Dividend-Distribution-Policy.pdf.

16.5 The details of familiarization programmes imparted to Independent Directors are available on the website of the Company and can be accessed at the weblink: https://www.chambalfertilisers.com/pdf/Familiarization-Prog-Indep-Directors-2022-23.pdf

16.6 The Company has complied with the mandatory requirements relating to Corporate Governance as prescribed in the Listing Regulations.

16.7 The Company has adopted the following discretionary requirements under Regulation 27(1) of the Listing Regulations relating to:

a) Maintenance of the office of Non-Executive Chairman at the Company's expense;

b) Unmodified audit opinion on financial statements of the Company; and

c) Separate posts of the Chairman and the Managing Director and Chairman is a Non-Executive Director and not related to the Managing Director of the Company.

16.8 All the recommendations made by the committees of the Board of Directors during the Financial Year 2022-23 were accepted by the Board of Directors.

16.9 No complaint was filed with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the Financial Year ended March 31, 2023. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2022-23 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16.10 The Company does not have any material subsidiary as per the provisions of Listing Regulations.

16.11 The Company and its subsidiaries have not provided any Loans and advances in the nature of loans to firms/companies in which Directors are interested.

(17) Means of Communication

17.1 The Company regularly interacts with the shareholders through multiple channels of communication such as publication of financial results on quarterly, half-yearly and annual basis in the national and vernacular dailies (such as Business Standards, Rajasthan Patrika and Dainik Bhaskar), Annual Report, e-mails and the Company's website.

17.2 The quarterly financial results, shareholding patterns, corporate governance reports, intimation of Board meetings, etc. are filed with the stock exchanges through NSE Electronic Application Processing System (NEAPS)/ NSE digital portal and BSE Listing Centre.

17.3 The quarterly results are also posted on the website of the Company at www.chambalfertilisers.com. The investors can also find on this website the Annual Reports, various policies of the Company, details of unpaid dividend, composition of various committees of the Board of Directors, terms and conditions for appointment of Independent Directors, details of various services being provided to investors, guidance and procedure to be followed by the investors for transmission and transposition of the securities, de-materialisation of shares, details of shares to be transferred to Investor Education and Protection Fund, etc.

17.4 The transcripts and recordings of earning calls with the investors / analysts, record of meetings with analysts/ investors, presentation to analysts/ investors and official news releases, if any, are uploaded on the website of the Company.

17.5 Management Discussion and Analysis Report forms part of the Board's Report.

(18) Code of Conduct and Ethics

The Company had adopted Code of Conduct and Ethics which is available on the website of the Company (www.chambalfertilisers.com). The objective of the Code of Conduct and Ethics is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty.

This Code of Conduct and Ethics sets out a policy for one's conduct in dealing with the Company, fellow directors and employees and with the external environment in which the Company operates.

The declaration given by Managing Director of the Company affirming compliance of the Code of Conduct and Ethics by the Directors and Senior Management Personnel of the Company during the Financial Year 2022-23 is enclosed as **Annexure "C"** to Board's Report.

(19) General Shareholders' Information

19.1 **38th Annual General Meeting**

Venue	:	38th Annual General Meeting of the Company will be held through VC or OAVM as permitted by the concerned government/ regulatory authorities and deemed venue shall be the Registered Office of the Company at Gadepan, District Kota, Rajasthan, PIN – 325 208
Time	:	10.30 A.M. Indian Standard Time
Day & Date	:	Tuesday, September 12, 2023

19.2 **Financial Year :** April to March

19.3 **Tentative Financial Calendar :**

Event	Date
Audited Annual Results (Financial Year 2022-23)	May 26, 2023
Mailing of Annual Report*	August 2023
First Quarter Results	Early August 2023
Half Yearly Results	Early November 2023
Third Quarter Results	Early February 2024
Audited Annual Results (Financial Year 2023-24)	May 2024

* In compliance with the General Circular no. 10/2022 dated December 28, 2022 read with General Circular no. 2/2022 dated May 05, 2022, General Circular no. 02/2021 dated January 13, 2021, General Circular no. 20/2020 dated May 5, 2020 , General Circular no. 17/2020 dated April 13, 2020 and General Circular no. 14/2020 dated April 08, 2020 issued by Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, the Annual Report for the Financial Year 2022-23 and notice of 38th Annual General Meeting of the Company will be sent only through emails registered with the Company or with the depository participants / Depositories. These documents will also be available on the website of the Company at www.chambalfertilisers.com.

19.4 **Book Closure**

The register of members and share transfer books of the Company shall remain closed from Tuesday, August 22, 2023 to Wednesday, August 23, 2023 (both days inclusive) for the purpose of payment of final dividend on equity shares for the Financial Year 2022-23, if declared at the forthcoming Annual General Meeting.

19.5 **Dividend Payment Date**

The Board of Directors declared an interim dividend of Rs. 4.50 (45%) per equity share of Rs. 10 each of the Company during the Financial Year 2022-23, which was paid on March 02, 2023. The Board of Directors recommended final dividend of Rs. 3.00 (30%) per equity share of Rs. 10 each of the Company for the Financial Year 2022-23, which, if declared by the shareholders, shall be paid on September 18, 2023.

19.6 **Listing on Stock Exchanges and Stock codes**

The names and addresses of the stock exchanges at which the equity shares of the Company are listed and the respective stock codes are as under:

S. No.	Name of the Stock Exchange	Stock Code
1.	**BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500085
2.	**National Stock Exchange of India Limited (NSE)** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	CHAMBLFERT

The Company has paid annual listing fees for the Financial Year 2023-24 to BSE and NSE.

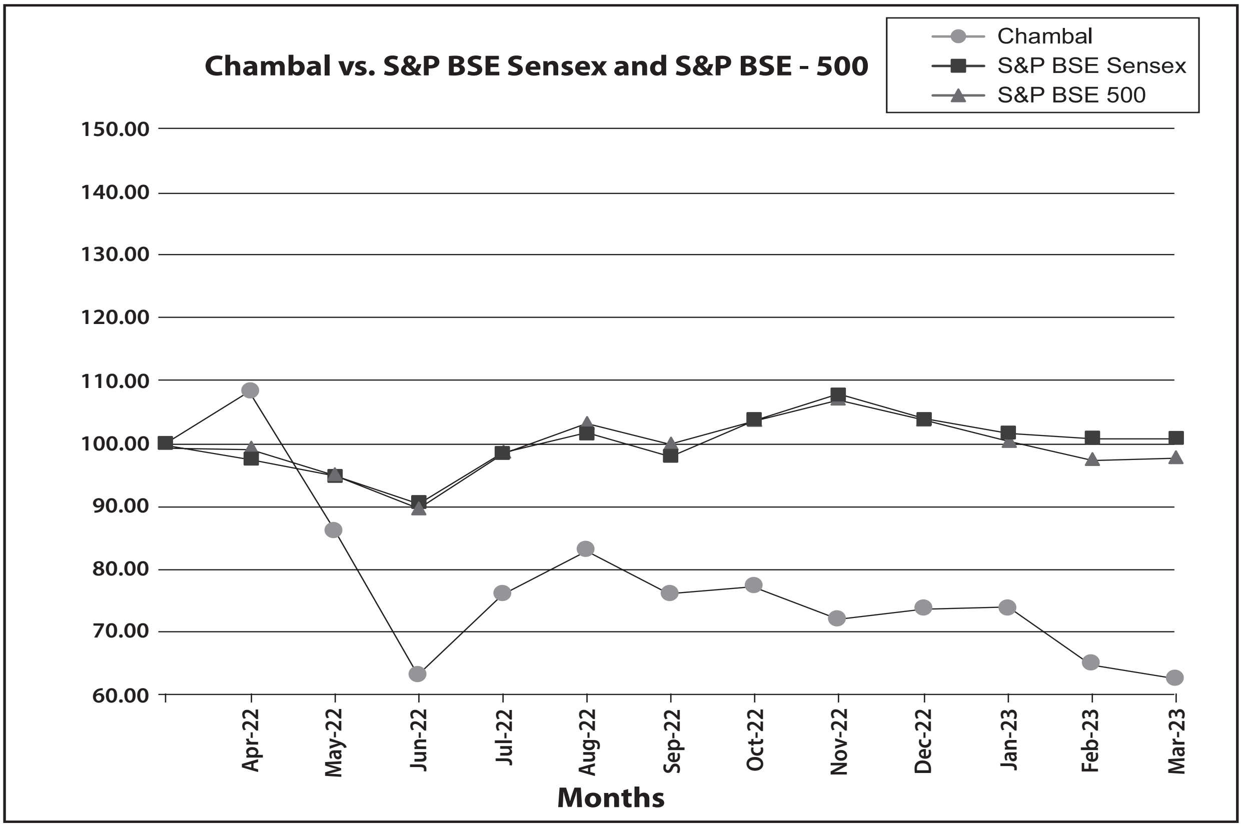
19.7 **Market Price Data**

High and low of market prices of the Company's equity shares traded on BSE and NSE during the Financial Year 2022-23 were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April, 2022	515.95	419.25	516.00	419.00
May, 2022	466.00	335.55	466.30	335.30
June, 2022	370.90	263.95	370.80	264.00
July, 2022	325.05	260.75	324.90	260.80
August, 2022	357.65	310.60	357.80	310.50
September, 2022	367.95	302.15	366.80	302.00
October, 2022	332.35	310.65	332.45	310.65
November, 2022	330.10	279.90	329.30	279.75
December, 2022	324.00	274.20	323.95	274.30
January, 2023	321.00	286.50	321.00	286.25
February, 2023	318.80	268.15	318.80	268.20
March, 2023	295.00	248.55	295.30	248.40

19.8 **Performance of equity share of the Company (Chambal) in comparison to S&P BSE Sensex and S&P BSE 500 on the basis of closing values:**



The base of 100 is taken to be the closing price of shares at BSE and values of indices, as on March 31, 2022.

19.9 **Registrar & Transfer Agents and Share Transfer System**

M/s. Zuari Finserv Limited is your Company's Share Transfer Agent. The communications regarding shares, dividends, change of address, etc., may be addressed to:

M/s. Zuari Finserv Limited

Plot No.2, Zamrudpur Community Centre,
Kailash Colony Extension,
New Delhi - 110 048
Tel : 91-11-46474000
E-mail : rta@adventz.zuarimoney.com

The dematerialized shares are directly transferred to the beneficiaries by the Depositories.

The Share Transfer Agent has an online computerized system for processing requests of the shareholders. The designated officials of the Company are authorised to approve transmission of shares and other relevant requests of shareholders after they are processed by the Share Transfer Agent. In pursuance of Regulation 40 of Listing Regulations, the processing of requests for effecting transfer of shares held in physical form was discontinued and transmission or transposition of securities was effected only in dematerialized form with effect from January 24, 2022.

19.10 **Address for Correspondence:**

The Investors can personally contact or send their correspondence either to Share Transfer Agent at the aforesaid address or at the Company's Investor Service Centre at the following address:

Chambal Fertilisers and Chemicals Limited
Investor Service Centre
"Corporate One", First Floor,
5, Commercial Centre,
Jasola, New Delhi - 110 025
Tel : 011 - 41697900
Fax : 011 - 40638679
E-mail : isc@chambal.in
Website : www.chambalfertilisers.com

19.11 **Dematerialisation of Shares and Liquidity**

The equity shares of the Company are compulsorily traded in dematerialised form and the Company has signed agreements with both the Depositories i.e. National Securities Depositories Limited and Central Depository Services (India) Limited. As on March 31, 2023, about 97% of the total equity share capital of the Company was held in dematerialised form.

19.12 **Details of Unpaid Dividend**

The details of amount lying in the unpaid dividend accounts of the Company are as under:

Dividend Year	Amount lying in Unpaid Dividend Account as on March 31, 2023 (in Rs.)	Due date for transfer to Investor Education and Protection Fund ("IEPF")
2015-2016	1,78,01,356.61	25.10.2023
2016-2017	1,86,25,414.98	15.10.2024
2017-2018	1,33,99,990.29	21.10.2025
2018-2019	1,28,99,746.59	28.10.2026
2019-2020 (Interim Dividend)	2,86,44,865.50	07.04.2027
2020-2021 (Interim Dividend)	1,65,61,805.14	06.12.2027
2020-2021 (Final Dividend)	2,20,65,188.99	18.10.2028
2021-2022 (Interim Dividend)	1,93,48,491.68	02.03.2029
2021-2022 (Final Dividend)	1,65,00,399.08	17.10.2029
2022-2023 (Interim Dividend)	2,28,13,740.15	12.03.2030

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the dividend, which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account of IEPF Authority.

During the Financial Year ended March 31, 2023, the Company has transferred unpaid dividend of Rs. 1,77,09,701 for the Financial Year 2014-15 to IEPF and also transferred 4,05,017 equity shares to the demat account of IEPF Authority in respect of which the dividend has been unpaid/ unclaimed for the last seven years. Total 55,55,607 equity shares of the Company were lying in the Demat Account of IEPF Authority as on March 31, 2023.

19.13 **Transfer of shares in Unclaimed Suspense Account / Suspense Escrow Account**

The Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. In pursuance of SEBI circular, the Company has transferred shares to Suspense Escrow Account in case the demat request was not received from the securities holder/claimant within 120 days from the date of issuance of Letter of Confirmation by the Company. The details of such shares are as under:

Particulars	Unclaimed Suspense Account		Suspense Escrow Account	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the Suspense Account lying as on April 1, 2022	6	4,500	0	0
Number of shareholders who approached Company for transfer of shares from Suspense Account during the Financial Year 2022-23	1	1,000	0	0
Number of shareholders to whom shares were transferred from Suspense Account during the Financial Year 2022-23	1	1,000	0	0
Aggregate number of shareholders and the outstanding shares in the Suspense Account lying as on March 31, 2023	5	3,500	3	1,800

The voting rights on the shares outstanding in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

19.14 **Distribution of Shareholding and Shareholding Pattern**

The distribution of shareholding as on March 31, 2023 was as follows:

S. No.	No. of Equity Shares held	No. of Share Holders	Percentage of total Shareholders	No. of Shares held	Percentage of total shares
1	1 to 500	2,16,931	92.25	2,21,64,494	5.33
2	501 to 1000	10,382	4.41	87,19,550	2.09
3	1001 to 5000	6,541	2.78	1,39,20,308	3.34
4	5001 to 10000	658	0.28	48,98,608	1.18
5	10001 to 100000	508	0.22	1,36,52,522	3.28
6	100001 to 500000	61	0.03	1,38,28,072	3.32
7	500001 & above	60	0.03	33,90,24,298	81.46
	Total	**2,35,141**	**100.00**	**41,62,07,852**	**100.00**

Shareholding Pattern as on March 31, 2023 was as under:

S. No.	Category	No. of shares held	Shareholding (%)
1	Promoters and Promoter Group	25,20,57,905	60.56
2	Institutions	9,28,66,434	22.31
3	Non Institutions	7,12,15,513	17.11
4	Non Promoter- Non Public	68,000	0.02
	Total	**41,62,07,852**	**100.00**

The details of top ten shareholders of the Company as on March 31, 2023 were as under:

S. No.	Name	No. of shares*	% of issued share capital
1	The Hindustan Times Limited	5,93,71,221	14.26
2	Zuari Industries Limited (formerly Zuari Global Limited)	5,90,17,307	14.18
3	SIL Investments Limited	3,37,93,455	8.12
4	DSP Small Cap Fund and its Associate Funds	2,50,74,281	6.02
5	Earthstone Holding (Two) Private Limited	1,47,95,077	3.55
6	Chandra Shekhar Nopany (Shekar Family Trust)	1,40,01,000	3.36
7	HDFC Small Cap Fund and its Associate Funds	1,31,09,205	3.15
8	Earthstone Investment & Finance Limited	84,24,515	2.02
9	Yashovardhan Investment & Trading Co. Ltd.	78,89,500	1.90
10	Nippon Life India Trustee Ltd – A/c Nippon India Small Cap Fund and its Associate Funds	72,37,124	1.74

* Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

19.15 **Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity** - NIL

19.16 **Location of the Plants**

Gadepan, District Kota, Rajasthan, India, PIN – 325 208.

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Place : New Delhi
Date : May 26, 2023

Annexure "C" to Board's Report

DECLARATION OF MANAGING DIRECTOR

In pursuance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Gaurav Mathur, Managing Director of Chambal Fertilisers and Chemicals Limited, declare that the members of Board of Directors and senior management personnel of the Company have affirmed their compliance with the Code of Conduct and Ethics of the Company during the financial year 2022-23.

Place : New Delhi
Date : May 26, 2023

Gaurav Mathur
Managing Director
DIN: 07610237

Annexure "D" to Board's Report

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Chambal Fertilisers and Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Chambal Fertilisers and Chemicals Limited, for the year ended March 31, 2023 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number : 012754N/N500016

Abhishek Rara
Partner
Membership Number: 077779
UDIN : 23077779BGXZRM7974

Place : New Delhi
Date : May 26, 2023

Annexure "E" to Board's Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) read with Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN -325208

We have examined the relevant registers, records, forms, returns and disclosures received from the directors of **Chambal Fertilisers and Chemicals Limited (CIN: L24124RJ1985PLC003293)** having its Registered Office at **Gadepan, District Kota, Rajasthan, PIN -325208** (hereinafter referred to as "the Company") produced before us by the Company for the purpose of issuing this certificate, in pursuance of the provisions of Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number ("DIN") status at the portal www.mca.gov.in) as considered necessary by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of Directors of the Company, as stated below, for the financial year ended March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

S. No.	Name of the Director	DIN	Date of Appointment in the Company
1.	Mr. Saroj Kumar Poddar	00008654	13/02/1995
2.	Mr. Shyam Sunder Bhartia	00010484	13/02/1995
3.	Mr. Marco Philippus Ardeshir Wadia*	00244357	11/04/2000
4.	Mr. Chandra Shekhar Nopany	00014587	16/09/2008
5.	Ms. Radha Singh*	02227854	21/10/2009
6.	Mr. Vivek Mehra	00101328	18/09/2018
7.	Mr. Pradeep Jyoti Banerjee	02985965	01/12/2019
8.	Mr. Gaurav Mathur	07610237	06/01/2020
9.	Mrs. Rita Menon	00064714	10/09/2020
10.	Mr. Berjis Minoo Desai	00153675	13/09/2022

** Mr. Marco Philippus Ardeshir Wadia and Ms. Radha Singh ceased to be Directors of the Company with effect from September 15, 2022.*

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

For RMG & Associates
Company Secretaries
Peer Review No. 734/2020
Firm Registration No. P2001DE016100

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095
UDIN: F005123E000382049

Place: New Delhi
Date: 26-05-2023

Annexure "F" to Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022-23

1.	**Brief outline on CSR Policy of the Company:**	The Corporate Social Responsibility Policy ("CSR Policy") of the Company outlines the aim and objective behind the Corporate Social Responsibility ("CSR") projects and programmes of the Company and includes the guiding principles for selection, implementation and monitoring of CSR activities of the Company as well as formulation of the annual action plan. CSR Policy also contains the CSR activities to be undertaken by the Company which covers the areas of Education including Technical and Vocational Education, Rural Development, Health care and Sanitation, Employability and Empowerment, Environmental Sustainability, Animal Welfare and Soil Health, Disaster Management and Promotion of Sports. The CSR Policy also allows the Company to make contribution(s) to the Prime Minister's National Relief Fund or any other fund set up by the Central Government from time to time.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Chandra Shekhar Nopany	Chairman / Non-Executive Director	2	2
2	Mr. Gaurav Mathur	Member / Executive Director	2	2
3	Ms. Radha Singh	Member / Independent Director	2	1
4	Mrs. Rita Menon	Member / Independent Director	2	1

Note: Mrs. Rita Menon was appointed as member of the Corporate Social Responsibility Committee with effect from August 04, 2022 and Ms. Radha Singh ceased to be member of the Corporate Social Responsibility Committee with effect from September 15, 2022.

3.	**Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.**	http://www.chambalfertilisers.com/csroverview
4.	**Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**	The impact assessment of the following CSR projects/ programmes of the Company was carried out by Federation of Indian Chambers of Commerce and Industry ("FICCI") during the Financial Year 2022-23: i) Project Akshar - Pre-primary and School Education; ii) Project Saksham - Technical and Vocational Education; iii) Project Saakar - Rural Development Initiatives; and iv) Project Bhoomi - Environmental Sustainability, Animal Welfare and Soil Health Initiatives. The executive summary of impact assessment report of FICCI is attached herewith and detailed report is available on the website of the Company at the weblink: http://www.chambalfertilisers.com/impactassessmentreport/

5.	(a) Average net profit of the company as per sub-section (5) of section 135.	Rs. 1713.75 crore
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	Rs. 34.28 crore
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
	(d) Amount required to be set-off for the financial year, if any.	NIL
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	Rs. 34.28 crore
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	Rs. 33.14 crore
	(b) Amount spent in Administrative Overheads.	Rs. 1.10 crore
	(c) Amount spent on Impact Assessment, if applicable.	Rs. 0.06 crore
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	Rs. 34.30 crore

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 34.30 crore	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs. crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	34.28
(ii)	Total amount spent for the Financial Year	34.30
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0.02

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	Financial Year 2021-22	Nil	Nil	Nil	Nil	-	Nil	-
2	Financial Year 2020-21	Nil	Nil	Nil	Nil	-	Nil	-
3	Financial Year 2019-20	Nil	Nil	Nil	Nil	-	Nil	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135.	Not Applicable

Date: May 26, 2023

Gaurav Mathur
Managing Director
DIN: 07610237

Chandra Shekhar Nopany
Chairman - Corporate Social Responsibility Committee
DIN: 00014587

Executive Summary of Impact Assessment Report

May 25, 2023

Chambal Fertilisers and Chemicals Limited
Gadepan, District Kota
Rajasthan- 325208

Dear Sir(s)

As per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), every company having average Corporate Social Responsibility ("CSR") obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the Companies Act, 2013, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

We have been engaged by M/s Chambal Fertilisers and Chemicals Limited ("CFCL/ Company") to carry out impact assessment of its CSR projects and programmes in compliance of CSR Rules. Accordingly, we have carried out an Impact Assessment of CSR projects undertaken by CFCL.

The executive summary of our impact assessment findings is as under:

STUDY AREA

Federation of Indian Chambers of Commerce and Industry carried out an impact assessment of four eligible CSR projects. These projects are **Project Akshar** – Pre-primary and School Education, **Project Saksham** – Technical and Vocational Education, **Project Saakar** – Rural Development Initiatives and **Project Bhoomi** – Environment Sustainability, Animal Welfare and Soil Health Initiatives. The assessment was carried out to ascertain the effectiveness of project initiatives and its overall impact.

METHODOLOGY

Qualitative and Quantitative methods were adopted by reviewing and analysing documents and data pertaining to the interventions carried out by the Company. Primary research was carried out using appropriate survey tools to examine the direct and indirect impact of the project initiatives undertaken by the Company on primary and secondary stakeholders.

SAMPLING DESIGN

To represent the widespread geographical population, a cluster sample design was deployed wherein primary stakeholders and secondary stakeholders were involved in impact assessment study through observation checklist, in-depth interviews and focus group discussions.

IMPACT OF PROJECT AKSHAR - PRE-PRIMARY & SCHOOL EDUCATION

Project Akshar aims to enhance access to quality education in rural areas with a special focus on students from the disadvantaged background by adopting Aanganwadi Centers and Government Schools (Primary, Upper Primary, Secondary and Senior Secondary Schools) of Kota and Baran districts of Rajasthan State.

The relevant findings are as under:

- Project Akshar ensured children's basic safety and security by developing easily accessible Aanganwadi Centers and Government Schools with adequate light, proper ventilation, adequate indoor and outdoor spaces, provision of electricity with light fittings, fans and a clear exit with a boundary wall and gate.
- Provision and supply of stationery in all Aanganwadi Centers such as crayons, papers, sketch pens, colored chalks, educational toys and story books to engage children in free and group play.
- CFCL ensured the physical spaces were clean, clean drinking water was available, kitchen spaces were upgraded for cooking mid-day meals with adequate sanitation facilities. The project has been consistent in enrolling children between the age group 3 to 6 years and is attributed to the upgraded and child friendly Aanganwadi Centers.
- The Aanganwadi workers have undergone practical training from Integrated Child Development Services department and were highly motivated and confident in their tasks and assignments.
- Due to the adoption of a holistic approach by the Company in Government Primary, Upper Primary, Secondary and Senior Secondary Schools led to the all-round development and enhanced learning outcome amongst children.
- Infrastructure development that included the construction, renovation and repair of classrooms, boundary walls, playground, sanitation facilities, clean drinking water facilities created conducive learning environment for the children.
- Provision for additional classes, supplementary educators, learning materials as well as provision for school uniforms and health check-up improved the learning abilities of students.
- Project Akshar was able to promote Science Technology Engineering and Mathematics and digital fluency due to well-equipped Science and Computer Labs.
- Improvement in academic performance of Grade 10th and 12th students continued during the assessment period.
- The project promoted sportsmanship and healthy competition among students through renovation and upgradation of existing sports and play areas in Schools.
- Interactive learning environment encouraged local children to come to school regularly, which is a definite change from the usual absenteeism and high dropout rates.

- A collaborative approach was adopted for monitoring the project initiatives. CFCL, Government Departments and community members worked together to ensure smooth implementation of project. This indicates a strong stakeholder connection. Additionally, the program was successful in bringing together primary stakeholders to one platform through various interactive meetings, annual functions and exhibitions which, not only strengthen Community-Parent-School Engagement but also facilitated improving and building solidarity, awareness, and engagement for both the parents the students, and community members in the learning process.
- The government of Rajasthan awarded and appreciated the efforts of the CFCL to bring positive impact in the quality of education in Kota and Baran district of Rajasthan.

IMPACT OF PROJECT SAKSHAM - TECHNICAL & VOCATIONAL EDUCATION

Project Saksham of the Company is a strategic Skill Development program for the youth of Rajasthan that aligns with the skill vision of the country. To realize these strategic goals, CFCL has adopted five Industrial Training Institute (ITIs) and Government Polytechnic College in Baran to improve and development of technical skills of the youth.

The relevant findings are as under:

- The adopted 5 Industrial Training Institute (ITIs) are in Sangod, Sultanpur, Baran, Jhalawar and Khanpur in the Kota, Baran and Jhalawar District of Rajasthan.
- Female students continue to enroll in the adopted ITIs for the assessment year and the increasing rate of female enrolment is a positive indicator towards the shift in the perspective of the parents and society at large.
- Project Saksham was able to break down gender stereotypes and assisted in generating employment and self-employment opportunities for the female students.
- Significant improvement in infrastructure facilities resulted in providing a safe and secure learning environment for the students.
- Well-equipped workshops and state-of-the-art practical labs provided students with practical knowledge and exposure for industry readiness.
- Students are exposed to shop floor practices and are aligned with industry needs through training. They also get ample opportunities to attend lectures and training provided by subject matter experts that are aligned with the industry requirements.
- During the assessment year, placement of eligible students from the adopted ITIs was hundred per cent. Some of the students started their own ventures and some students joined higher education after finishing their courses.

PROJECT SAAKAR – RURAL DEVELOPMENT INITIATIVE

Project Saakar of the Company aims to create inclusive and sustainable communities through the construction of roads, installation of street lights, crematoriums, drains and waste bin, and community hall which were beneficial for the villagers.

The relevant findings are as under:

- Project Saakar was able to improve community infrastructure in the selected villages by focusing on sanitation, drinking water facilities, village internal roads, development and strengthening of rural health infrastructure, improvement of infrastructure such as drains and waste bins and creating awareness through community mobilisation.
- The project adopted a human-centric and bottom-up approach. Qualitative interactions revealed that most of the street lights are strategically placed to ensure benefit to large number of community members by installing on main junctions and intersections of the village.
- The project was able to leverage government schemes like - Gram Sadak Yojana for the construction of all-weather road networks, Jal Jeevan Mission scheme to ensure clean and potable water supply to each household and the construction of toilet facilities under Swachh Bharat Abhiyan and also focused on waste segregation in the adopted villages.

IMPACT OF PROJECT BHOOMI - ENVIRONMENT SUSTAINABILITY, ANIMAL WELFARE AND SOIL HEALTH

To address the issue of outdated farming practices followed by the farmers and limited access to the new farming technology, Project Bhoomi provide soil testing services, educate farmers on soil quality, encourage crop rotation, and introduce new crop varieties through establishment of state-of-the-art soil testing laboratory.

Relevant findings are as under:

- Project Bhoomi successfully mainstreamed and leverage digital technology during the COVID-19 lockdown to provide key information to the farming community on Soil Health Management Practices.
- The project was able to leverage digital technology by integrating digital channels like WhatsApp, Phone calls and Radio Talks to support farmers with knowledge and guidelines issued by authorities.
- Digital platforms significantly helped farmers to receive timely information.
- Soil testing services continued, and information was provided at the doorstep of the farmers even during the COVID-19 lockdown.
- Farmer outreach program triggered the change in farming practices and provided farmers with soil health status, which is helping them to optimize farm input usage on their farms.

The detailed Impact Assessment Study report is being submitted separately.

For Federation of Indian Chambers of Commerce and Industry

Name : UMA SETH
Designation : SR. DIRECTOR

Annexure "G" to Board's Report

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

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

To,

The Members,

Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN -325208

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chambal Fertilisers and Chemicals Limited** (hereinafter referred as **'the Company'**), having its Registered Office at Gadepan, District Kota, Rajasthan, PIN -325208. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

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

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including the provisions with regard to maintenance of Structural Digital Database required under the said Regulations;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[Not Applicable as the Company has not issued further share capital during the financial year under review];**

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Not applicable as the Company has not issued any non-convertible securities during the financial year under review];**

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent];**

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **[Not Applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review];** and

   (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **[Not Applicable as the Company has not bought back/proposed to buy-back any of its securities during the financial year under review]**.

VI. Other Laws applicable specifically to the Company are as follows:

   (a) The Essential Commodities Act, 1955;

   (b) The Fertiliser (Inorganic, Organic or Mixed) (Control) Order, 1985;

   (c) The Fertilizer (Movement Control) Order, 1973;

   (d) The Insecticides Act, 1968, The Insecticides Rules, 1971 and Insecticides (Price, Stock Display and Submission of Reports) Order, 1986.

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

   1. Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.
3. General Circular no. 2/2022 dated May 05, 2022 read with General Circular no. 14/2020 dated April 08, 2020 , General Circular no. 17/2020 dated April 13, 2020, General Circular no. 20/2020 dated May 05, 2020 and General Circular no. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs to hold Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India for dispensation of dispatching the physical copies of annual reports.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, circulars, notifications, etc. mentioned above.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice(s) were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same are in compliance with the Act.

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

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

1. Cessation of Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357) and Ms. Radha Singh (DIN: 02227854) as Independent Directors of the Company with effect from September 15, 2022;
2. The shareholders of the Company at the Annual General Meeting held on September 13, 2022 appointed Mr. Berjis Minoo Desai (DIN: 00153675) as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from September 13, 2022 to September 12, 2027;
3. The Company has declared final dividend of Rs. 3.00/- (i.e. 30%) per equity share of Rs. 10/- each of the Company for the Financial Year 2021-22. Further, the Board of Directors of the Company at its meeting held on February 07, 2023, declared an interim dividend of Rs. 4.50/- (i.e. 45%) per equity share of Rs. 10/- each of the Company for the Financial Year 2022-23; and
4. The shareholders of the Company at the Annual General Meeting held on September 13, 2022, re-appointed M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration Number: 012754N/N500016), as Auditor of the Company, to hold office for the second term of 5 (five) consecutive years from the conclusion of the thirty seventh Annual General Meeting till the conclusion of the forty second Annual General Meeting of the Company.

For RMG & Associates
Company Secretaries
Peer Review No. : 734 / 2020
Firm Registration No. P2001DE016100

Place : New Delhi
Date : 26-05-2023
UDIN : F005123E000382159

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Note: This report is to be read with 'Annexure' attached herewith and forms an integral part of this report.

Annexure

To,

The Members,

Chambal Fertilisers and Chemicals Limited
CIN: L24124RJ1985PLC003293
Gadepan, District Kota,
Rajasthan, PIN -325208

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2023 is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For RMG & Associates
Company Secretaries
Peer Review No. : 734 / 2020
Firm Registration No. P2001DE016100

Place : New Delhi
Date : 26-05-2023
UDIN : F005123E000382159

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Annexure "H" to Board's Report

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

[Pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy:

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

- Replacement of Cooling Water pumps in Gadepan-I plant.
- Following energy saving schemes in Urea-I plant were implemented:
  a) Replacement of nine Urea reactor trays with super cup trays in each unit of Urea-I plant.
  b) Installation of vapour absorption machine and CO2 Cooler for CO2 suction chilling.
  c) Installation of new Medium Pressure Steam Saturator in both units.
  d) Installation of new carbamate condenser in Urea-I plant.
  e) Installation of a new Carbamate pre-heater in Urea-I plant.
  f) Replacement of the existing carbamate mixer with a new mixer in both Urea units.
- Replacement of Induced Draft / Forced Draft fan turbines with motors in Ammonia-I plant.
- Replacement of Purge Gas Hydrogen Recovery Unit ("PGHRU") membranes in Ammonia-I plant.

(ii) The steps taken by the Company for utilising alternate sources of energy

The Company has installed roof top solar panels in Gadepan campus having capacity of 1000 kilo watt (AC) peak power as a step towards use of renewable energy. Roof top solar panels of 230 kilo watt (AC) peak power has been commissioned in April 2022 and remaining 770 kilo watt (AC) peak power will be started after final approval of Rajasthan Renewable Energy Corporation Limited, Jaipur.

(iii) The capital investment on energy conservation equipments

The total capital investment on the above mentioned energy conservation scheme including cost of roof top solar plant was Rs. 71.44 Crore during the Financial Year 2022-23.

(B) Technology Absorption:

(i) The efforts made towards technology absorption

- Replacement of PGHRU membranes in Ammonia-I plant.
- Replacement of nine Urea reactor trays with super cup trays in each unit of Urea-I plant.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Cost reduction on account of energy efficiency.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The details of technology imported	The year of import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
Installation of vortex mixer in the Urea reactor of Urea-I plant.	2019-20	Yes	Not Applicable

(iv) The expenditure incurred on Research and Development

The Company is a manufacturing organization and is not engaged in any major Research and Development activity. However, the Company continuously makes efforts to improve the efficiency and reliability of operations of its plants and quality of the products.

(C) Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

Foreign Exchange earned : Rs. 94.38 Crore

Foreign Exchange outgo : Rs. 8108.42 Crore

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: : 07610237

Place : New Delhi
Date : May 26, 2023

Annexure "I" to Board's Report

A) Information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2022-23 and the percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the Financial Year 2022-23:

Name	Designation	Ratio of remuneration of each director to the median remuneration of the employees of the Company	Increase/ (Decrease) in Remuneration (%)
Mr. Saroj Kumar Poddar	Non-Executive Chairman	0.96	-
Mr. Pradeep Jyoti Banerjee	Independent Director	1.14	9.54
Mr. Shyam Sunder Bhartia	Non-Executive Director	-	-
Mr. Berjis Minoo Desai	Independent Director	0.56	Not Applicable
Mr. Gaurav Mathur	Managing Director	41.27	11.35
Mr. Vivek Mehra	Independent Director	1.12	(5.69)
Mrs. Rita Menon	Independent Director	1.15	3.21
Mr. Chandra Shekhar Nopany	Non-Executive Director	1.05	-
Ms. Radha Singh	Independent Director	0.58	(53.78)
Mr. Marco Philippus Ardeshir Wadia	Independent Director	0.57	(54.73)
Mr. Abhay Baijal	Chief Financial Officer	Not Applicable	58.44
Mr. Rajveer Singh	Company Secretary	Not Applicable	83.21

Notes:

(a) Mr. Shyam Sunder Bhartia opted out from receiving any commission and sitting fee.

(b) Mr. Berjis Minoo Desai was appointed as an Independent Director with effect from September 13, 2022.

(c) Ms. Radha Singh and Mr. Marco Philippus Ardeshir Wadia ceased to be Directors with effect from September 15, 2022.

(d) Mr. Abhay Baijal completed his tenure as Chief Financial Officer of the Company on January 31, 2023 and ceased to be Chief Financial Officer of the Company with effect from February 01, 2023. Accordingly, the remuneration paid to Mr. Abhay Baijal is for the period April 01, 2022 to January 31, 2023 and includes retirement benefits, hence not comparable with the remuneration paid/ payable during the Financial Year 2021-22.

(e) Mr. Anand Agarwal was appointed as Vice President - Finance with effect from June 01, 2022 and Chief Financial Officer and Key Managerial Personnel of the Company with effect from February 01, 2023.

(f) Remuneration of Mr. Rajveer Singh for the Financial Year 2021-22 includes Rs.6,01,280 towards perquisite value of leave encashment and his remuneration for the Financial Year 2022-23 includes Rs.75,32,220 towards perquisite value of employee stock options exercised and leave encashment. The increase in remuneration without considering such perquisite value of employee stock options exercised and leave encashment works out to 15.91%. Mr. Rajveer Singh ceased to be Company Secretary and Key Managerial Personnel of the Company with effect from May 6, 2023.

ii) The percentage increase in the median remuneration of employees in the Financial Year 2022-23: **2.12%**

iii) The number of permanent employees on the rolls of the Company: **1050**

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in the salaries of employees other than managerial personnel in the Financial Year 2022-23 was 7.71%. The details of percentage increase in the remuneration of managerial personnel is given above. The remuneration of employees other than managerial personnel during the Financial Year 2021-22 included leave encashment which had been lower during the Financial Year 2022-23. Increase in the remuneration of managerial personnel is in line with the industry practice and within the normal range.

v) It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

B) Statement pursuant to Section 197(12) of the Companies Act, 2013 read with the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I. Top ten employees in terms of remuneration drawn for the Financial Year 2022-23:

Sr. No.	Name	Designation	Qualifications	Age (years)	Experience (years)	Date of Commencement of Employment	Remuneration Received (Rs.)	Last Employment	
								Employer's Name	Post Held
1	Gaurav Mathur *	Managing Director	B. Tech. (Chemical Engineering)	54	33	06.01.2020	5,17,41,988	TEVA API India Private Limited	Managing Director
2	Abhay Baijal**	Chief Financial Officer	B.E. (Mechanical), P.G.D.M.	62	38	01.11.2003	3,14,27,766	Birla Home Finance Limited	Vice President-Operations
3	Anil Kapoor *	Advisor	B. Tech. (Chemical Engineering), M.S.	69	43	11.12.2000	2,73,10,742	Cabot India Limited	Vice President-Technical
4	Rajveer Singh *	Vice President - Legal & Secretary	M.A., L.L.B., FCS	54	30	10.02.2003	1,86,08,047	MCS Limited	Whole-time Director
5	Anuj Jain *	Assistant Vice President- Finance	FCA, ACS	59	37	10.09.2001	1,76,90,251	Birla Home Finance Limited	General Manager
6	Anand Agarwal **	Chief Financial Officer#	CA, CS, Cost Accountant, Chartered Financial Analyst	49	28	01.06.2022	1,40,91,298	Tata Power Limited	Group Finance Controller
7	Vishal Mathur *	Assistant Vice President – Human Resources & Administration	B.E.(Electrical)	54	30	01.07.1992	1,36,68,647	First Employment	
8	Narinder Goyal **	Assistant Vice President - Production	B.E. (Chemical), M.B.A. - Finance	53	31	01.02.1992	1,28,95,526	Punjab Alkalies and Chemicals Limited	Chemical Trainee Engineer
9	Ashish Kumar Srivastava*	Vice President – Sales & Marketing	B.Sc. (Agriculture)	58	36	01.04.1991	1,28,06,280	Zuari Agro Chemicals Limited	Management Trainee
10	Alpana Juneja*	General Manager – Internal Audit	M.Com., FCA	60	33	28.02.2011	1,19,11,379	Emaar MGF Land Limited	DGM- Management Assurance Services

* These employees were employed throughout the Financial Year 2022-23 and were in receipt of remuneration in the aggregate of not less than Rs. 1,02,00,000 for that Financial Year.

** These employees were employed for a part of the Financial Year 2022-23 and were in receipt of remuneration in the aggregate of not less than Rs. 8,50,000 per month.

Mr. Anand Agarwal was appointed as Vice President- Finance with effect from June 01, 2022 and Chief Financial Officer with effect from February 1, 2023.

II. Employees who were employed throughout the Financial Year 2022-23 and not covered in part I above and were in receipt of remuneration in the aggregate of not less than Rs. 1,02,00,000 for the Financial Year 2022-23:

Sr. No.	Name	Designation	Qualifications	Age (years)	Experience (years)	Date of Commencement of Employment	Remuneration Received (Rs.)	Last Employment	
								Employer's Name	Post Held
1	Rajnish Chaba	General Manager - Technical Services & Engineering	B.E. (Chemical)	50	29	17.12.1997	1,03,46,537	Oswal Chemicals and Fertlisers Limited	Engineer (Urea)

III. Employees who were employed for a part of the Financial Year 2022-23 and were in receipt of remuneration in aggregate of not less than Rs. 8,50,000 per month:

Sr. No.	Name	Designation	Qualifications	Age (years)	Experience (years)	Date of Commencement of Employment	Remuneration Received (Rs.)	Last Employment	
								Employer's Name	Post Held
1	Hari Om Sharma	Deputy General Manager - Marketing	M.Sc. (Agriculture)	60	38	01.04.1991	77,85,976	Zuari Agro Chemicals Limited	Senior Marketing Officer
2	Mahesh Jhanwar	Senior Manager – Distribution	B.Sc. (Agriculture)	60	37	29.07.1992	49,04,432	Anubhav Minerals Private Limited	Purchase Officer
3	Deepak Pathak	Deputy General Manager – Personal & Administration	B.Com., Post Graduate Diploma in Personnel Management	60	41	04.02.2011	44,08,874	Indo Gulf Fertilisers Limited	Senior Manager
4	Krishan Kumar Sehgal	Senior Regional Manager	B.Tech (Agriculture Engineering)	55	30	06.09.1993	36,28,696	Shriram Alpine Sales Private Limited	Senior Sales Representative
5	Dhirendra Singh	Area Manager - Marketing	B.Sc. (Agriculture), M.Sc. (Agriculture)	60	35	01.04.1991	34,75,570	Zuari Agro Chemicals Limited	Senior Marketing Officer
6	Ghanshyam Sharma	Deputy Manager-Accounts & Commercial	B.Com.	60	37	04.07.1992	22,72,374	Punsumi India Limited	Accounts Assistant (Marketing)
7	Ravi Prakash Sharma	Senior Manager – Market Development	B.Sc. (Agriculture)	54	35	01.04.1991	22,26,296	Zuari Agro Chemicals Limited	Marketing Officer
8	Sanjeev Kumar	Senior Accountant	B.Com. (Pass)	44	15	01.12.2008	6,41,569	Indiabulls Securities Limited	Assistant
9	Rashmikant S. Patel	Senior Craftsman	Industrial Training Institute -Instrument Mechanic (Chemical Plant)	38	17	01.09.2006	5,09,218	Sri Balaji Industrial Services	Instrument Technician
10	Narendra Kumar Meena	Deputy Shift Manager-Ammonia	B. Tech. (Chemical Engineering)	30	6	01.07.2016	4,70,954	First Employment	
11	Mukhtar Alam	Assistant Manager – Marketing	B.Tech. (Biotechnology), Post Graduate Diploma in Management (Agriculture)	31	5	17.04.2017	3,60,385	First Employment	
12	Sandeep Shukla	Assistant Manager – Instrumentation	B. Tech. (Electronics and Instrumentation Engineering)	30	7	24.09.2018	2,74,098	Yara Fertilisers India Private Limited	Assistant Manager

Sr. No.	Name	Designation	Qualifications	Age (years)	Experience (years)	Date of Commencement of Employment	Remuneration Received (Rs.)	Last Employment	
								Employer's Name	Post Held
13	Rohan Shandilya	Assistant Manager - Purchase	B. Tech. (Mechanical Engineering)	27	4	19.02.2020	2,41,260	Asahi India Glass Limited	Executive
14	Parmanand Singh	Assistant Shift Manager – Ammonia	B. Tech. (Chemical Engineering)	27	4	02.07.2018	2,36,268	First Employment	
15	Moushmi Bagh	Senior Officer – Human Resource	B.Sc.-, MBA- Human Resource & Information Technology	38	13	15.01.2019	2,19,725	Matix Fertilisers and Chemicals Limited	Assistant Manager

NOTES:

1. None of the above employees is a relative of any Director of the Company.
2. None of the above employees himself/herself or alongwith his/her spouse and dependent children holds 2% or more equity shares of the Company.
3. All appointments are/were on contractual basis.

For and on behalf of the Board of Directors of Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Place : New Delhi
Date : May 26, 2023

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L24124RJ1985PLC003293
2.	Name of the Listed Entity	Chambal Fertilisers and Chemicals Limited
3.	Year of Incorporation	1985
4.	Registered office address	Gadepan, District Kota, Rajasthan, PIN - 325208, India
5.	Corporate address	Corporate One, First Floor, 5, Commercial Centre, Jasola, New Delhi - 110025
6.	E-mail	corporate@chambal.in
7.	Telephone	Registered Office - +91-744-2782915, Corporate Office - +91-11-46581300, 41697900
8.	Website	www.chambalfertilisers.com
9.	Financial Year for which reporting is being done	April 01, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital (INR in Crore)	416.21
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Vishal Mathur, Assistant Vice President – Human Resources & Administration, Telephone number: 0744-2782900 E-mail ID: vishal.mathur@chambal.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a standalone basis.

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Chemical and chemical products, pharmaceuticals, medicinal chemical and botanical products	60.09%
2.	Trade	Wholesale Trading	39.91%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of Urea	24123	57.95%
2.	Marketing of Di-ammonium Phosphate (DAP)	51497	28.22%
3.	Marketing of NPK Fertilisers	51497	5.89%
4.	Marketing of Muriate of Potash (MOP)	51497	3.21%

III. Operations:

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

Location	Number of plants	Number of offices	Total
National	1*	25	26
International	0	0	0

* The Company has three plants located at Gadepan, District Kota, Rajasthan (i.e., Gadepan-I, Gadepan-II and Gadepan-III).

17. Markets served by the entity:

a. Number of locations:

Locations	Number
National (No. of States)	14*
International (No. of Countries)	0

* The Company serves 13 states and 1 union territory in the national market.

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

NIL

c. A brief on types of customers

The key customers of the Company are farmers and channel partners. We cater to the farmers' needs through network of channel partners that includes dealers, distributors and retailers.

IV. Employees:

18. Details as at the end of Financial Year:

1. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	622	605	97.27%	17	2.73%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total employees (D + E)**	**622**	**605**	**97.27%**	**17**	**2.73%**
	WORKERS					
4.	Permanent (F)	428	423	98.83%	5	1.17%
5.	Other than Permanent (G)	2,172	2,157	99.31%	15	0.69%
6.	**Total workers (F + G)**	**2,600**	**2,580**	**99.23%**	**20**	**0.77%**

2. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total differently abled employees (D + E)**	**0**	**0**	**0%**	**0**	**0%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than Permanent (G)	10	10	100%	0	0%
6.	**Total differently abled workers (F + G)**	**10**	**10**	**100%**	**0**	**0%**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	FY 2022- 23 (Turnover rate in current FY)			FY 2021- 22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.17%	24.24%	9.57%	7.52%	11.76%	7.64%	4.24%	0%	4.11%
Permanent Workers	3.32%	0.00%	3.28%	4.21%	0.00%	4.16%	3.15%	0%	3.11%

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

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	Chambal Infrastructure Ventures Limited	Subsidiary	100.00%	No
2	CFCL Ventures Limited	Subsidiary	72.27%	No
3	ISGN Corporation	Subsidiary	72.27%	No
4	ISG Novasoft Technologies Limited	Subsidiary	72.27%	No
5	Indo Maroc Phosphore S.A.- IMACID	Joint Venture	33.33%	No

VI. CSR Details:

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013 **(Yes/No)**: Yes
(ii) Turnover (in Rs.) - Rs. 2,77,72,81,49,993
(iii) Net Worth (in Rs.) - Rs. 71, 97,47,50,134

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	1	0	The complaint was filed by resident of Bamori village	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	272	5	-	405	4	-
Employees and workers	Yes	88*	1	-	44*	0	-.
Customers	Yes	47	3	-	1	3	-
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	Not Applicable	0	0	-	0	0	-

* These complaints are received by contract labourers.

The grievance redressal mechanism can be accessed at the weblink - https://chambalfertilisers.com/pdf/Grievance-Redressal-Mechanism.pdf

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Safety and Working Conditions	Risk	Safety and Working conditions are crucial due to the inherent hazards associated with handling of Ammonia in fertilizer plant. Ensuring employee safety, mitigating environmental impacts and adhering to regulations are therefore paramount. Safety incidents can lead to loss of life, damage reputation and incur significant financial costs.	The Company has conducted a robust and detailed risk assessment of its business to identify key issues and have prepared an associated mitigation plan to ensure business continuity, which includes Health & Safety of employees, workers and community in case of operational hazards, a robust Health & Safety management system, trainings and mock drills and development of an on-site disaster management plan.	Negative
2.	Energy & Emission Management	Risk	As a fertilizer Company, energy-intensive processes and emissions contribute to climate change and environmental degradation. Prioritizing energy efficiency and emission reduction aligns with global sustainability goals, regulatory requirements and stakeholder expectations. The incentives and subsidies in fertilizer sector are also linked with energy optimization. By managing energy consumption and emissions responsibly, the Company has enhanced its environmental stewardship, kept its operational cost low and ensured a long-term business resilience.	The Company has conducted a robust and detailed risk assessment of its business to identify key issues and have prepared an associated mitigation plan to ensure business continuity, which includes conducting periodic air quality check and stack emissions and plant's trip interlock system. Further, the Company has set up Key Performance Indicators and targets for reduction in and off-setting of emissions.	Negative
3.	Waste Management	Opportunity	Efficient waste management can lead to resource recovery, cost savings and reduced environmental impact. Implementing recycling and waste reduction practices has optimized resource utilization and lower disposal expenses. Moreover, meeting waste management standards and regulatory compliance has enabled us foster positive relationships with stakeholders and reinforces Company's commitment to environmental stewardship.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Water Management	Risk	The Company operations require significant water for various processes which may lead to potential impact on local water resources. Ensuring responsible water management is crucial to conserve this vital resource, minimize environmental harm and meet regulatory requirements.	The Company has conducted a robust and detailed risk assessment of its business to identify key issues and have prepared an associated mitigation plan to ensure business continuity, which includes reuse and recycling of utilised water, water storage inside complex can meet 7 days requirement and can support maintenance work, anicuts on Kalisindh River and Parwan River to store rainwater and agreement with the Irrigation Department to draw water from the Right Main Canal on requirement (in case of a drought year).	Positive
5.	Product Stewardship	Risk	As the Company is dealing in fertilizers and agri-inputs, the products can have implications on soil, water and ecosystem health. Failing to prioritize responsible product design, usage and disposal could lead to environmental contamination, harm to biodiversity and risks to human health. Non-compliance with product safety regulations can also result in legal consequences and damage the Company's reputation.	The Company has a well-structured farmer advisory programme that focuses on sharing awareness on promoting responsible usage of products, boosting farmers' income and promoting sustainable farming practices. Apart from this programme, the farm advisory services of the Company also include soil and water testing services. The social media platforms of the Company are also used extensively to educate farmers on the safe usage of the products. Additionally, a leaflet promoting the safe and responsible usage of product is always made part of the product packaging. The Company has also taken a conscious decision not to sell or promote products categorized extremely toxic.	Negative
6.	Customer Centricity	Opportunity	Customer centricity is important to us as it directly affect farmers' yields and livelihoods. It enables us to understand customers' situations, perceptions and expectations. Prioritizing customer-centric practices, such as providing quality products, support and farm advisory is crucial for building trust, fostering long-term relationships and ensuring sustainable business growth.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Sustainable Agriculture	Opportunity	As part of the need to reduce carbon emissions and efficient use of natural resources, off-site impacts and risks are required to be considered. Sustainable farming practices enable positive environmental interventions through practices associated with crops and soil, increasing nutrients and water use efficiency and reducing Greenhouse gas emissions.	Not Applicable	Positive
8.	ESG Risk Management	Opportunity	Mapping ESG performance and adopting robust practices can enhance the Company's environmental stewardship, improve social impact and strengthen corporate governance. The Company also aspires to attract socially conscious customers, investors and other stakeholders leading to potential revenue growth and improved ESG ratings.	Not Applicable	Positive
9.	Stakeholder Engagement	Opportunity	As we are a customer facing brand, stakeholder engagement (both internal and external) is critical for us. It provides us an opportunity to understand stakeholders' concerns and expectations and address them appropriately to help the Company in achieving its desired goals and targets.	Not Applicable	Positive
10.	Community Engagement	Opportunity	Community is one of the major stakeholders affected by our direct operations. Our objective is to create a long-term social impact through corporate social responsibility interventions. Engagement with communities to minimize possibility of conflicts and bring them onboard to ensure smooth operations is a strategic priority at the Company.	Not Applicable	Positive
11.	Ethics and Transparency	Opportunity	Embracing ethics and transparency as an opportunity enhances corporate reputation, mitigates potential reputational risks and strengthens its competitive advantage in the market, ultimately contributing to sustainable business growth. It has positioned the Company as a reputable and reliable partner in the fertilizer and agrochemical industry.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Compliance	Risk	Identifying compliance as a material risk for the Company is due to the complex regulatory landscape in the fertilizer and agri-input industry. Non-compliance with environmental, safety and product regulations can lead to legal penalties, reputational damage and operational disruptions.	The Company has conducted a robust and detailed risk assessment of its business to identify key issues and have prepared an associated mitigation plan to ensure business continuity, which includes a formal legal tracking system to keep up to date with our compliance obligations and renewal requirements. Regular reviews, internal and external audits ensure that adhering to all regulatory compliances remains our top priority.	Negative
13.	Employee Engagement & Welfare	Opportunity	We believe that encouraged employees are more productive, leading to improved operational efficiency and higher customer satisfaction. Investing in employee development and welfare enhances skills and promote innovation & adaptability thereby driving sustainable business success and social impact.	Not Applicable	Negative
14.	Responsible Procurement & Sustainable Sourcing	Opportunity	Supply chain interruptions may impact our business continuity which have a direct impact on our brand's reputation. Therefore, Responsible Procurement & Sustainable Sourcing is an important aspect for our business's growth. Further, the Company intends to integrate social, ethical and environmental performance factors into the process of selecting suppliers and/or vendors. It also involves purchasing products made from recycled materials.	Not Applicable	Positive
15.	Biodiversity Management	Opportunity	Although the Company does not operate around any biodiversity sensitive zone, the products and services might impact the biodiversity footprint. Therefore, the Company finds it essential to keep contributing towards the betterment of surrounding biodiversity.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
16.	Labour Management	Risk	Labour Management is critical for smooth operations for any organization. Labour Management and teamwork can dramatically improve performance across many dimensions including culture and job satisfaction. As a Company with a large labour pool, we are committed to the welfare and enhancing the skills of our workers thereby ensuring smooth operations.	The Company has conducted a robust and detailed risk assessment of its business to identify key issues and have prepared an associated mitigation plan to ensure business continuity, which includes proactive approach to ensure disbursement of all due benefits to contract workers applicable under different acts and rules. Further, Industrial Relations department at Gadepan plant ensures that all grievances are dealt in a timely and responsible manner.	Negative
17.	Human Rights	Risk	Considering the Company has a large labour pool and over thousand supply partners; human rights are a critical issue for us as it may lead to reputation and operational disruption.	We have started creating awareness on Human Rights issues including awareness on sexual harassment to all permanent and contractual employees and workers annually. Further,the Code of Conduct and Ethics, Human Resource and Employee Relations Policy and Suppliers' Code of Conduct of the Company define the basic principles to meet the Company's standard in Labour practices, Human rights, Safe and Healthy working conditions, Environment protection and Business integrity.	Negative
18.	Diversity and Inclusion	Opportunity	The Company is committed to enhancing the Diversity & Inclusion quotient. The Company is committed to enhance women and differently abled representation.	Not Applicable	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

		Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	a.	Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	Web Link of the Policies, if available	The policies are available on the website of the Company at the following links: http://www.chambalfertilisers.com/brrpolicies https://www.chambalfertilisers.com/policiescodes/								
2.		Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.		Do the enlisted policies extend to your value chain partners? (Yes/No) (Refer Note No. 1)	No	No	No	No	No	No	No	No	No
		Note No. 1 The Company has in place Supplier's Code of Conduct for its vendors and service providers. This code defines the basic principles to meet Company's standards in the areas of Labour Practices and Human Rights, Safe and Healthy Working Conditions, Environment Protection and Business Integrity.									
4.		Name of the national and international codes/ certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Standards Adopted • Sustainability Accounting and Standards Board – *covers all nine (9) NGRBC Principles* • Morgan Stanley Capital International - *covers all nine (9) NGRBC Principles* • Global Reporting Initiative - *covers all nine (9) NGRBC Principles*								
			Certifications (given below)								
			ISO 9001 (Quality Management System Standard)	ISO 14001 (Environment Management System Standard) ISO 9001 (Quality Management System Standard)	ISO 45001 (Occupational Health and Safety Management System Standard)		ISO 45001 (Occupational Health and Safety Management System Standard)	ISO 14001 (Environment Management System Standard)	ISO 14001 (Environment Management System Standard)	ISO 9001 (Quality Management System Standard)	
5.		Specific commitments, goals and targets set by the entity with defined timelines, if any.	Goals / commitments were set during the Financial Year 2022-23 for 5 year period from Financial Year 2023-24 onwards and the same are provided in subsequent table.								
6.		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Goals / commitments were set during the Financial Year 2022-23 for 5 year period from Financial Year 2023-24 onwards. Performance will be assessed and reported in the Business Responsibility and Sustainability Report for the Financial Year 2023-24.								

NGRBC Principle	Goals	Performance Indicator
Environment		
Principle 6	Tackle Climate Change and reduce Greenhouse gas emissions through state of art technologies and green interventions	• Reduce Scope 1 emission in Urea production by ~ 2.8% • Reduce total specific energy consumption for Urea production(Gcal/ MT of Urea) by 1% • Increase the share of renewable energy in our total electrical power consumption by ten (10) % • Conduct full assessment of all sites / offices for Scope 3 emission resulting from employee commutation
Principle 6	Achieve zero waste to landfill through our 4 R concept for Waste Management	• 100% recycle of RO Sludge • Conduct full assessment of solid waste generated at Gadepan plant premises
Principle 6	Sustainably manage and augment water resources to meet the needs of our business and surrounding communities	• Conduct full water assessment of our operations at Gadepan plant premises • The proposed Technical Ammonium Nitrate Plant to be Zero Liquid Discharge Plant • Recharge the groundwater by practicing rooftop rainwater harvesting in Gadepan plant premises – forty (40) recharge units
Principle 2	Responsibly design, manufacture and manage our products throughout their lifecycle, and promote awareness on sustainable use	• Conduct ESG audit/ awareness on ESG practices and policies for five (5) key suppliers annually • Conduct a detailed life cycle analysis (LCA) of all products • Engage with 3,50,000 farmers and to provide them awareness on safe and sustainable use of our products
Principle 6	Create a positive impact on nature by protecting, conserving, and managing the environment and natural resources for the present and future generations	• Planting 1,50,000 tree saplings in and around Gadepan plant premises
Social		
Principle 3	Lead best in class standards of Safety, Health and Hygiene, and foster a culture of continuous benchmarking to World class standards	• Achieve Safety Training Man-Hours > 10,000 • Achieve Total recordable injuries rate <0.4 • 100% compliance to the Annual Safety Improvement Plan
Principle 2 and Principle 9	Provide Best-in-class products and services to our customers in a sustainable and responsible manner	• Develop and implement best-in-class Customer grievance framework • Carry out customer satisfaction survey once in two years and achieve customer satisfaction index as per plan.
Principle 4	Build sustainable and mutually beneficial relationships with the communities we serve through interventions in: • Infrastructure • Water Conservation • Sustainable agriculture • Sports promotion	• Transforming six (6) villages surrounding the Gadepan Plant into model villages • Rejuvenating existing ponds and practicing rainwater harvesting to enhance water availability in six (6) core villages surrounding plant premises • Crop residue management program to cover 3,00,000 acre Land and 30,000 Farmers • Providing Best-in-class sports infrastructure in all adopted forty-five (45) schools
Principle 4	Create long-term value for all stakeholders by fostering support, receiving feedback, and demonstrating accountability	• Engage with stakeholder group in regular interval and implement Stakeholders engagement mechanism and plan
Principle 5	Embody the principles of dignity and respect by entrenching a culture of respect for human rights	• Provide awareness on Human Rights issues including awareness on sexual harassment to all permanent and contractual employees and workers annually

Governance		
Principle 1	Foster a culture of transparency, accountability and integrity in our business and partnerships	• Conduct awareness on issues and principles of Ethics and Transparency including those of ESG to all the employees
Principle 8	Build a responsible value chain that upholds the principles of Environment, Social and Governance	• Conduct ESG audit/ awareness on ESG practices and policies for five (5) key suppliers annually as per plan • Engage with five (5) % suppliers annually through Vendor/supplier meet to aware them on principles of ESG

Governance, leadership, and oversight		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements *(listed entity has flexibility regarding the placement of this disclosure*) The Company recognize the vital role that ESG considerations play in ensuring the sustainability and long-term success of business of the Company. We understand that operating responsibly is not only the right thing to do but also crucial for maintaining trust among our stakeholders and contributing to a more sustainable future. We acknowledge that there are several significant challenges when it comes to ESG matters. One of our key challenges is reducing our carbon footprint and transitioning to a low-carbon economy. We are actively working on implementing energy-efficient practices and renewable energy sources, to minimize emissions. Additionally, we are committed to reducing waste generation, managing water resources responsibly, and addressing any potential environmental risks associated with our operations. To address these challenges, we have set ambitious targets aligned with international best practices and frameworks. Our primary goal is to reduce our carbon footprints. This includes reducing our direct and indirect greenhouse gas emissions, investing in renewable energy projects, and adopting sustainable value chain. We are also committed to lead best in class standards of safety, health and hygiene and foster a culture of continuous benchmarking to world class standards. Our customers are our key stakeholders, and their wellbeing is at core of the organization. We are committed to provide best-in-class products and services to our customers in a sustainable and responsible manner. Furthermore, we have established targets to enhance our corporate governance practices, ensuring transparency, accountability, and ethical conduct at all levels of our organization. We are pleased to report that we have made significant progress in our ESG initiatives. Over the past year, we have reduced our carbon emissions through the implementation of energy-saving measures and the adoption of renewable energy sources. We have also implemented comprehensive waste management programs, resulting in a reduction in waste generation. We have also been able to reduce water consumption as compared to the previous year. In terms of social impact, we continue to make significant contributions in the areas of Education including Technical and Vocational Education, Rural Development, Healthcare and Sanitation, Employability and Empowerment, Environment Sustainability, Animal Welfare and Soil Health, Disaster Management, etc. for the underprivileged community living in the villages located near our plant in Gadepan. The Company has also made a significant investment to provide awareness and resources for crop residue management in selected villages of Punjab and Haryana. This will considerably contribute in addressing the problem of pollution arising due to crop residue in the northern part of India. Moreover, we have strengthened our governance practices by enhancing our risk management and ESG framework. Our detailed ESG goals and other achievements are mentioned in the relevant sections of this report. While we celebrate these achievements, we recognize that our journey towards sustainable development is an ongoing process. We remain committed to continuous improvement and innovation, aiming to surpass our targets and exceed expectations. Our focus on ESG factors will remain at the core of our business strategy, ensuring that we create long-term value for our stakeholders and contribute positively to the communities and environments in which we operate. Thanks to all stakeholders for their continued support as we navigate these ESG challenges together.	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name : Gaurav Mathur Designation: Managing Director
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If "Yes," provide details.	Yes, the Management Committee of the Company is responsible for decision making on sustainability related issues.

10.	Details of Review of NGRBCs by the Company:																		
	Subject for Review	**Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any Other-please specify)**								
		P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Performance against above policies and follow up action	Policies and procedures are periodically reviewed by the Board/ Board Committees/ Departmental Heads, as and when applicable.									Annually / Periodically								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	A certificate confirming compliance with all the statutory requirements applicable to the Company is placed before the Board of Directors on quarterly basis.																	
11.	Has the entity conducted independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If "Yes," provide name of the agency.										**P1**	**P2**	**P3**	**P 4**	**P5**	**P6**	**P7**	**P8**	**P9**
											No	No	No	No	No	No	No	No	No

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Training and awareness programmes were conducted on the nine (9) Principles of NGRBC.	100%
Key Managerial Personnel	1		
Employees other than BoD and KMPs	1		
Workers	1		

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

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/ No)**
Penalty/ Fine	NIL				
Settlement					
Compounding Fee					

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/ No)**
Imprisonment	NIL			
Punishment				

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

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

Yes. The Code of Conduct and Ethics of the Company is applicable to all the Directors and Employees of the Company. The Code of Conduct includes a section on anti-bribery and anti-corruption, which requires Directors and Employees to comply with anti-corruption and anti-bribery laws and not indulge in any act or practice which results into breach of such laws. Payment of bribes, kickbacks, facilitation payments and/or other payments are strictly prohibited.

The Whistle Blower Policy of the Company, *inter-alia*, provides a mechanism to the Directors and Employees to report their concerns and grievances including those related to unethical behavior, actual or suspected fraud, violation of the Code of Conduct and Ethics of the Company or leak of Unpublished Price Sensitive Information. The Whistle Blower Policy enables other stakeholders i.e., employees of other agencies deployed for the Company's activities, contractors, vendors, suppliers, investors, shareholders, customers and business partners to freely communicate their concerns about illegal or unethical practices.

The Company also has in place a Supplier's Code of Conduct which includes issues relating to ethics and bribery and the code is normally shared with the concerned suppliers/service providers. The Code of Conduct and Ethics and Whistle Blower Policy of the Company are available at the following link: http://www.chambalfertilisers.com/policiescodes

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

	FY 2022- 23 (Current Financial Year)	FY 2021- 22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

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

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

Leadership Indicators

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

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
3	Training and awareness programmes were conducted on the nine (9) Principles of NGRBC. The significance of the 9 Principles to the future business opportunities available and association with the Company were addressed to all the value chain partners.	19.77%, as 213 value chain partners, having business value more than Rs. 10 Lakh in Financial Year 2022-23 were assessed and made part of the awareness programme. The Company will aim to cover all its value chain partners during the Financial Year 2023-24.

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

Yes. The Code of Conduct and Ethics of the Company has the process in place to avoid/ manage conflict of interests involving members of the Board. The Code of Conduct and Ethics states that the Directors and Employees shall not engage in any activity or enter into any pecuniary relationship which might result in conflict of interest, either directly or indirectly.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	Current Financial Year 2022- 23	Previous Financial Year 2021- 22	Details of improvements in environmental and social impacts
R&D	*	*	* The Company is a manufacturing organization and is not engaged in any major Research and Development activity. However, the Company continuously makes efforts to improve the efficiency and reliability of its plants and quality of the products.
Capex	Rs. 71.44 Crore	Rs. 14.73 Crore	During the Financial Year 2022-23, the following steps were taken for conservation of energy: • Replacement of Cooling Water pumps in Gadepan-I plant • Replacement of Induced Draft / Forced Draft fan turbines with motors in Ammonia-I plant • Replacement of Purge Gas Hydrogen Recovery Unit membranes in Ammonia-I plant. • Installation of roof top solar panels of 230 kilo watt (AC) peak power in Gadepan campus which commissioned in April 2022 • Installation of roof top solar panels of 770 kilo watt (AC) peak power in Gadepan campus which will be commissioned after final approval of Rajasthan Renewable Energy Corporation Limited, Jaipur. During the Financial Year 2021-22, the following step was taken for conservation of energy: • Replacement of combustion air preheater in Ammonia-II plant. The above steps will increase the efficiency of plants and reduce the consumption of energy and water along with reduction in emission of greenhouse gases .

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

   b. If "Yes," what percentage of inputs were sourced sustainability?

Yes, inputs sourced sustainably from approximately 10% of our value chain partners.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:

(a) Plastics (including packaging)	The Company uses plastic as a packaging material for its products. The Company does not have a mechanism in place for reclaiming of packaging materials, however, we do encourage the customers to reuse the packaging materials to the extent possible. Furthermore, we off-set any and all plastics introduced by us in the marketplace, by adhering to our Extended Producer Responsibility obligations as provided under Plastic Waste Management Rule, 2018.
(b) E-waste	The products of the Company and their packaging materials do not comprise of electrical & electronic materials; therefore, no E-waste is generated.
(c) Hazardous waste	Hazardous waste is not generated from products sold by the Company, or from their packaging materials.
(d) Other waste	NIL

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. The waste collection plan is in line with the Extended Producer Responsibility (EPR) plan as provided under Plastic Waste Management Rule, 2018 and the same is submitted to Rajasthan State Pollution Control Board. To meet EPR obligations, the Company has engaged four waste management agencies to collect and recycle plastic waste from marketing areas of the Company. During the Financial Year 2022-23, the Company has successfully collected and recycled 70% of plastic waste from market.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format: No

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

Note: The Company is planning to conduct Life Cycle Perspective/ Assessment (LCA) of its main product i.e., Urea. Results of the same will be disclosed as part of the Business Responsibility and Sustainability Report of Financial Year 2023-24.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action-taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
None	Not determined	Not applicable

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2022- 23 Current Financial Year	FY 2021-22 Previous Financial Year
Demineralized Water Formula = (recycle DM from Ammonia/Urea plant)/Total Polish water consumption)*100	77.6 %	77.1%
Effluent Water Formula = (Reverse Osmosis /Total effluent generation)*100	45.8 %	47.4 %

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

	FY 2022- 23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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

Indicate product category	Reclaimed products and their packaging materials as % total products sold in respective category
Nil	

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	605	605	100%	605	100%	NA	NA	0	0%	425	70.25%
Female	17	17	100%	17	100%	17	100%	NA	NA	16	94.12%
Total	622	622	100%	622	100%	17	2.73%	0	0%	441	70.90%
Other than Permanent employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	423	423	100%	423	100%	NA	NA	0	0%	411	97.16%
Female	5	5	100%	5	100%	5	100%	NA	NA	3	60.00%
Total	428	428	100%	428	100%	5	1.17%	0	0%	414	96.73%
Other than Permanent workers											
Male	2157	2157	100%	2157	100%	NA	NA	0	0%	0	0%
Female	15	15	100%	15	100%	15	100%	NA	NA	0	0%
Total	2172	2172	100%	2172	100%	15	0.69%	0	0%	0	0%

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

Benefits	FY 2022- 23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/ N/ N.A.)	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/ N/ N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	7%*	100%	Y	5%	100%	Y
Others - Health Insurance	100%	0%	Y	100%	0%	Y

* Employees - permanent employees and workers

* Workers - non-permanent contractual workers

*All eligible employees are covered under Employees State Insurance Act, 1948

3. **Accessibility of workplaces**

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

Yes, the premises / offices of the Company and township facilities at Gadepan except the Plant area are accessible to differently abled employees and workers. Wheelchair ramps and appropriate signages are provided for the convenience of disabled persons.

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

Yes. The weblink of the policy is as under - https://chambalfertilisers.com/EqualEmploymentOpportunityPolicy

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

Only female employees are provided with parental leaves. No parental leaves were claimed during the Financial Year 2022-23.

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

Permanent Workers	Yes. Grievance Redressal Committee was constituted as per section 9C of Industrial Disputes Act, 1947. Any grievances of the permanent workers are resolved as per the mandate of the Grievance Redressal Committee,Whistleblower Policy of the Company and Industrial Disputes Act 1947.
Other than Permanent Workers	Yes. The Company has a formal Grievance Redressal Mechanism to resolve grievances by contractual workforce. The aggrieved contractual workforce can report to concerned supervisor. If grievance is not resolved at the supervisor end, the same is escalated and recorded in grievance register at Industrial Relations (IR) help desk located in plant premises at Gadepan fertilizer complex. Industrial Relations initiates the investigation to resolve the issue through counselling / course correction / meetings with the aggrieved worker. If required, the grievance may be addressed / escalated to the State's Labour Department.
Permanent Employees	Yes. The Whistle Blower Policy of the Company, *inter-alia*, provides a mechanism to the Directors and Employees to report their concerns and grievances including those related to unethical behavior, actual or suspected fraud, violation of the Code of Conduct and Ethics of the Company or leak of Unpublished Price Sensitive Information.
Other than Permanent Employees	Yes. The Whistle Blower Policy enables other stakeholders i.e., employees of other agencies deployed for the Company's activities, contractors, vendors, suppliers, investors, shareholders, customers and business partners to freely communicate their concerns about illegal and/or unethical practices.

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

There was no employees or workers association or union in the Company as on March 31, 2023.

8. Details of training given to employees and workers:

a. On Health and safety measures

Category	FY 2022- 23 Current Financial Year			FY 2021- 22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	605	434	71.74%	595	390	65.55%
Female	17	5	29.41%	16	5	31.25%
Total	622	439	70.58%	611	395	64.65%
Workers						
Male	423	393	92.91%	419	315	75.18%
Female	5	0	0%	5	0	0%
Total	428	393	91.82%	424	315	74.29%

b. On Skill upgradation

Category	FY 2022- 23 Current Financial Year			FY 2021- 22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	605	372	61.49%	595	494	83.03%
Female	17	9	52.94%	16	7	43.75%
Total	622	381	61.25%	611	501	82.00%
Workers						
Male	423	267	63.12%	419	287	68.50%
Female	5	2	40.00%	5	2	40.00%
Total	428	269	62.85%	424	289	68.16%

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

Category	FY 2022- 23 Current Financial Year			FY 2021- 22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	605	605	100%	595	595	100%
Female	17	17	100%	16	16	100%
Total	622	622	100%	611	611	100%
Workers						
Male	423	423	100%	419	419	100%
Female	5	5	100%	5	5	100%
Total	428	428	100%	424	424	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/No)**. If yes, the coverage of such system?	Yes, an occupational health and safety management system has been implemented in the Company to ensure a safe and healthy working condition for its employees and workers. The Company is certified for ISO 45001:2018 OHS Management System.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	For all jobs of routine nature, risk assessments are carried out and subsequently procedures are developed. For all other non-routine category jobs, Job Safety Analysis and Hazard and Operability study are carried out and work is executed in strict adherence to the same. Furthermore, the following steps are taken to ensure health & safety on site of the plants: a) The in-house Statutory Safety Audit (as per IS 14489) is done every alternate year. b) Monthly Safety Inspection of the entire plant is done by the Safety Department personnel. c) Process Safety Management audit by trained Process Safety Management auditors is done on half-yearly basis for operations and on yearly basis for service departments. d) Annual Audit of hazardous storages is done by Safety and Operations department. e) Plant inspections are carried out by a joint team of Operations, Maintenance, Safety and Environment & Quality Control department on Half-yearly basis. f) External Integrated Management System Audits are carried out by external agency i.e., M/s British Standards Institution twice every year.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks (Y/N)	Various systems for logging complaints, violations, deviations, and suggestions have been formulated like Uttam Suraksha Setu, Central Safety Committee Meeting and Plant Safety Committee Meeting. Contractor employees have been provided with similar facilities such as suggestion box, Contractor Safety Committee Meeting etc., to report any hazard/ risk. All the reported hazards are noted, action plans are determined and closure of the same is facilitated.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? **(Yes/No)**	The Company health center facilities are available to all employees and workers for non-occupational medical and health services at the Gadepan plant & at all our regional offices. Apart from the above, general physicians, specialist doctors visit the health center at Gadepan and corporate office of the Company and consultation with them are open and free of cost for all employees and workers. Additional services like, Physiotherapy, Homeopathic Physician consultation is also available to all workers.

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

Safety Incident/ Number	Category	FY 2022- 23 Current Financial Year	FY 2021- 22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.23	0.25
Total recordable work-related injuries	Employees	0	4
	Workers	1	2
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

The Company has in place a robust Health & Safety Management System aligned with OHSAS 18001 (Occupational Health and Safety Management System Standard). The Company has a three-tier safety review system comprising plant, management and safe operations committees. The Company has also set up various committees (having representation from all concerned departments) at the plant level which includes Plant Safety Committee, Central Safety Committee, Contractor Safety Committee, IMS Steering Committee etc. which meet periodically to discuss safety concerns at workplace.

The Company conducts health & safety trainings in addition to job safety trainings. Further, all provisions pertaining to Personal Protective Equipment and Fire Safety and Emergency Response are in place at the location of plants at Gadepan. The Company has a well-equipped health center with experienced professionals within the Gadepan plant and well-equipped ambulances are available on round-the-clock basis for any medical emergencies.

The Company ensures a safe and healthy workplace for all its employees and workers by taking into consideration the following additional measures:

- Implementation of Engineering control.
- Risk Assessment (ARO) and Procedures (SOPs) of all the routine activities
- Health and Safety Trainings on a regular basis
- Mock drills and fire drills are regularly conducted to test emergency preparedness.
- Job Safety analysis of all the non-routine jobs
- Permit to work system: Review of all the permits by operations and maintenance Deputy General Managers
- Implementation and certification of Integrated Management system
- Hazard and Operability Study
- Quality Risk Assessment
- Process Safety Management
- Annual Safety Audits (External & Internal), Regular Safety Inspection
- Monthly Senior Management Safety Observation meetings
- Implementation of Behavior Based Safety
- Annual health check-up of all employees

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

	FY 2022- 23 (Current Financial Year)			FY 2021- 22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

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

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

The Company has a robust system in place for incident analysis in case of any occurrence. Action plans are determined based on the recommendations with fixed timelines. All incidents are thoroughly investigated by a cross-functional team. The investigation reports are also shared with all employees for learning purpose.

During the Financial Year 2022-23, as part of third-party safety audit conducted of Gadepan premises, action plan was made to further improve the health & safety practices. The following corrective actions were identified and implemented during the Financial Year 2022-23:

- Environment & Quality Control staff was provided with safety goggles and nitrile hand gloves while working.
- Emergency exits and evacuation plans were prepared and displayed at required locations within the plant premises.
- A system was set-up to intimate emergency service providers (security /fire/ambulance) for any road closures and/or blockages during an emergency, so as to identify alternate routes.
- A system was formulated to inspect and improve tools, machinery and equipment being brought to the plant premises by contract workers.
- Health & safety in the baggage area was further improved upon by developing a system to detect, avoid and investigate urea bags falling incidents.
- Cage guard provided on gas cutting cylinders' valve was improved by proper clamping of cage guard on gas cutting cylinder valve.
- General safety instructions were improved upon and displayed in the canteen and covers were provided on mixers and grinders to mitigate possibility of accident.
- Four ammonia sensors showing erratic reading were replaced and calibrated.
- Names of all contractual workers have been mentioned on work permit rather than mentioning number of workers on work permit.
- It is ensured that, full body harness distributed to workers, must carry a fitness certification identification mark reviewed periodically.
- Leakages and detectors were checked and improved upon throughout the plant.
- Color coding and flow direction on various pipelines within the plant were made visually evident to avoid any ambiguity if situation arises.

Apart from plant premises, an annual safety and working condition internal audit is conducted in all Regional Marketing Offices (RMO's) and Corporate Office of the Company. Apart from the corrective actions taken on fire, electrical and occupational safety, following road safety measures were taken based on the finding of audits:

- RMO's to provide immediate information of any road incident and submit incident reports and corrective measures taken to the Fire & Safety Department.
- GPS systems have been installed in all Company owned vehicles to monitor the movement of vehicles and provide alerts related to any road safety violations like speeding, harsh driving, crashing, etc.
- Defensive driving training for all Regional Marketing Office drivers was organized by a specialized agency.

	Leadership Indicators
1.	Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y /N) (B) Workers (Y /N)
	Yes. All employees and workers are covered for the group personal accident, group health insurance and group term solution schemes. In case of accidents, the personal accident scheme ensures compensation for treatment expenses, permanent/ partial disability, permanent/ temporary loss of earning capacity including salary component and death coverage. The health insurance scheme covers hospitalization expenses of employees and their family members. The life term insurance scheme insures the life of each employee. The Company also pay 150% of the basic salary to the nominee of the deceased employee for two years after death of the employee. All retired employees and their spouses are covered under a group health insurance policy of the Company.
2.	Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
	The Company is highly vigilant about ensuring that its value chain partners discharge their legal obligations in respect of workers' rights and welfare. The Company ensure that applicable labour welfare laws, viz. Minimum Wages Act, Payment of Bonus Act, Contract Labour (Regulation and Abolition) Act, Equal Remuneration Act, Payment of Gratuity Act, etc. are complied with, in letter and spirit. Industrial Relations department checks compliance of all such applicable laws on regular basis against submission of documents related to deposit of Provident Fund, Employee State Insurance challans, payment of wages etc., which are required for creation of gate pass/permit for execution of job. These measures are part of work order terms failing to which the gate pass is immediately suspended. Also, additional fines may be levied on value chain partners in case of non-compliance of applicable laws.

3.	Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:			
	Total no. of affected employees/ workers		**No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**	
	FY 2022-23 (Current Financial Year)	**FY 2021-22 (Previous Financial Year)**	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Employees	0	0	0	0
Workers	0	0	0	0

4.	Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? **(Yes/No)**
	No. The Company does not aid its employees during transition and has no such plans in place presently.

5. Details on assessment of value chain partners:	
	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6.	Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.
	None

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

Essential Indicators	
1.	Describe the processes for identifying key stakeholder groups of the entity.
	The Company's Stakeholder Engagement and Advocacy Policy underlines the approach and commitment towards stakeholder identification and engagement plan. Stakeholder mapping is undertaken for identification of the key stakeholders through which the Company determines the stakeholders having the most positive or negative influence on business operations and which are likely to be most affected by business operations. Stakeholders are classified on the basis of their influence, priority and impact on business operations of the Company. The key stakeholders of the Company are Shareholders/Investors, Farmers, Dealers / Distributors, Employees/ Workers, Local Community, Contractors / Vendors, Banks/ Financial Institution, Industry Associations and the State and Central Government. Stakeholder engagement, collaboration and dialogue is a continuous process and critical for creating long-term value on business strategies by providing insights and shared thoughts. Through stakeholder engagement, the Company is able to determine its key material topics that have the potential to impact the business and are of importance to our stakeholders. The stakeholder engagement process takes into cognizance the fact that each stakeholder group is different from the other and have varied needs and priorities, which collectively shapes a Company's Environmental, Social, and Governance (ESG) parameters and roadmap for future.

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

Stakeholder Group	**Whether Identified as Vulnerable & Marginalized Group (Yes/No)**	**Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other**	**Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)**	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
Employees	No	Newsletter, E-mails, Trainings, Performance Appraisal, Employee engagement survey, Events/ Notice Board	Regularly	• Employee Engagement • Transparent Communication • Performance review • Employee Experience and grievance • Employee retention

Stakeholder Group	Whether Identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders/ Investors	No	Email, SMS, Newspaper Advertisements, Investor Presentations, Analyst/Investor meetings, Annual General Meetings, Annual Report and the Company's Website	Annually / Quarterly / Event based	• Reminders about unclaimed dividends and shares due for transfer to Investor Education and Protection Fund • Publication of financial results and notices • Intimation for updations of KYC details for shareholders holding shares in physical mode
Value Chain Partners	No	Offline & online meetings, Suppliers meet, Suppliers visit	Need Based	• Vendor development • Job/work review • Quality check
Farmers	Yes	Social media platforms, Website, Market surveys/ customer satisfaction surveys, Farmers Meetings, Farmers Training Programs, Trade union meetings, Grievance resolution processes, Press engagements	Regularly	• Display of product information & services through all viable sources and touch points • Collect consumer feedback, suggestions, concerns, and grievances, ensure timely & effective redressal of concerns • Capacity development of farmers on knowledge of improved productivity & technological advancement • Awareness on safe usage of products and adopting sustainable agriculture practices. • Sustainable livelihood opportunities to small & marginalized farmers
Dealers / Distributors	No	Dealer / Distributor Meetings, Product Launches, Promotional Campaigns, Incentive schemes, Grievance resolution processes, Social media platforms	Regularly	• Capacity development of Dealers and Distributors • Technical and Commercial ability about products • Safe and sustainable usage of products • Awareness on current Agri scenarios, upcoming events, business latest schemes and mutual benefits

Stakeholder Group	Whether Identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Community	Yes	Community meetings, formal & informal meetings with primary stakeholders / Self-help groups / farmer's group/ opinion leaders / program beneficiaries / Media releases, Community interface meetings, digital means, surveys etc.	Need Based	• Education • Technical and Vocational Education • Health and Sanitation • Rural Sports Promotion • Rural Development • Environment Sustainability • Soil Health and Animal Welfare • Livelihoods and empowerment • Alignment with SDGs
Banks/ Financial Institutions	No	Meetings with Bank/ Financial Institutional officials, conference calls	Need Based	• Industry trends • Reserve Bank of India guidelines
State and Central Government	No	Meetings with Local administration / body, State and Central Government, Line Departments, Events & Seminars, Media releases, Partnerships with regulatory and industry bodies	Need Based	• Policy advocacy through Corporate Social Responsibility • Regulation and Compliance • Skill and Capacity building • Changes in policies and regulations related to the entity
Media	No	Published reports & Articles, Media Coverage	As per the need	• Corporate branding • Community sensitization • Activity update

Leadership Indicators

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

The Management of the Company regularly interacts with key stakeholders i.e., employees, communities, government etc. The Company conducts periodic Corporate Social Responsibility Committee Meetings and quarterly board meetings that provide updates to the Board. The inputs and the actions are drawn from ground-level stakeholder engagement pertaining to economic, environmental and social issues.

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

The Company strongly believes in stakeholders inclusive decision-making process and through stakeholder engagement and consultation, topics related to environment, society, and community development are identified, prioritized, strategized and implemented. The sub-section below are highlights of stakeholder consultation carried by the Company:

Materiality Mapping and ESG Goals

During the Financial Year 2022- 23, the Company conducted a Stakeholder Engagement and Materiality Assessment exercise to assess and prioritize sustainability in the context of overall business priorities, management and performance. As part of this exercise, the key stakeholders were consulted, and significant material issues were ranked from low to high importance pertaining to internal and external stakeholders.

Identification of material issues aided in formulating an internal Environmental, Social and Governance Management Framework and thereafter ESG goals were formulated and adopted. The ESG goals adopted by the Company during the Financial Year 2022- 23 are listed in Section B of this Report.

Community Consultation

As part of community development activity to address social issues, the Company undertook a need-based assessment survey along with series of informal and formal discussions with community members to determine their needs, aspirations and requirements. Basis the assessment, action and implementation plans were formulated to meet the need and challenges of the community. Some of the issues/ challenges identified through stakeholder consultation and needs-based assessment were:

- Poor quality educational environment in Aanganwadi centers and lack of quality teachers in institutions (Primary and Secondary Schools).
- Shortage in teaching and learning resources, low foundational level learning and lack of basic infrastructure in institutions leading to poor educational quality.
- Unavailability of preventive healthcare services in nearby areas.
- Unhygienic practices and unavailability of safe drinking water in schools, unavailability of separate and hygienic toilet spaces.
- Lack of adequate infrastructure and community spaces in villages.

To address the aforesaid issues/challenges, the Company has undertaken several interventions over the years, such as:

- Transforming Aanganwadi centers into model pre-school centers through lively rooms.
- Providing functional toilets and children friendly furniture, such as round tables and low height chairs, construction of separate toilet blocks for children and repair and maintenance activities of school buildings.
- Developing infrastructure in adopted schools & institutions and villages.

In addition, during periodical stakeholder meetings the community members suggested improvement areas in healthcare, sanitation, hygiene, and waste management. The Company assessed and prioritized such areas of intervention and action plans were developed under the Corporate Social Responsibility program of the Company as per details below:

- New projects were conceptualized to cater the needs of the communities.
- 3 public health centers (PHCs) were adopted to provide preventive healthcare to the community,
- Waste management initiative was implemented for proper waste management system and bringing in behavioral change among the community.

3. Provide detail of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company regularly communicates with local community members to ensure inclusive and holistic engagement with the communities including those hailing from vulnerable and marginalized groups.

The Corporate Social Responsibility ("CSR") projects and programs of the Company cover areas like Education including Technical and Vocational Education, Rural Development, Health care and Sanitation, Employability and Empowerment, Environmental Sustainability, Animal Welfare and Soil Health, Disaster Management and Promotion of Sports. The CSR activities of the Company address the immediate needs and concerns of community including women and adolescent girls and other minority groups. The Company undertakes vocational training and formation of self-help groups to impart several life-skills and financial literacy training and empower them with livelihood opportunities. As part of the vocational courses, women groups are trained on advance tailoring, embroidery, tie and dye, block printing, food processing, solar panel assembling and maintenance, motor driving and repairing etc. Few of these women are also engaged in local manufacturing unit for production of apparels, school bags and sanitary napkins. Through skill training, the Company empowers the women to become financially independent and become change-makers for their family and society. Some of them have also become micro-entrepreneurs. Over the years, the Company has been successful in driving rural transformation across the Gadepan plant's surrounding area, thereby creating a solid foundation for empowered communities.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2022- 23 Current Financial Year			FY 2021- 22 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	622	622	100%	0	0	0%
Other than permanent	0	0	0%	0	0	0%
Total Employees	622	622	100%	0	0	0%
Workers						
Permanent	428	428	100%	0	0	0%
Other than permanent	1956	0	0%	0	0	0%
Total Workers	2384	428	17.95%	0	0	0%

2. Details of minimum wages paid to employees and workers, in the following format:										
Category	FY 2022- 23 Current Financial Year					FY 2021- 22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	605	0	0%	605	100%	595	0	0%	595	100%
Female	17	0	0%	17	100%	16	0	0%	16	100%
Other than Permanent										
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Workers										
Permanent										
Male	423	0	0%	423	100%	419	0	0%	419	100%
Female	5	0	0%	5	100%	5	0	0%	5	100%
Other than Permanent										
Male	1941	1941	100%	0	0%	2751	2751	100%	0	0%
Female	15	15	100%	0	0%	2732	2732	100%	0	0%

3. Details of remuneration/ salary/ wages, in the following format:				
	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	14,00,000	1	14,10,000
Key Managerial Personnel	3	3,51,75,017	0	Not Applicable
Employees other than BoD and KMP	602	17,79,491	17	13,86,765
Workers	423	8,87,021	5	10,59,048

Notes:

(i) The remuneration of Managing Director has been considered in median remuneration calculation of Board of Directors and Key Managerial Personnel both.

(ii) The Directors/ Key Managerial Personnel/ Employees served for whole of the Financial Year have been considered in median remuneration calculation.

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

Yes

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

For employees and workers

The Whistle Blower Policy and Human Resource and Employee Relations Policy of the Company, *inter-alia*, provides a mechanism to the Directors and Employees to report their concerns and grievances including those related to discrimination, unethical behavior, violation of the Code of Conduct and Ethics of the Company.

For contractual workers

The Company has a formal Grievance Redressal Mechanism to resolve grievances by contractual workforce. The aggrieved contractual workforce can report to concerned supervisor. If grievance is not resolved at the supervisor end, the same is escalated and recorded in grievance register at industrial relations (IR) office located at Gadepan. IR initiates the investigation to resolve the issue through counselling / course correction / meetings with the aggrieved worker. If required, the grievance may be addressed / escalated to the State's Labour Department.

The Company is committed to prevent human rights abuses like child labour and forced / compulsory labour in all the operations. An elaborate process of background verification, medical fitness, address and age verification is followed by the Company along with compliance of other statutory requirements by the industrial relations department for contract workers.

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

	FY 2022- 23 Current Financial Year			FY 2021- 22 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/ Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

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

The mechanism is as per Code of Conduct and Ethics, Whistle Blower Policy and the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and rules made thereunder and other applicable laws.

The Company has a Code of Conduct and Ethics as well as a Whistleblower Policy in place to ensure protection and anonymity of complainant in any discrimination and harassment case. The Company has also constituted Internal Complaints Committee under the provisions of POSH Act. The grievance, if any, arising out of Whistle-Blower Policy and Code of Conduct is redressed by the respective committees which oversee them.

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

Yes. The Company has formulated "Supplier's Code of Conduct" for its vendors and service providers. Through this code, the Company encourages its suppliers and service providers to share its commitment towards the standards of integrity and sustainability and expects them to ensure non-deployment of child labour, forced labour or any form of involuntary labour and promote and maintain a workplace free from discrimination and treat their employees with fairness, dignity and respect. The majority of our suppliers are large companies which also have their own policies in this regard.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/ involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

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

None

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/complaints.

None

2. Details of the scope and coverage of any Human rights due diligence conducted.

Not Applicable

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. All the office premises of the Company and township facilities except the Plant area are accessible to differently abled visitors. Wheelchair ramps and appropriate signages are provided for the convenience of differently abled visitors.

4.	Details on assessment of value chain partners:
	% of value chain partners (by value of business done with such partners) that were assessed:
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/ Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

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

Nil

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

The Company is committed to reduce energy consumption. In line with the same, the Company has adopted following strategies:

- Various initiatives being implemented to reduce consumption of energy including future use of Synthesis Gas Turbine
- Processed licensers hired to develop energy efficiency measures
- Increase in solar power capacity and consideration towards Green Ammonia

The Company's commitment to sustainable development helps to carry technological and operational advancements in its operations to reduce energy consumption, utilize waste heat, strive for renewable energy options and use energy efficient products, wherever possible.

The three hi-tech Urea plants of the Company are highly energy efficient Out of 200 MW of power consumed by the Company at the Gadepan plant, only 18 MW is electric power. The rest is steam which is generated within the manufacturing process itself by recycling waste heat.

Parameter	FY 2022- 23 (Current Financial Year) (Giga Joule)	FY 2021- 22 (Previous Financial Year) (Giga Joule)
Total electricity consumption (A)	25,09,959	24,76,292
Total fuel consumption (B)	2,27,40,762	2,24,53,700
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	2,52,50,721	2,49,29,992
Energy intensity per rupee of turnover (GJ/INR. in Lakhs) (Total energy consumption/turnover in rupees)	9.092	15.515
Energy intensity Gcal/MT of Urea (optional) – the relevant metric may be selected by the entity	5.154	5.210

Notes:

- Total electricity consumption includes self-generation (Gas turbine) and grid power.
- Total fuel consumption includes Ammonia plant fuel & Boiler fuel (Auxiliary and heat recovery steam generator).

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

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

The Company has three urea plants which fall under Performance, Achieve and Trade (PAT) Scheme of Government of India. The registration of Gadepan- III plant with Bureau of Energy Efficiency is pending at their end.

Presently, Bureau of Energy Efficiency has not given target under PAT. Previous target and actual achieved for Financial Year 2018-19 are mentioned below:

PLANT	Target reduction in Energy (2018-19) (Gcal/MT urea)	Achieved energy (2018-19) (Gcal/MT urea)	Achieved Energy saving certificate (ESCerts)
Gadepan-I Plant	5.501	5.407	9174
Gadepan-II Plant	5.443	5.410	2892

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

Since the Urea plants of the Company are located in a water stressed state, the Company has , from the beginning, been mindful of the need to conserve water, explore ways to recharge natural aquifers in the region, harvest rainwater and treat and recycle wastewater. Consequently, water conservation is a key adjunct of our plant operations, business strategies and community outreach programmes. In particular, the Company is paying special attention to improve water efficiency in our manufacturing operations. The Company has constructed two check-dams (Anicuts) on nearby Kalisindh and Parwan river for rainwater harvesting and process water consumption.

The Company is also committed to not extracting and utilizing ground water for operations. Treated wastewater is being used in maintaining the green belt through 65-kilometer-long irrigation network spread all over the Gadepan complex, which, in turn, helps in saving fresh water.

Parameter	FY 2022- 23 (Current Financial Year) (M^3)	FY 2021- 22 (Previous Financial Year) (M^3)
Water withdrawal by source (in kiloliters)		
(i) Surface water	1,37,70,508	1,39,19,919
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater/ desalinated water	0	0
(v) Others (recovery from the Reverse Osmosis Plants)	11,23,091	10,83,903
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	1,48,93,599	1,50,03,822
Total volume of water consumption (in kiloliters)	1,41,65,056	1,43,67,748
Water intensity per rupee of turnover *(Kl/INR. in Lakh) (Water consumed / turnover)*	5.100	8.941
Water intensity M3/ MT of Urea (optional) – the relevant metric may be selected by the entity	4.23	4.34

Note: The consumption pattern of township water has not been considered. Also, the water that remains collected in reservoirs, due to need of maintaining an appropriate level, has not been considered in total quantity consumed. Amount of water that is not consumed by the Company during plant operations is collected and stored in the three (3) water storage reservoirs in Gadepan Plant premises.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

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

Yes.

The Gadepan – III plant of the Company is a zero liquid discharge plant. Effluent generated in Gadepan – III plant along with part of Gadepan I and II plants effluent are treated in reverse osmosis-zero liquid discharge plant and multi-effect evaporator plant. The treated water is being used as make up water for cooling towers.

5.	Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:			
	Parameter	**Please specify unit**	**FY 2022- 23 (Current Financial Year)**	**FY 2021- 22 (Previous Financial Year)**
	NOx	**(µg/m3)**	7.3	5.9
	SOx	**(µg/m3)**	3.4	3.6
	Particulate Matter (PM 10)	**(µg/m3)**	42.1	43.8
	Particulate Matter (PM 2.5)	**(µg/m3)**	27.5	26.0
	Persistent organic pollutants (POP)	-	-	-
	Volatile organic compounds (VOC)	-	-	-
	Hazardous air pollutants (HAP)	-	-	-
	Others – please specify i) Ozone (O3) (µg/m3) ii) NH3 (µg/m3) iii) Carbon monoxide (Mg/m3) iv) Nickel (Mg/m3) v) Lead (µg/m3) vi) Arsenic (ng/m3) vii) Benzene (µg/m3) viii) Benzo (a) pyrene (µg/m3)	**(µg/m3)**	NH3 (µg/m3)=37.1 Carbon monoxide (µg/m3)=<1	NH3 (µg/m3)=40.6 Carbon monoxide (µg/m3)=<1

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

6.	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:			
	Parameter	**Unit**	**FY 2022- 23 (Current Financial Year)**	**FY 2021- 22 (Previous Financial Year)**
	Total Scope 1 Emissions *(Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available)*	*Metric tonnes of CO_2 equivalent*	14,84,003	14,74,473
	Total Scope 2 Emissions *(Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available)*	*Metric tonnes of CO_2 equivalent*	7,750.661	7,492.096
	Total Scope 1 and Scope 2 emissions per rupee of turnover	*TCo2 eq/ INR. in Lakh*	**0.537**	**0.922**
	Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

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

Saving energy and using cleaner energy sources are one of the most cost-effective ways to reduce greenhouse gases and help combat climate change. During the Financial Year 2022-23, the following steps were taken for conservation of energy:

1. Replacement of Cooling Water pumps in Gadepan-I plant
2. The following energy saving schemes were implemented in Urea-I plant:
   a) Replacement of nine Urea reactor trays with super cup trays in each Urea unit.
   b) Installation of vapor absorption machine and CO2 Cooler for CO2 suction chilling.
   c) Installation of new Medium Pressure Steam Saturator in both Urea units.
   d) Installation of new carbamate condenser.
   e) Installation of new carbamate pre-heater.
   f) Replacement of the existing carbamate mixer with a new mixer in both Urea units
3. Replacement of Induced Draft / Forced Draft fan turbines with motors in Ammonia-I plant.
4. Replacement of Purge Gas Hydrogen Recovery Unit membranes in Ammonia-I plant

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

Parameter	FY 2022- 23 (Current Financial Year)	FY 2021- 22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	14326	11806
E-waste **(B)**	6.337	4.79
Bio-medical waste **(C)**	2.051	2.044
Construction and demolition waste **(D)**	230	170
Battery waste **(E)**	3.745	0.924
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any **(G)**		
Spent Catalyst	184.82	159.8
Discarded Containers	6.8	1.59
Used Oil	52.866	51.678
Contaminated Cotton Rags	3.92	0.66
Chemical sludge from wastewater treatment	2489.44	2341.32
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)		
Sludge from Sewage Treatment Plant	1.5	1.9
Total (A+B+C+D+E+F+G+H)	**17307.479**	**14540.706**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	8979.218	4129.377
(ii) Re-used	231.5	171.9
(iii) Other recovery operations	1707.34	1093.16
Total	**10918.058**	**5394.437**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	5.971	2.704
(ii) Landfilling	788.9	1251.16
(iii) Other disposal operations	0	0
Total	**794.871**	**1253.864**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

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

The Company is managing and operating well-designed programmes/ treatment facilities to control pollution. The Company continues to follow the 3R concept – Reduce, Re-use and Recycle the effluents being generated. An overwhelming percentage of water used in the process is recycled water. Treated wastewater is used in maintaining green belt.

The Company has adopted best methods to manage solid/ hazardous waste disposal after proper categorization. Separate bins are provided for collection of various categories of waste. Horticulture waste is converted into manure. Use of polythene bags is banned at the plant site. The Company also ensures following:

- Sending the waste generated by the Company to cement industry for co-processing instead of sending it to approve landfill site.
- Audit through an external consultant and implementation of corrective actions pertaining to our waste management practices.
- Awareness amongst contract workers and workers carrying out non-critical activities regarding waste management practices.

As best practices in industries, all hazardous waste is recycled through approved vendor and chemical sludge of wastewater treatment is used in co-processing in cement plant. Zero Liquid Discharge (ZLD) salt is sent to approved land fill site . Furthermore, spent catalyst are being stored in Metal Sheet drums with sealed lid and same is being sold to authorized parties for recycling. Biodegradable waste is being feed to Bio-gas plant available in township premises. The biogas is used for cooking in the Company's' Guest House and the liquid manure is used for horticulture operations. The filtered liquid is recycled back into the digester. Minor E-waste and Battery waste generated from the Plant are being disposed as per E-Waste (Management) Rules, 2016 and Battery Waste Management Rules, 2020, respectively. Waste from Dispensary are disposed as per Bio-medical Waste Management Rules, 2016.

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

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name and brief details of the project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Technical Ammonium Nitrate Project*	EC22A016RJ155378 File No. - J-11011/664/2008-IA	December 24, 2022	Yes	No	Not Applicable

* The Company intends to expand and diversify its business by installing a New Technical Ammonium Nitrate (TAN) Plant, which will be a zero liquid discharge (ZLD) plant and will be capable to operate on renewable energy.

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

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control board or by courts	Corrective action taken if any
The Company is compliant with the applicable environmental law/ regulations/ guidelines in India such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.				

Leadership Indicators

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

Parameter	FY 2022-23 (Current Financial Year) (Giga Joule)	FY 2021-22 (Previous Financial Year) (Giga Joule)
From renewable sources		
Total electricity consumption (A)	5,116	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**5,116**	**0**
From non-renewable sources		
Total electricity consumption (D)	25,09,959	24,76,292
Total fuel consumption (E)	2,27,40,762	2,24,53,700
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	2,52,50,721	2,49,29,992

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

2.	Provide the following details related to water discharged:		
	All effluent is collected in Effluent Treatment Plant (ETP) and after neutralizing, mixing and stabilization, collected in Holding Pond. The surface water discharge is made only during rainy season as mentioned in Environment Clearance condition for Gadepan I & Gadepan II plants. Also, this discharge is made when there is sufficient volume of water flow in the river for dilution and there is necessity to discharge. Written information regarding effluent discharge is submitted to relevant regulatory authorities. Total effluent generated in Gadepan-III plant along with part of Gadepan I & Gadepan II plants effluent is treated in Reverse Osmosis Plant (RO Plant) and treated water is being used as Cooling Tower make up water. Trade Effluents from various boilers are recycled as cooling water make up. Remaining treated effluent utilized in Plantation/Other horticulture activities within premises.		
	Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
	Water discharge by destination and level of treatment (in kiloliters)		
	(i) To Surface Water		
	- No treatment	0	0
	- With treatment - please specify level of treatment	2,05,282	4,46,361
	(ii) To Groundwater		
	- No treatment	0	0
	- With treatment - please specify level of treatment	0	0
	(iii) To Seawater		
	- No treatment	0	0
	- With treatment - please specify level of treatment	0	0
	(iv) Sent to third parties		
	- No treatment	0	0
	- With treatment - please specify level of treatment	0	0
	(v) Others		
	- No treatment	0	0
	- With treatment - please specify level of treatment	0	0
	Total water discharged (in kiloliters)	**2,05,282**	**4,46,361**

Note: Indicate if any independent assessment/ evaluation/assurance has been conducted by an external agency? (Y/N) If yes, name of the external agency: No

3.	Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):
	Not Applicable

4.	Please provide details of total Scope 3 emissions & its intensity, in the following format:			
	Parameter	**Unit**	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
	Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N_2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO_2 equivalent	Not monitored currently.	
	Total Scope 3 emissions per rupee of turnover			
	Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

5.	With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
	Not applicable as the Company operations do not have significant direct & indirect impact on biodiversity. However, the Company has set-up a fund in collaboration with the Forest Department, Government of Rajasthan to conserve wildlife and preserve the habitat of endangered species like the Great Indian Bustard, Black Buck and Chinkara at Sorsan Preserve in Baran district close to its Gadepan Plant in Rajasthan as part of its CSR programme. The Company has developed dense green belt under 'Operation Green Programme' in Gadepan campus which provides healthy environment to people residing in and around the campus.

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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1	Replacement of Cooling Water pumps in Gadepan-I plant	These initiatives are not advertised or made available on public domain.	Saving of energy by 0.006 Gcal/MT urea
2.	Energy saving schemes were implemented in Urea-I plant as detailed in response to Question 7 of Essential Indicators above		Saving of energy by 0.075 Gcal/MT urea
3.	Replacement of Induced Draft / Forced Draft fan turbines with motors in Ammonia-I plant.		Saving of energy by 0.016 Gcal/MT urea
4.	Replacement of Purge Gas Hydrogen Recovery Unit membranes in Ammonia-I plant.		

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

The Company has conducted a robust and detailed risk assessment of its business to identify key risks and have prepared an associated risk mitigation plan to ensure business continuity. The Business Continuity Plan aims to provide a framework to support the business to continue and/or quickly restore the critical business functions, in the event of a disruption of normal operations of the Company. As part of Business Continuity Plan, the Company has identified the events the occurrence of which may impact particular functions or facilities resulting into disruption of normal operations of business . The Business Continuity Plan forms part of the Risk Management Policy of the Company.

Risk Mitigation measures for the identified business interruption factors have been prepared and implemented by the Company to ensure business continuity.

The Company also has a disaster management plan with detailed disaster control measures and keeping it up to date is the obligation of the occupier of the factory. The scope of the plan covers all existing activities/facilities and is aimed at:

- Quick relief and rescue operation without delay
- Reduce the effects of the incident
- Minimize casualties and prevent further injuries
- Speed up restoration of normalcy
- Ensure that each member of the emergency operation including response team and employees are aware of their precise role in an emergency.

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

The Company has not conducted any assessment of Company's' value chain partners to determine impacts to the environment. During the Financial Year, the Company has prepared an ESG Management Framework and prepared ESG goals to be implemented starting Financial Year 2023-24.

As part of the aforesaid framework and goals, the Company intends to conduct a Life Cycle Analysis of Urea, which will involve assessment of environmental impacts in the value chain. Mitigation and adaption measures identified during the assessment will be communicated to the value chain partners for implementation.

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

None.

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

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations. - **Three**

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	International Fertilizer Association	International
2	The Fertilizer Association of India	National
3	Federation of Indian Chambers of Commerce and Industry	National

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

Name of authority	Brief of the Case	Corrective action taken
None		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
None					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief detail of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant Web link
None					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
None						

3. Describe the mechanisms to receive and redress grievances of the community.

   The Company has a systematic process in place to receive and redress issues/grievances received from the community. Project implementation team consisting of members from various NGO partners and CSR department of the Company receives the grievances either through in-person meetings, stakeholders' meetings or through formal letters. The team then works towards its redressal. Further, the Company proactively engages with the community as a part of the development initiative. Throughout the year, several informal and formal sessions are conducted which helps the Company to interact with community apart from program specific meetings to facilitate working collaboratively. There is a targeted approach for engaging and resolving cases of various sections i.e., youth, women, opinion leaders and community members at large.

4. Percentage of input material (input to total inputs by value) sourced from suppliers:

	FY 2022- 23 Current Financial Year	FY 2021- 22 Previous Financial Year
Directly sourced from MSMEs/ small producers	1.53%	1.31%
Sourced directly from within the district and neighboring districts	0.31%	0.38%

Leadership Indicators	
1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):	
Details of negative social impact identified	**Corrective action taken**
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (in INR.)
1.	Rajasthan	Baran	26,319,570

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)

No, the Company does not have preferential procurement policy, however over the years, the Company has promoted local contractors and service providers and provided them work opportunities. The Company also encourages partners and suppliers to use services of local vendors wherever possible. Additionally, the Company is facilitating local community members for localized production of various items and developing capacities on various skill sets. These products and services are being consumed / utilized, wherever possible.

(b) From which marginalized/ vulnerable groups do you procure?

The Company engages itself in capacity development of local community and provide them opportunities of supply and services wherever possible.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/ No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Project Akshar - Pre-primary & School Education	Over 11,000	100%*
2.	Project Saksham - Technical and Vocational Education	Over 1,500	
3.	Project Pragati - Employability and Empowerment	Over 450	
4.	Promotion of Sports	Over 4,000	
5.	Project Arogya - Health care and Sanitation Initiatives	Over 1,00,000	
6.	Project Saakar - Rural Development Initiatives	Over 1,00,000	
7.	Project Bhoomi - Environmental Sustainability, Animal Welfare and Soil Health Initiatives	Over 1,00,000	
8.	Disaster Management	Over 2,00,000	

*We consider our local community as vulnerable and marginalized groups.

PRINCIPLE 9 Business should engage with and provide value to their consumers in a responsible manner

Essential Indicators
1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
The Company engages with its customers for their feedback through retailer/ dealer meetings, telephone helpline and farmer meets The Company is operating a helpline number under 'Hello Uttam' program which allows customers to reach out to and/or call our marketing and customer excellence representatives in case of any grievances, the details of which are available on each packaging of the product of the Company. The Company has set up regional marketing offices in various states in which the Company operates and the dealers and value chain partners can contact the Regional Marketing Officer of the Company directly to raise any concern or register any grievance. The complaints/ grievances of all the customers are reviewed periodically by the senior management of the Company.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

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

3. Number of consumer complaints in respect of the following:

	FY 2022- 23 (Current Financial Year)		**Remarks**	**FY 2021-22 (Previous Financial Year)**		**Remarks**
	Received during the year	**Pending resolution at end of year**		**Received during the year**	**Pending resolution at end of year**	
Data Privacy	Nil	Nil		Nil	Nil	
Advertising	Nil	Nil		Nil	Nil	
Cyber-security	Nil	Nil		Nil	Nil	
Delivery of essential services	Nil	Nil		Nil	Nil	
Restrictive Trade Practices	Nil	Nil		Nil	Nil	
Unfair Trade Practices	Nil	Nil		Nil	Nil	
Other	Nil	Nil		Nil	Nil	

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

	Number	Reasons for recall
Voluntary recalls	0	Not Applicable
Forced recalls	0	Not Applicable

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

Yes. The Privacy Policy is available on the website of the Company at the web-link- http://www.chambalfertilisers.com/policiescodes

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

Not Applicable

Leadership Indicators

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

The various channels and platforms where information on products of the Company can be accessed are as follows:

- Website of the Company i.e., www.chambalfertilisers.com and uttamkrishi.com
- Social media pages which have information of latest happenings, new product launches and product applications.

2.	Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.
	The 'Seed to Harvest' program of the Company is a well-structured farmer advisory program that focuses on sharing awareness on promoting new age crops, innovative farming technology, responsible usage of products, boosting farmers' income and promoting sustainable farming practices. Apart from this program, the farm advisory services of the Company include farmers training programs and crop demonstrations and soil and water testing services that are also focused on promoting sustainable and responsible farming practices. The social media platforms of the Company are also used extensively to educate farmers on the safe usage of the products. Additionally, a leaflet promoting the safe and responsible usage of product is always made part of the product packaging.

3.	Mechanism in place to inform consumers of any risk of disruption/ discontinuation of essential services.
	No such mechanism is in place as Urea is controlled as per The Fertiliser (Inorganic, Organic or Mixed) (Control) Order 1985

4.	a.	Does the entity display product information on the product over and above what is mandated as per the local laws? (Yes/ No/ Not Applicable). If yes, provide details in brief.
		No.
b.		Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No).
		No, we did not conduct customer satisfaction surveys during the Financial Year 2022-23.

5.	Provide the following information relating to data breaches:
	a. Number of instances of data breaches along-with impact: None
	b. Percentage of data breaches involving personally identifiable information of customers: Zero (0%)

For and on behalf of the Board of Directors of Chambal Fertilisers and Chemicals Limited

Rita Menon **Director** **DIN: 00064714**	**Gaurav Mathur** **Managing Director** **DIN: 07610237**

Place: New Delhi
Date: May 26, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Chambal Fertilisers and Chemicals Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Chambal Fertilisers and Chemicals Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
Assessment of implications of government policies/ notifications on recognition of subsidy revenue and its recoverability [Refer to the accompanying notes 2(b)(xvi)(a), 8(B), 17, 31 and 50(d) of the Standalone Financial Statements.] During the year, the Company has recognised subsidy revenue amounting to Rs. 20,593.68 Crore and the aggregate amount of subsidy receivable as at March 31, 2023 is Rs. 1,640.70 Crore. The amount of subsidy revenue and the subsidy receivable are significant to the Standalone Financial Statements. We identified this as a Key Audit Matter since the recognition of subsidy revenue and the assessment of recoverability of the related subsidy receivables is subject to significant judgements of the management. Further, the areas of subjectivity and judgement include interpretation and satisfaction of conditions specified in the notifications/ policies in the estimation of timing and amount of recognition of subsidy revenue, likelihood of recoverability and allowance in relation to the outstanding subsidy receivables.	Our procedures included the following: • We understood and evaluated the design and tested the operating effectiveness of controls as established by management in recognition of subsidy revenue and assessment of the recoverability of subsidy receivables. • We evaluated the management's assessment regarding reasonable certainty of complying with the relevant conditions as specified in the notifications/policies. • We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of subsidy revenue and adjustments to subsidy already recognised in earlier years pursuant to changes in subsidy rates. • We evaluated the basis of judgements that management has made in relation to the notifications/policies including past precedence and subsequent evidence in the form of notifications/policies/clarifications, as applicable. • We assessed the reasonableness of recoverability of subsidy receivable by assessing the management's analysis and information used to determine the recoverability of subsidy receivable, ageing of receivables and historical trends. • We evaluated adequacy of disclosures in the Standalone Financial Statements. Based on the above procedures performed, the management's assessment of implications of government notifications/policies on recognition of subsidy revenue and the recoverability were considered to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

   In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the 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 accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Standalone 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 Standalone Financial Statements

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

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

   - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.

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

Report on other legal and regulatory requirements

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

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

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

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

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

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the Standalone Financial Statements;

        ii. The Company was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on derivative contracts – Refer Note 14C to the Standalone Financial Statements;

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

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 52(vii) to the financial statements);

            (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 52(vii) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 23077779BGXZRI6659

Place : New Delhi
Date : May 26, 2023

Annexure A to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Chambal Fertilisers and Chemicals Limited on the Standalone Financial Statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the Standalone Financial Statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Amount in Rs. Crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Property Plant and Equipment-land Freehold	0.01	Individual Sellers	No	30/09/1989	The sale deed could not be executed due to death of sellers.
Property Plant and Equipment-land leasehold	0.27	State Government of Rajasthan	No	30/09/1989	The transfer of title is pending as some procedural and administrative requirements are yet to be completed.
	0.07		No	30/09/1996	
	0.01	Individual sellers	No	30/09/1991	The transfer of title is pending due to dispute with sellers.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 Crore, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly statements with such banks, which are in agreement with the unaudited books of account. Also refer Note 52(ii) to the financial statements.

iii. (a) The Company has made investments in twenty mutual fund scheme. The Company has not granted secured/unsecured loans/advances in the nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the mutual fund investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, duty of customs and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 46 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, Employees' state insurance, sales-tax, duty of customs, value added tax and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (in Crore)*	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax demand (including penalty) raised in respect of service tax not paid on payments made in foreign currency to foreign parties	174.15	FY 2007-08 to FY 2011-12	CESTAT, Kolkata
Finance Act, 1994	Department appeal against the refund of service tax on downward revision of Transmission charges	2.75	November 2008 to June 2010	High Court, Jabalpur (Madhya Pradesh)
Income Tax Act, 1961	Disallowances for various expenses	232.91	FY 1998-99, 1999-00; and FY 2001-02 to 2008-09	Supreme Court of India***
Income Tax Act, 1961	Disallowances for various expenses	2.47	FY 2009-10 to 2010-11	High Court, Rajasthan (Jaipur)
Income tax Act,1961	Disallowances for various expenses	23.18	FY 2009-10 to 2011-12, FY 2013-14 to 2016-17	Commissioner (Appeals), Kota
Income tax Act, 1961	Demand (including interest) raised by tax authorities in respect of wrong availment of tax credit	16.27	FY 2012-13	Assistant Commissioner of Income Tax, Kota
Income Tax Act, 1961	Penalty raised by tax authorities in respect of misreporting of Income	11.11	FY 2017-18	High Court, Jaipur **
Goods and Services Tax Act, 2017	Demand (including penalty) raised by authorities in respect of refund availment under inverted tax rate structure	14.31	FY 2017-18 to FY 2021-22 (July 2017 to February 2022)	Commissioner of CGST and Central Excise (Appeals), Rajasthan
Goods and Services Tax Act, 2017	Demand raised by authorities in respect of excess ITC claimed	0.02	FY 2018-19	Joint Commissioner of Sales Tax (Appeals), Maharashtra
Foreign Exchange Regulation Act,1973	Penalty order passed by the Foreign Exchange Regulation Appellate Board for contravention of Section 4(1) of FERA 1947 (ISS)	0.01	FY 1980-81	FERA Board

* Amount under dispute is net of tax deposited, if any.

** Company is in the process of filing appeal with High Court.

*** Special leave petitions at Supreme Court are at pre-admission stage.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) 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 other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or other lender or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture. The Company did not have any associate during the year.

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

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. As explained by the management, there was a complaint received subsequent to the year end in respect of which investigation is ongoing as on the date of our report for which preliminary findings of the investigations have been provided to us by management, our consideration of the complaint having any bearing on our audit is limited to such preliminary findings which have no material impact on the financial statements.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 49(xii) to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 23077779BGXZRI6659

Place : New Delhi
Date : May 26, 2023

Annexure B to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Chambal Fertilisers and Chemicals Limited on the Standalone Financial Statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Chambal Fertilisers and Chemicals Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's 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. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 system with reference to financial statements.

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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 controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number: 077779
UDIN : 23077779BGXZRI6659

Place : New Delhi
Date : May 26, 2023

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in Crore)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	6,239.41	6,343.26
Capital Work-in-Progress	27 & 3	101.63	156.56
Right-of-Use Assets	3	21.60	12.47
Other Intangible Assets	4A	1.38	1.94
Intangible Assets under Development	4B	0.99	0.34
Financial Assets			
i. Investments	5A	302.93	302.93
ii. Loans	5B	0.16	0.24
iii. Other Financial Assets	5C	3.72	3.32
Non-Current Tax Assets (Net)	36	131.86	104.04
Other Non-Current Assets	6	83.26	28.25
Total Non-Current Assets		**6,886.94**	**6,953.35**
Current Assets			
Inventories	7	1,373.83	3,123.21
Financial Assets			
i. Investments	8A	1,837.30	-
ii. Trade Receivables	8B	1,760.48	2,151.30
iii. Cash and Cash Equivalents	8C	27.74	521.41
iv. Bank Balances other than (iii) above	8D	18.87	17.38
v. Loans	8E	0.05	0.06
vi. Other Financial Assets	8F	113.54	32.44
Other Current Assets	9	493.69	212.81
Assets Classified as Held for Sale	42	1.20	0.37
Total Current Assets		**5,626.70**	**6,058.98**
Total Assets		**12,513.64**	**13,012.33**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	416.21	416.21
Other Equity	10A	6,460.36	5,767.38
Total Equity		**6,876.57**	**6,183.59**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	11A	1,741.26	2,398.23
ii. Lease Liabilities	32	18.46	8.52
Provisions	12	18.64	15.00
Deferred Tax Liabilities (Net)	36	704.30	603.07
Other Non-Current Liabilities	13	3.20	3.28
Total Non-Current Liabilities		**2,485.86**	**3,028.10**
Current Liabilities			
Financial Liabilities			
i. Borrowings	14A	1,514.86	1,851.85
ii. Lease Liabilities	32	4.67	5.25
iii. Trade Payables	14B		
a) total outstanding dues of micro enterprises and small enterprises; and		19.03	11.52
b) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,191.92	1,487.31
iv. Other Financial Liabilities	14C	330.18	284.68
Other Current Liabilities	15	54.17	125.58
Provisions	16	36.38	34.45
Total Current Liabilities		**3,151.21**	**3,800.64**
Total Liabilities		**5,637.07**	**6,828.74**
Total Equity and Liabilities		**12,513.64**	**13,012.33**

The accompanying notes form an integral part of the Standalone Financial Statements.
This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Crore)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from Operations	17	27,772.81	16,068.83
Other Income	18	259.04	95.56
Total Income		**28,031.85**	**16,164.39**
Expenses			
Cost of Materials Consumed	19	8,522.56	5,368.53
Purchases of Stock-in-Trade		9,395.60	6,561.77
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	1,786.13	(2,326.99)
Employee Benefits Expense	21	190.02	179.80
Finance Costs	22	320.02	105.93
Depreciation and Amortization Expenses	3 & 4A	308.29	299.74
Other Expenses	23	6,057.44	4,023.70
Total Expenses		**26,580.06**	**14,212.48**
Profit Before Tax		**1,451.79**	**1,951.91**
Tax Expense:			
(1) Current Tax	36	208.81	320.12
(2) Tax Related to Earlier Years	36	-	16.79
(3) Deferred Tax	36	173.67	327.88
Total Tax Expense		**382.48**	**664.79**
Profit for the Year		**1,069.31**	**1,287.12**
Other Comprehensive Income (OCI)			
A. Items that will not be re-classified to Profit or Loss:			
(i) Re-measurement (Loss) / Gain on Defined Benefit Plans	30	(0.45)	0.52
(ii) Income Tax Credit / (Charge) relating to items that will not be re-classified to Profit or Loss	36	0.16	(0.18)
B. Items that will be re-classified to Profit or Loss:			
(i) Effective Portion of Exchange Difference (Loss) on Hedging Instruments	39	(262.86)	(130.74)
(ii) Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	39	163.57	94.17
(iii) Income Tax Credit relating to items that will be re-classified to Profit or Loss	36	34.70	12.78
OCI for the Year (Net of Tax)		**(64.88)**	**(23.45)**
Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)		**1,004.43**	**1,263.67**
Earnings per Equity Share: Basic and Diluted (in Rs.)	24	25.69	30.92

The accompanying notes form an integral part of the Standalone Financial Statements

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
A.	**Cash Flow from Operating Activities :**			
	Profit Before Tax		**1,451.79**	**1,951.91**
	Adjustments for :			
	Depreciation and Amortization Expenses	**3 & 4A**	308.29	299.74
	(Gain) on Sale of Current Investments	**18**	(42.65)	(8.11)
	Mark to Market Loss / (Gain) on Derivative Transactions	**18, 22 & 23**	5.88	(11.68)
	Un-realised Foreign Exchange Variation (Gain) / Loss		(3.29)	4.02
	Realised Foreign Exchange Variation (Gain)		(25.91)	(0.05)
	Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	**39**	163.57	94.17
	Loss / (Gain) on Disposal of Property, Plant and Equipment (Net)	**18 & 23**	2.80	(4.92)
	Allowance for Doubtful Debts and Advances (Net)	**18 & 23**	(41.18)	2.36
	Liabilities no longer required Written Back	**18**	(0.35)	(4.55)
	Catalyst Charges Written off	**23**	9.00	8.52
	Irrecoverable Balances Written off	**23**	0.02	0.04
	Finance Costs (Interest and Premium)		320.85	103.65
	Interest (Income)		(26.99)	(9.02)
	Dividend (Income) on Investment in Joint Venture	**18**	(91.65)	(27.89)
	Dividend (Income) on Non Current Investment	**18**	(0.00)	(0.00)
	Operating Profit before Working Capital Changes		**2,030.18**	**2,398.19**
	Working Capital Adjustments:			
	Decrease / (Increase) in Inventories		1,746.38	(2,346.12)
	Decrease / (Increase) in Trade Receivables		391.03	(976.78)
	(Increase) / Decrease in Other Financial Assets - Non-Current		(0.32)	0.13
	(Increase) / Decrease in Other Financial Assets - Current		(81.09)	120.18
	Decrease in Other Assets - Non-Current		0.76	1.07
	(Increase) in Other Assets - Current		(239.86)	(100.77)
	(Decrease) / Increase in Trade Payables		(287.02)	1,112.97
	Increase in Other Financial Liabilities - Current		18.86	23.10
	(Decrease) / Increase in Other Liabilities - Non-Current		(0.08)	0.07
	(Decrease) / Increase in Other Liabilities - Current		(71.41)	81.89
	Increase in Provisions - Non Current		3.19	1.58
	Increase / (Decrease) in Provisions - Current		1.93	(5.02)
	Cash generated from Operations		**3,512.55**	**310.49**
	Income Tax Paid (Net of Refunds)		(271.41)	(343.01)
	Net Cash Flow generated from / (used in) Operating Activities		**3,241.14**	**(32.52)**
B.	**Cash Flow from Investing Activities**			
	Purchase of Property, Plant and Equipment		(196.56)	(177.13)
	Purchase of Intangible Assets		(0.54)	(1.42)
	Purchase of Intangible Assets under Development		(0.65)	(0.07)
	Proceeds from Sale of Property, Plant and Equipment		3.50	15.08
	Purchase of Current Investments		(16,925.00)	-
	Proceeds from Sale of Current Investments		15,130.35	8.11
	Interest Received		24.43	8.39
	Dividend Received		91.65	27.89
	Fixed Deposits placed (having original maturity of more than three months)		-	(0.01)
	Net Cash Flow (used in) Investing Activities		**(1,872.82)**	**(119.16)**

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
C.	**Cash Flow from Financing Activities**			
	Repayment of Long Term Borrowings	**45**	(859.22)	(788.42)
	Availment of Supplier's Credit	**45**	2,803.74	355.83
	Repayment of Supplier's Credit	**45**	(2,289.71)	(196.81)
	Net (Repayment) / Proceeds of / from Short Term Borrowings	**45**	(890.00)	890.00
	Repayment of Lease Liabilities	**45**	(5.88)	(6.46)
	Receipt of amount from CFCL Employees Welfare Trust		0.65	1.89
	Finance Costs paid (Interest and Premium)		(309.47)	(94.54)
	Dividend Paid		(312.10)	(374.29)
	Net Cash Flow (used in) Financing Activities		**(1,861.99)**	**(212.80)**
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)		**(493.67)**	**(364.48)**
	Cash and Cash Equivalents at the beginning of the Year		521.41	885.89
	Cash and Cash Equivalents at the end of the Year		**27.74**	**521.41**
	Components of Cash and Cash Equivalents :			
	Balances with banks :			
	- on Current accounts		-	0.06
	- on Cash Credit Accounts		27.72	171.34
	- Deposits with original maturity of less than three months		-	350.00
	Cash on hand		0.02	0.01
	Total Cash and Cash Equivalents	**8C**	**27.74**	**521.41**

Note: Cash Flow from operating activities for the year ended on March 31, 2023 is after considering corporate social responsibility expenditure of Rs. 34.30 Crore (Previous Year : Rs. 28.00 Crore).

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Chambal Fertilisers and Chemicals Limited

A : Equity Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid (refer note 10)

(Rs. in Crore)

As at March 31, 2023	Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2023
	416.21	-	-	-	**416.21**

(Rs. in Crore)

As at March 31, 2022	Balance as at April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
	416.21	-	-	-	**416.21**

B : Other Equity

For the Year Ended March 31, 2023

(Rs. in Crore)

Particulars	Reserves and Surplus										Items of Other Comprehensive Income	Total
	Treasury Shares	Loss on Treasury Shares acquired	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961	Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961	Share Option Outstanding Account (refer note 10A)	Retained Earnings	Cash Flow Hedging Reserve	
Balance as at April 01, 2022	(2.76)	(1.90)	0.21	6.42	0.25	684.26	0.50	42.25	2.64	5,289.32	(253.81)	5,767.38
Profit for the Year	-	-	-	-	-	-	-	-	-	1,069.31	-	1,069.31
Other Comprehensive Income (Net of Tax):												
- Re-measurement (Loss) on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(0.29)	-	(0.29)
- Effective Portion of Exchange Difference on Hedging Instruments	-	-	-	-	-	-	-	-	-	-	(64.59)	(64.59)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,069.02**	**(64.59)**	**1,004.43**
Cash Dividends (refer note 41)	-	-	-	-	-	-	-	-	-	(312.16)	-	(312.16)
Exercise of Share Options	2.19	(0.24)	-	-	-	-	-	-	-	-	-	1.95
Transfer to General Reserve	-	-	-	-	-	50.00	-	-	-	(50.00)	-	-
Any Other Change {refer note below}	-	-	-	-	-	-	-	-	-	(1.24)	-	(1.24)
Balance as at March 31, 2023	**(0.57)**	**(2.14)**	**0.21**	**6.42**	**0.25**	**734.26**	**0.50**	**42.25**	**2.64**	**5,994.94**	**(318.40)**	**6,460.36**

For the Year Ended March 31, 2022

(Rs. in Crore)

Particulars	Reserves and Surplus										Items of Other Comprehensive Income	Total
	Treasury Shares	Loss on Treasury Shares acquired	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961	Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961	Share Option Outstanding Account (refer note 10A)	Retained Earnings	Cash Flow Hedging Reserve	
Balance as at April 01, 2021	(4.90)	(1.66)	0.21	6.42	0.25	634.26	0.50	42.25	2.64	4,426.15	(230.02)	4,876.10
Profit for the Year	-	-	-	-	-	-	-	-	-	1,287.12	-	1,287.12
Other Comprehensive Income (Net of Tax):												
- Re-measurement Gain on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	0.34	-	0.34
- Effective Portion of Exchange Difference on Hedging Instruments	-	-	-	-	-	-	-	-	-	-	(23.79)	(23.79)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,287.46**	**(23.79)**	**1,263.67**
Cash Dividends (refer note 41)	-	-	-	-	-	-	-	-	-	(374.58)	-	(374.58)
Exercise of Share Options	2.14	(0.24)	-	-	-	-	-	-	-	-	-	1.90
Transfer to General Reserve	-	-	-	-	-	50.00	-	-	-	(50.00)	-	-
Any Other Change {refer note below}	-	-	-	-	-	-	-	-	-	0.29	-	0.29
Balance as at March 31, 2022	**(2.76)**	**(1.90)**	**0.21**	**6.42**	**0.25**	**684.26**	**0.50**	**42.25**	**2.64**	**5,289.32**	**(253.81)**	**5,767.38**

Note: Any other change in retained earnings represents dividend on treasury shares and net results of ESOP trust operations.

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Standalone Statement of Changes in Equity referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

Notes to the Standalone Financial Statements for the year ended March 31, 2023

1. Corporate Information

Chambal Fertilisers and Chemicals Limited (the 'Company') is a public company domiciled in India and has been incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Gadepan, District Kota, Rajasthan, PIN - 325208.

The Company is engaged in production of Urea and has three Urea plants. Apart from manufacture of Urea, the Company also deals in other fertilisers and Agri-inputs.

These financial statements were authorised for issuance by the Board of Directors of the Company at its meeting held on May 26, 2023.

2. Significant Accounting Policies

2. (a) Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other relevant rules and provisions of the Act, as applicable.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except for the following material items those have been measured at fair value as required by relevant Ind AS:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans and other long-term employee benefits;
- Share-based payment transactions; and
- Investment in debt instruments (i.e. preference shares).

The financial statements of the Company are presented in Indian Rupees (Rs.) and all values are presented in Crore, except when otherwise indicated.

The transactions and balances with values below rounding off norm adopted by the Company have been reflected as 0.00 in the financial statements.

New and amended standards adopted by the Company.

The Ministry of Corporate Affairs had vide its notification dated March 23, 2022, notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022.

These amendments did not have any impact on the amounts recognised in the current period and are not expected to significantly affect the future periods.

New amendments issued but not effective.

The Ministry of Corporate Affairs has vide notification dated March 31, 2023, notified Companies (Indian Accounting Standards) Amendment Rules, 2023, amends certain accounting standards effective from April 01, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

2. (b) Summary of Significant Accounting Policies

i) Basis of Classification of Current and Non-Current

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

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

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

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

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

ii) Foreign Currency Translation

(a) Functional and Presentation Currency

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

(b) Initial Recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(c) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

(d) Exchange Differences

Exchange differences arising on settlement or translation of monetary items are generally recognised in the Statement of Profit and Loss. Also refer note 2 (b)(xv) below.

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 other comprehensive income (OCI), or profit and loss are also recognised in OCI or profit and loss, respectively).

(e) Translation of Foreign Operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet including comparatives are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each Statement of Profit and Loss including comparatives are translated at average exchange rates; and

(iii) all resulting exchange differences have been recognised in other comprehensive income.

On disposal of foreign operations, the associated exchange differences are re-classified to profit or loss, as part of the gain or loss on disposal.

Cumulative currency translation differences for foreign operations were deemed to be zero at the date of transition to Ind AS, viz., April 01, 2015. Gain or loss on subsequent disposal of any foreign operations excludes translation differences that arose before the date of transition and includes only translation differences arising after the date of transition.

iii) Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date of derivative contract and are subsequently re-measured at fair value at the end of each reporting period. The resulting gains / losses are recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item. The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the economic relationship between the hedging instrument and the hedged item including whether the changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of hedged items, along with the risk management objectives and its strategy for undertaking hedge transaction.

The Company has designated certain derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transactions with borrowings.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in Other Comprehensive Income are re-classified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as re-classification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains / losses recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is re-classified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity are recognised immediately in the Statement of Profit and Loss.

iv) Fair Value Measurement

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

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

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

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

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

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

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

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
  The Investment in mutual funds is valued using the closing Net Asset Value ('NAV').

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

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

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

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

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

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

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

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

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

v) Non-current Assets held for Sale and Discontinued Operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Discontinued operations is a component of an entity that either has been disposed off, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,

- is part of a single co-ordinated plan to dispose off a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the Statement of Profit and Loss.

vi) Property, Plant and Equipment ("PPE")

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and non- refundable purchase taxes, borrowing costs if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

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

Catalysts which are used in commissioning of new plant are capitalized and are amortized based on the estimated useful life as technically assessed. Subsequent issues of catalysts, if any, are treated as inventory.

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

vii) Leases

As a lessee:

Leases are recognised as a Right-of-Use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments.
- Amount expected to be payable by the Company under residual value guarantees, if any.
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Right-of-Use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability.

- Any lease payment made at or before the commencement date less any lease incentive received.
- Any initial direct cost and restoration cost.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise Information technology/Computer equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

viii) Depreciation on PPE and Right- of- Use Assets

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their useful lives estimated by the management based on technical evaluation, which are equal to the useful life prescribed under Schedule II to the Companies Act, 2013, other than the cases as mentioned in table below from S.No. (i) to (vi), where the useful lives are different from those prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. A major portion of the plant and equipment of the Company has been considered as continuous process plant.

S. No.	Assets	Useful lives
(i)	- Leasehold Land - Leasehold Improvements - Assets under finance lease - Right-of-Use Assets	Amortised over 99 Years Ranging from 3 to 15 Years Ranging from 3 to 9 Years Over the life of lease period These assets are amortised over the period of respective leases or useful lives of assets, whichever is lower.
(ii)	Plant and Equipment	Over their useful lives ranging from 1 to 35 years
(iii)	Insurance / Capital / Critical Stores and Spares	Over the remaining useful life of related plant and equipment or useful life of insurance / capital / critical spare part, whichever is lower.
(iv)	Vehicles	Depreciated over 5 years. After the expiry of 5 years, the vehicle gets normally replaced.
(v)	Railway Siding	30 years based on technical evaluation that the railway siding is currently in use.
(vi)	Building (other than factory building) and Reinforced Cement Concrete Frame structure	Over their useful lives ranging from 10 to 60 years.

Assets costing below Rs. 5,000 are depreciated in the year of purchase.

The residual values, useful lives, and methods of depreciation of PPE and Right-of-Use assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

ix) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight-line basis over the estimated useful economic life. Software is the acquired intangible asset.

Management of the Company assessed the useful life of software as finite and cost of software is amortized over its estimated useful life of five years on straight line basis.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

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

x) Impairment of Non-financial Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case events which caused impairment initially cease to exist, impairments are only reversed to the extent that increased carrying amount of the asset does not exceed the carrying amount that would have been in place had there been no impairment carried out in the first place, taking into account the normal depreciation/ amortization.

xi) Financial Instruments

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

(a) Financial assets

Initial Recognition and Measurement

All financial assets 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

Debt Instruments

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

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

Debt Instruments at amortised cost

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

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

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

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

Debt Instruments at FVTOCI

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

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

b) The asset's contractual cash flows represent SPPI.

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

Debt Instruments at FVTPL

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

Equity Instruments

For the purposes of subsequent measurement, equity instruments are classified in two categories:

- Equity instruments measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments are measured at fair value. The Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, on derecognition, including sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investment in Subsidiaries and Joint Venture

Investment in subsidiaries and joint venture is carried at deemed cost in the separate financial statements, except in case of investment in preference shares (debt instrument) of a subsidiary company which is carried in accordance with Ind AS 109 'Financial Instruments'.

Derecognition

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

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

Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case-to-case basis based on available information.

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

The allowance for doubtful debts/ advances or impairment of assets is made on case-to-case basis by considering relevant available information.

(b) Financial Liabilities

Initial recognition and measurement

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

Subsequent Measurement

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

Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. 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 by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'.

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

Loans and Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption / repayment amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 109 'Financial instruments' and the amount initially recognised less cumulative amortisation, where appropriate. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Derecognition

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

Offsetting of Financial Instruments

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

xii) Cash and Cash Equivalents

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

xiii) Dividend to Equity Holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the applicable laws in India, a distribution is authorised when it is approved by the shareholders, except in case of Interim Dividend on approval of Board. A corresponding amount is recognised directly in equity.

xiv) Inventories

Inventories are valued as follows:

Spares and Lubricants*	Lower of cost and net realisable value. Cost is determined on weighted average basis.
Raw Materials, Packing Materials, Other Stores and Spares	Lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Catalyst in Use	Based on amortized cost and consumption over the period based on technical assessment ranging from two to twenty years.
Loose Tools	At depreciated cost arrived at on the basis of amortization over a period of three years.
Work in Process and Finished goods	Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Traded Products	Lower of cost and net realisable value. Cost is determined on weighted average basis.

* Included under the inventory of stores and spares.

Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

xv) Borrowing Costs

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

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is de-capitalised from the qualifying assets.

xvi) Revenue Recognition and Other Income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Contract Assets

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

Trade Receivables

A 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).

Contract Liabilities

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

(a) Sale of Goods

Revenue, including subsidy, in respect of sale of goods is recognised at a point in time when control of the goods has transferred, being when the goods are delivered to the buyer, the buyer has full discretion over the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from the sales is recognised based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates, and goods & services tax (GST). The Company collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Subsidy on Urea including freight have been accounted on the basis of notified concession prices as under:

(i) New Pricing Scheme (NPS) – Stage III and Modified NPS III.

(ii) New Urea Policy 2015.

(iii) New Investment Policy 2012 (amended); and

(iv) Uniform Freight Policy.

The concession price and freight is accounted based on notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policy parameters.

Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Policy and Freight Subsidy has been accounted for in line with the policy, notified by the Government of India.

(b) Interest Income

Interest income is calculated by applying the effective interest rate to gross carrying amount of a financial asset except for financial asset that subsequently become credit impaired. In case of credit impaired financial asset, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

(c) Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(d) Insurance Claims

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

xvii) Retirement and Other Employee Benefits

(a) Provident fund of the Company except erstwhile shipping division of the Company is a defined contribution scheme with effect from September 01, 2021, as the Company had initiated the process of surrender of exemption granted to CFCL Employees Provident Fund Trust and transferred the accumulated provident fund balance of employees to the fund administered and managed by the Government of India. Thus, the Company makes monthly contributions at prescribed rates towards Provident Fund to a Fund administered and managed by the Government of India. The Company has no further obligations once the contributions have been made (refer note 30).

The Company's contribution paid / payable during the year to Pension Fund, Provident Fund, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss.

Pension Fund of the Company is a defined contribution scheme. The Company has no further obligation. The Company recognizes contribution payable to the provident fund scheme as an expenditure when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

(b) Superannuation Fund is a defined contribution scheme. Liability in respect of Superannuation Fund to the concerned employees of the Company is accounted for as per the Company's Scheme and contributed to concerned insurers every year. The Company does not have any other obligation, other than the contribution payable to the superannuation fund. The Company recognizes contribution payable to the superannuation fund scheme as an expenditure when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

(c) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Gratuity plan of the Company is funded with insurance companies to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with insurance companies is provided for as liability in the books.

(d) Retirement benefit in the form of post-retirement medical benefits is a defined benefit obligation of the Company and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.

(e) Accumulated leaves, which are expected to be utilized within the next 12 months, are treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leaves as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(f) Long service awards are other long-term benefits accruing to the eligible employees, as per Company's scheme. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

(g) Settlement allowance are other long-term benefits accruing to the eligible employees, as per Company's scheme. The cost of providing benefit under settlement allowance is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI and such re-measurement gain / loss are not reclassified to the Statement of Profit and Loss in the subsequent periods. They are included in retained earnings in the Statement of Changes in Equity.

xviii) Income Taxes

Tax expense or credit comprises of current income tax and deferred tax. Current income-tax expense or credit is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount of current income tax are those that are enacted or substantively enacted, at the reporting date. Deferred Income tax is determined using tax rates (and laws) that have been enacted or substantively enacted, at the reporting date and are expected to apply when the related deferred income tax assets are realised, or the deferred income tax liabilities are settled.

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

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and interest in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the

Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the accounting framework and other applicable accounting pronouncements, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement" and grouped under Deferred Tax. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xix) Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker considers the business activities in terms of nature of products i.e., manufacturing / marketing of fertilisers & other agri-inputs. The analysis of geographical segments is based on the locations of customers. (refer note 28)

Segment Accounting Policies

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

xx) Earnings Per Share

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

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

xxi) Contingent Assets and Liabilities

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

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

xxii) Share-Based Payments

Share-based compensation benefits are provided to employees via the Company's Employees Stock Option Scheme. The fair value of options granted under the Employees Stock Option Scheme of the Company is recognised as an employee benefits expense with a corresponding increase in equity. The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

xxiii) Treasury Shares

The Company has created CFCL Employees Welfare Trust ('ESOP Trust') for providing share-based payment to its employees. The Company uses Trust as a vehicle for distributing shares to employees under the Employees Stock Option Scheme. The ESOP Trust has bought shares of the Company from the market, for giving shares to employees. The Company treats ESOP Trust as its extension and shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) have been recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are satisfied with treasury shares.

xxiv) Provisions

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

(Rs in Crore)

Particulars	Own Assets												Right - of - Use Assets (refer note 32)
	Land-Freehold	Land-Leasehold	Buildings	Leasehold Improvements	Leasehold Improvements (on Finance Lease)	Railway Siding	Plant and Equipment	Factory Equipment	Office Equipment	Furniture and Fittings	Vehicles	Total	
Note 3 : Property, Plant and Equipment and Right -of-Use Assets													
Gross Book Value													
As at April 01, 2021	5.75	4.30	761.12	0.47	1.08	8.15	6,485.92	22.65	25.40	5.30	18.93	7,339.07	26.39
Additions	-	-	39.56	-	-	-	130.52	2.69	3.94	1.08	7.35	185.14	1.31
Deletions	-	-	(4.12)	-	-	(0.04)	(34.77)	(0.17)	(0.24)	(0.23)	(5.42)	(44.99)	(0.30)
As at March 31, 2022	**5.75**	**4.30**	**796.56**	**0.47**	**1.08**	**8.11**	**6,581.67**	**25.17**	**29.10**	**6.15**	**20.86**	**7,479.22**	**27.40**
Additions	2.06	-	7.65	-	-	5.55	174.76	2.29	4.25	1.83	6.72	205.11	14.50
Deletions	-	-	-	(0.25)	-	-	(14.51)	(0.10)	(1.38)	(0.09)	(5.07)	(21.40)	(2.74)
As at March 31, 2023	**7.81**	**4.30**	**804.21**	**0.22**	**1.08**	**13.66**	**6,741.92**	**27.36**	**31.97**	**7.89**	**22.51**	**7,662.93**	**39.16**
Depreciation and Impairment													
As at April 01, 2021	-	0.32	71.25	0.31	0.93	1.49	766.63	6.64	15.51	2.29	12.02	877.39	9.82
Charge for the Year	-	0.06	26.63	0.03	-	0.32	257.66	1.72	3.93	0.51	2.40	293.26	5.41
Deletions	-	-	(3.15)	-	-	-	(25.99)	(0.14)	(0.20)	(0.19)	(5.02)	(34.69)	(0.30)
As at March 31, 2022	**-**	**0.38**	**94.73**	**0.34**	**0.93**	**1.81**	**998.30**	**8.22**	**19.24**	**2.61**	**9.40**	**1,135.96**	**14.93**
Charge for the Year	-	0.06	27.23	0.02	-	0.32	264.27	1.90	3.94	0.58	3.70	302.02	5.17
Deletions	-	-	-	(0.21)	-	-	(8.40)	(0.06)	(1.19)	(0.07)	(4.53)	(14.46)	(2.54)
As at March 31, 2023	**-**	**0.44**	**121.96**	**0.15**	**0.93**	**2.13**	**1,254.17**	**10.06**	**21.99**	**3.12**	**8.57**	**1,423.52**	**17.56**
Net Book Value													
As at March 31, 2022	**5.75**	**3.92**	**701.83**	**0.13**	**0.15**	**6.30**	**5,583.37**	**16.95**	**9.86**	**3.54**	**11.46**	**6,343.26**	**12.47**
As at March 31, 2023	**7.81**	**3.86**	**682.25**	**0.07**	**0.15**	**11.53**	**5,487.75**	**17.30**	**9.98**	**4.77**	**13.94**	**6,239.41**	**21.60**

Footnotes:

1. Freehold land having carrying value of Rs. 0.01 Crore (Previous Year : Rs. 0.01 Crore) and Leasehold land having carrying value of Rs. 0.35 Crore (Previous Year : Rs. 0.35 Crore) are yet to be registered in the Company's name.
2. The carrying value of Buildings includes Rs. 0.00 Crore (Previous Year : Rs. 0.00 Crore) representing undivided share in assets jointly owned with others.
3. Deletions from Plant and Equipment includes Equipment having gross block of Rs. 6.20 Crore (Previous Year: Rs. 1.71 Crore), Factory Equipment having gross block of Nil (Previous Year: Rs. 0.10 Crore), and Vehicles having gross block of Nil (Previous Year: Rs. 0.00 Crore) and Accumulated Depreciation of Plant and Equipment of Rs. 5.10 Crore (Previous Year: Rs. 1.45 Crore), Factory Equipment of Nil (Previous Year: Rs. 0.09 Crore), and Vehicles of Nil (Previous Year: Rs. 0.00 Crore) transfered to "Assets held for sale" (refer note 42).
4. Leasehold Improvements (on Finance Lease) had been fully depreciated in earlier years and are carried at residual value.
5. Capital Work-in-Progress of Rs. 101.63 Crore (Previous Year : Rs. 156.56 Crore) primarily represents capital expenditure in respect of Plant and Machinery & Buildings.

Capital Work-in-Progress ("CWIP")

As at March 31, 2023

(a) Ageing Schedule

(Rs. in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	83.68	15.40	1.92	0.63	**101.63**

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following is the CWIP completion schedule:

(Rs. in Crore)

CWIP	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project	-	-	-	-	-

As at March 31, 2022

(a) Ageing Schedule

(Rs. in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	137.85	15.84	2.87	-	**156.56**

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following is the CWIP completion schedule:

(Rs. in Crore)

CWIP	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project	-	-	-	-	-

Note: There are no projects as at March 31, 2023 and March 31, 2022 which have been either temporarily suspended or whose completion is overdue or has exceeded its cost compared to its original plan.

(Rs. in Crore)

Particulars	Software	Total
Note 4A : Other Intangible Assets		
Gross Book Value		
As at April 01, 2021	8.23	8.23
Additions	1.42	1.42
Deletions	(0.25)	(0.25)
As at March 31, 2022	**9.40**	**9.40**
Additions	0.54	0.54
Deletions	(0.28)	(0.28)
As at March 31, 2023	**9.66**	**9.66**
Amortization and Impairment		
As at April 01, 2021	6.64	6.64
Charge for the Year	1.07	1.07
Deletions	(0.25)	(0.25)
As at March 31, 2022	**7.46**	**7.46**
Charge for the Year	1.10	1.10
Deletions	(0.28)	(0.28)
As at March 31, 2023	**8.28**	**8.28**
Net Book Value		
As at March 31, 2022	**1.94**	**1.94**
As at March 31, 2023	**1.38**	**1.38**

Note 4B : Intangible Assets Under Development

Intangible assets under development of Rs. 0.99 Crore represents Ariba implementation and SAP upgradation (Previous Year: Rs. 0.34 Crore represents New Health / Safety Software and Server Upgradation).

Intangible assets under development ageing schedule

As at March 31, 2023

(Rs. in Crore)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.99	-	-	-	**0.99**
Total	**0.99**	**-**	**-**	**-**	**0.99**

As at March 31, 2022

(Rs. in Crore)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.32	0.02	-	-	**0.34**
Total	**0.32**	**0.02**	**-**	**-**	**0.34**

Note: There are no projects as at March 31, 2023 and March 31, 2022 which have been either temporarily suspended or whose completion is overdue or has exceeded its cost compared to its original plan.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Financial Assets		
Note 5A : Non-Current Investments		
A. Investment carried at Cost		
Equity Instruments (Unquoted)		
Subsidiary Companies		
- 94,00,000 (Previous Year: 94,00,000) equity shares of Rs.10 each fully paid up in Chambal Infrastructure Ventures Limited	3.60	3.60
- 29,32,947 (Previous Year: 29,32,947) ordinary shares of US$ 0.0001 each fully paid up in CFCL Ventures Limited	0.00	0.00
Joint Venture		
- 2,06,666 (Previous Year: 2,06,666) shares of Moroccan Dirham 1,000 each fully paid up in Indo Maroc Phosphore S.A.- IMACID	285.87	285.87
B. Investment carried at Fair Value through Profit or Loss		
Equity Instruments (Unquoted)		
- 20,000 (Previous Year: 20,000) equity shares of Rs.10 each fully paid up in Shivalik Solid Waste Management Limited	0.02	0.02
- 2,180 (Previous Year: 2,180) equity shares of Rs.10 each fully paid up in Woodlands Multispeciality Hospital Limited	0.00	0.00
Preference Shares (Unquoted)		
Subsidiary Companies		
- 80,01,48,60,459 (Previous Year: 80,01,48,60,459) preference shares of US$ 0.0001 each fully paid up in CFCL Ventures Limited (refer footnote 1 & 2 below)	13.44	13.44
C. Investment carried at Amortised Cost		
Government Securities (Unquoted)		
- 6 Year National Savings Certificates VIII Issue (lodged with Government Authorities)	0.00	0.00
- Indira Vikas Patra	0.00	0.00
	302.93	**302.93**
Aggregate amount of Unquoted Investments	302.93	302.93
Aggregate amount of impairment in the value of investments	-	-

Footnotes:

1. CFCL Ventures Limited ("CVL") has issued ordinary shares, preference shares (series A-1, B-1, C-1, D-1, E-1, F-1, G, H, I, J & K) and warrants for ordinary shares and preference shares (series G, H & I). Conversion ratio of different series of non cumulative convertible preference shares into ordinary shares of CVL are as follows-Series A1 & B1 preference shares will be converted in the ratio of 1:1.22,

Series C1, D1, E1 preference shares will be converted in the ratio of 1:1.68, Series F-1 preference shares will be converted in the ratio of 1:1.33, Series G, H, I, J & K preference shares will be converted in the ratio of 1:1. This conversion is subject to adjustments set forth, if any, in the Articles of Association of CVL.

2. During the previous years, ISGN Corporation (“ISGN, USA”) and ISG Novasoft Technologies Limited, (“ISGN, India”), subsidiaries of CVL have sold / transferred certain assets / liabilities to the respective buyers.

   As part of the aforesaid transactions, the Company executed keepwell agreements with the respective buyers and the concerned subsidiaries. As per the terms of the aforesaid keepwell agreements, the Company has to ensure that the concerned subsidiary has sufficient funds to enable it to make payments against indemnity obligations of the subsidiary under the agreements executed for sale / transfer of assets / liabilities. The aggregate indemnity obligations of the subsidiaries under the aforesaid agreements shall not exceed Rs.130.38 Crore (Previous Year: Rs. 123.01 Crore).

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 5B : Non Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.12	0.19
(b) Loans Receivables Considered Good - Unsecured	0.04	0.05
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables credit impaired	-	-
	0.16	**0.24**
Note 5C : Other Non Current Financial Assets		
(Unsecured, Considered Good)		
Security Deposits	3.69	3.29
Deposit with Banks having maturity more than 12 months (refer note 8D)	0.03	0.03
	3.72	**3.32**
Note 6 : Other Non-Current Assets		
(Unsecured, Considered Good)		
Capital Advances	69.28	7.51
Catalysts in use (valued based on life technically assessed)	11.09	17.09
Prepaid Expenses	2.89	3.65
	83.26	**28.25**
Note 7 : Inventories		
Raw Materials	1.64	2.00
Work-in-Progress	18.22	16.71
Finished Goods {including in transit- Rs.78.15 Crore (Previous Year: Rs. 65.31 Crore)}	152.39	348.66
Traded Goods {including in transit- Rs. 85.68 Crore (Previous Year: Rs. 283.92 Crore)}	1,045.98	2,637.35
Stores and Spares {including in transit- Rs. 0.44 Crore (Previous Year: Nil)}	112.88	101.79
Loose Tools	0.25	0.15
Catalysts in use (valued based on life technically assessed)	30.22	8.33
Packing Materials	12.25	8.22
	1,373.83	**3,123.21**
Current Financial Assets		
Note 8A : Current Investments		
Investment carried at Fair Value through Profit or Loss		
Unquoted		
Investment in Mutual Funds		
9,57,133.912 (Previous Year: Nil) units in Axis Liquid Fund - Direct Growth - CFDG	239.37	-
5,20,719.306 (Previous Year: Nil) units in Kotak Liquid Fund Direct Plan Growth	236.84	-
67,33,355.805 (Previous Year: Nil) units in ICICI Prudential Liquid Fund - Direct Plan - Growth	224.35	-

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
4,23,572.388 (Previous Year: Nil) units in Nippon India Liquid Fund - Direct Plan - Growth Plan - Growth Option	233.26	-
6,72,325.897 (Previous Year: Nil) units in SBI Liquid Fund Direct Growth	236.88	-
57,821.886 (Previous Year: Nil) units in Baroda BNP Paribas Liquid Fund - Direct Growth - LQD2	15.01	-
6,26,222.204 (Previous Year: Nil) units in Tata Liquid Fund Direct Plan - Growth	222.40	-
5,95,582.233 (Previous Year: Nil) units in DSP Liquidity Fund - Direct Plan - Growth	191.61	-
6,43,979.091 (Previous Year: Nil) units in UTI Liquid Cash Plan - Direct Plan - Growth	237.58	-
Total Investment in Mutual Funds	**1,837.30**	**-**
Investment in Bonds		
320 (Previous Year: 320), 9.45% Corporate Bonds of Rs.10,00,000 each in IL&FS Transportation Networks Limited #	-	-
	1,837.30	**-**
Aggregate amount of Unquoted Investments	**1,837.30**	**-**
Less: Fair Value Loss on Investment carried at Fair Value through Profit or Loss #	-	-
Total Current Investments	**1,837.30**	**-**
# Fair Value Loss had been recognised for entire value during the earlier years.		
Note 8B : Trade Receivables		
Trade Receivables Considered Good - Secured	48.48	25.88
Trade Receivables Considered Good - Unsecured (including subsidy receivable from Government of India- Rs. 1,640.26 Crore (Previous Year: Rs. 2,102.24 Crore))	1,712.00	2,125.42
Trade Receivables Considered Doubtful - Unsecured (including subsidy receivable from Government of India- Rs. 0.44 Crore (Previous Year : Rs. 0.30 Crore))	16.58	16.69
	1,777.06	**2,167.99**
Less: Allowance for Doubtful Debts	16.58	16.69
Total Trade Receivables (Net of Allowances)	**1,760.48**	**2,151.30**
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired	-	-
	1,760.48	**2,151.30**

Trade Receivables Ageing Schedule

As at March 31, 2023 (Rs. in Crore)

S No.	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i)	Undisputed Trade receivables – considered good - Secured	46.71	0.89	-	0.13	0.01	0.74	**48.48**
(ii)	Undisputed Trade receivables – considered good - Unsecured	507.09	1,190.76	11.63	-	-	2.52	**1,712.00**
(iii)	Undisputed Trade receivables – considered doubtful	0.44	-	-	-	-	-	**0.44**
(iv)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(v)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(vi)	Disputed Trade Receivables – considered doubtful	-	-	-	0.17	0.35	15.62	**16.14**
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
	Total	**554.24**	**1,191.65**	**11.63**	**0.30**	**0.36**	**18.88**	**1,777.06**

As at March 31, 2022 (Rs. in Crore)

S No.	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i)	Undisputed Trade receivables – considered good - Secured	23.91	1.09	-	0.14	-	0.74	**25.88**
(ii)	Undisputed Trade receivables – considered good - Unsecured	1,974.34	134.54	7.40	-	4.16	4.98	**2,125.42**
(iii)	Undisputed Trade receivables – considered doubtful	0.30	-	-	-	-	-	**0.30**
(iv)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables– considered doubtful	-	0.34	0.00	0.18	-	15.87	**16.39**
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**1,998.55**	**135.97**	**7.40**	**0.32**	**4.16**	**21.59**	**2,167.99**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8C : Cash and Cash Equivalents		
Balances with Banks :		
On Current Accounts	-	0.06
On Cash Credit Accounts	27.72	171.34
Deposits with original maturity of less than three months	-	350.00
Cash on hand	0.02	0.01
	27.74	**521.41**
There is no repatriation restrictions on cash and cash equivalents.		
Note 8D : Bank Balances other than 8C above		
On Unpaid Dividend Accounts	18.87	17.38
Deposits with remaining maturity for more than 12 months *	0.03	0.03
	18.90	**17.41**
Less: Deposits with remaining maturity of more than 12 months disclosed under 'other non current financial assets' (refer note 5C)	0.03	0.03
	18.87	**17.38**

* Fixed Deposit receipts of Rs. 0.03 Crore (Previous Year : Rs. 0.03 Crore) are pledged with Sales Tax Authorities.

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8E : Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.04	0.05
(b) Loans Receivables Considered Good - Unsecured	0.01	0.01
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables credit impaired	-	-
	0.05	**0.06**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8F : Other Current Financial Assets		
(Unsecured and Considered Good, except to the extent stated)		
Derivatives:		
- Derivative Financial Assets	-	1.42
Security Deposits	0.93	4.35
Others:		
Receivable from Gas Pool Operator	85.87	-
Receivable from Joint Venture (refer note 29)	0.20	-
Insurance and Other Claims Receivable	13.29	-
Interest Receivable on Deposits	0.00	0.00
Rebates and Other General Receivables	13.25	26.67
	113.54	**32.44**
Note 9 : Other Current Assets		
(Unsecured and Considered Good, except to the extent stated)		
Advances to Suppliers	21.87	18.42
(Considered Doubtful Rs. 0.33 Crore (Previous Year : Rs. 0.33 Crore))		
Balances with Statutory / Government Authorities	454.51	219.45
(Considered Doubtful Rs. 5.44 Crore (Previous Year: Rs. 46.38 Crore))		
Interest Receivable - Others	0.33	0.33
Prepaid Expenses	22.25	20.88
Other General Receivables	0.50	0.44
	499.46	**259.52**
Less: Allowance for Doubtful Advances	5.77	46.71
	493.69	**212.81**
Note 10 : Share Capital		
Authorised :		
44,00,00,000 (Previous Year: 44,00,00,000) Equity Shares of Rs.10 each	440.00	440.00
21,00,00,000 (Previous Year: 21,00,00,000) Redeemable Preference Shares of Rs.10 each	210.00	210.00
	650.00	**650.00**
Issued, Subscribed and Paid up :		
41,62,07,852 (Previous Year: 41,62,07,852) Equity Shares of Rs.10 each, fully paid up	416.21	416.21
	416.21	**416.21**

a) **Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Periods**

There is no movement in the equity shares outstanding at the beginning and at the end of the reporting periods.

b) **Terms / Rights attached to Equity Shares**

The Company has only one class of shares having a par value of Rs.10 per share fully paid up. Each holder of equity shares is entitled to one vote per share and the equity shares will rank pari passu with each other in all respects. The Company declares and pays dividend in Indian rupees. The dividend recommended / proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities.

c) **Shareholding of Promoters and Promoter Group**

	Name	As at March 31, 2023			As at March 31, 2022		
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
(A)	**Promoters:**						
	Jyotsna Poddar	44,05,000	1.06	-	44,05,000	1.06	0.02
	Nandini Nopany	7,02,667	0.17	-	7,02,667	0.17	-
	Shobhana Bhartia	27,26,796	0.66	-	27,26,796	0.66	-
	RTM Investment and Trading Co. Ltd.	19,74,200	0.47	0.01	19,46,200	0.47	-
	SCM Investment & Trading Co. Ltd.	5,89,200	0.14	0.01	5,61,200	0.13	-
	SIL Investments Limited	3,37,93,455	8.12	0.02	3,37,33,455	8.10	0.09
	The Hindustan Times Limited	5,93,71,221	14.26	-	5,93,71,221	14.26	-
	Zuari Industries Limited (formerly Zuari Global Limited)	5,90,17,307	14.18	0.00	5,90,15,360	14.18	-
	Sub Total (A)	**16,25,79,846**	**39.06**		**16,24,61,899**	**39.03**	
(B)	**Promoter Group:**						
	Adventz Finance Private Limited	10,65,607	0.26	-	10,65,607	0.26	0.19
	Adventz Securities Enterprises Limited	1,70,022	0.04	-	1,70,022	0.04	0.04
	Akshay Poddar	23,25,025	0.56	-	23,25,025	0.56	-
	Arhant Vikram Nopany	47,000	0.01	-	47,000	0.01	0.01
	Chandra Shekhar Nopany (Shruti Family Trust)	1,000	0.00	-	1,000	0.00	-
	Chandra Shekhar Nopany (Shekhar Family Trust)	1,40,01,000	3.36	-	1,40,01,000	3.36	-
	Chandra Shekhar Nopany	2,90,275	0.07	-	2,90,275	0.07	(0.01)
	Chandra Shekhar Nopany HUF	2,40,100	0.06	-	2,40,100	0.06	-
	Deepshikha Trading Co. Private Limited	57,700	0.01	-	57,700	0.01	-
	Duke Commerce Limited	5,50,200	0.13	-	5,50,200	0.13	-
	Earthstone Holding (Two) Private Limited	1,47,95,077	3.55	-	1,47,95,077	3.55	-
	Earthstone Investment & Finance Limited	84,24,515	2.02	-	84,24,515	2.02	-
	Earthstone Holding (Three) LLP	5,000	0.00	-	5,000	0.00	-
	Ganges Securities Limited	22,51,795	0.54	0.07	19,66,795	0.47	0.30
	Gobind Sugar Mills Limited*	-	-	(0.00)	1,947	0.00	-
	Hargaon Investment & Trading Co. Ltd.	1,36,634	0.03	-	1,36,634	0.03	-
	La Monde Trading & Investments Private Ltd.	15,000	0.00	-	15,000	0.00	-
	Manavta Holdings Ltd.	30,85,000	0.74	-	30,85,000	0.74	(0.08)
	Manbhawani Investment Ltd.	44,57,006	1.07	-	44,57,006	1.07	(0.08)
	Master Exchange & Finance Limited	16,01,600	0.38	-	16,01,600	0.38	-
	New India Retailing and Investment Ltd.	6,92,663	0.17	0.03	5,81,163	0.14	-
	Nilgiri Plantations Limited	42,91,740	1.03	-	42,91,740	1.03	0.03
	Pavapuri Trading and Investment Company Ltd.	1,00,000	0.02	-	1,00,000	0.02	-
	Premium Exchange and Finance Limited	30,86,500	0.74	-	30,86,500	0.74	-
	Ronson Traders Limited	71,50,000	1.72	0.02	70,94,000	1.70	0.04
	RTM Properties Ltd.	1,25,000	0.03	-	1,25,000	0.03	-
	Saroj Kumar Poddar	7,06,128	0.17	-	7,06,128	0.17	-
	Shital Commercial Limited	1,38,318	0.03	-	1,38,318	0.03	-
	Shradha Agarwala	3,25,900	0.08	-	3,25,900	0.08	-
	Shree Vihar Properties Ltd.	7,00,000	0.17	-	7,00,000	0.17	-
	Shruti Vora	4,10,000	0.10	-	4,10,000	0.10	-
	Sidh Enterprises Ltd.	1,53,500	0.04	-	1,53,500	0.04	-
	SIL Properties Ltd.	1,00,000	0.02	-	1,00,000	0.02	-
	Simon India Limited	22,00,000	0.53	-	22,00,000	0.53	-
	Sonali Commercial Ltd.	3,79,350	0.09	-	3,79,350	0.09	-
	Texmaco Infrastructure & Holdings Limited	2,96,864	0.07	-	2,96,864	0.07	0.05
	Texmaco Rail & Engineering Ltd.	10,000	0.00	-	10,000	0.00	(0.24)

Name	As at March 31, 2023			As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Uttam Commercial Ltd.	68,00,200	1.63	(0.04)	69,67,100	1.67	0.03
Yashovardhan Investment & Trading Co. Ltd.	78,89,500	1.90	-	78,89,500	1.90	0.04
Zuari International Limited (formerly Zuari Investments Limited)	4,02,840	0.10	-	4,02,840	0.10	-
Sub Total (B)	**8,94,78,059**	**21.50**		**8,91,94,406**	**21.43**	
Total (A) + (B)	**25,20,57,905**	**60.56**		**25,16,56,305**	**60.46**	

* Gobind Sugar Mills Limited was holding 1,947 equity shares of the Company, as at March 31, 2022. Pursuant to the scheme of amalgamation, Gobind Sugar Mills Limited merged with Zuari Industries Limited (formerly Zuari Global Limited) and 1,947 equity shares held by Gobind Sugar Mills Limited vested into Zuari Industries Limited (formerly Zuari Global Limited) during the financial year 2022-2023.

d) Details of Shareholders holding more than 5% shares in the Company

Name	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of holding	No. of shares	% of holding
The Hindustan Times Limited	5,93,71,221	14.26	5,93,71,221	14.26
Zuari Industries Limited (formerly Zuari Global Limited)	5,90,17,307	14.18	5,90,15,360	14.18
SIL Investments Limited	3,37,93,455	8.12	3,37,33,455	8.10
DSP Small Cap Fund and its Associate Funds	2,50,74,281	6.02	1,71,39,349	4.12

As per the records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownership of shares.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 10A : Other Equity *		
Reserves and Surplus:		
(a) Securities Premium	6.42	6.42
(b) Retained Earnings	5,994.94	5,289.32
(c) General Reserve	734.26	684.26
(d) Treasury Shares	(0.57)	(2.76)
(e) Loss on Treasury Shares Acquired	(2.14)	(1.90)
(f) Capital Reserve	0.21	0.21
(g) Capital Redemption Reserve	0.25	0.25
(h) Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961	0.50	0.50
(i) Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961	42.25	42.25
(j) Share Option Outstanding Account	2.64	2.64
Total	**6,778.76**	**6,021.19**
Other Comprehensive Income:		
(k) Cash Flow Hedging Reserve	(318.40)	(253.81)
Total	**(318.40)**	**(253.81)**
Other Equity	**6,460.36**	**5,767.38**

* For movement during the year, refer Standalone Statement of Changes in Equity.

Description of Nature and Purpose of each Reserve

(a) Securities Premium

Securities Premium represents amount received on issue of shares in excess of the par value. Utilisation of reserve will be as per the provisions of the relevant statute.

(b) Retained Earnings

Retained Earnings comprises of prior years as well as current year's undistributed earnings after taxes.

(c) General Reserve

General Reserve is a free reserve. It represents appropriation of profit by the Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(d) Treasury Shares

Treasury Shares represents equity shares of the Company acquired by CFCL Employees Welfare Trust from the secondary market to allocate or transfer these shares to eligible employees of the Company from time to time on the terms and conditions specified under the CFCL Employees Stock Option Scheme, 2010.

(e) Loss on Treasury Shares acquired

Loss on Treasury Shares acquired represents the amount of loss incurred by CFCL Employees Welfare Trust, on the transfer of equity shares to the eligible employees of the Company as per CFCL Employees Stock Option Scheme, 2010.

(f) Capital Reserve

Capital Reserve represents the amount on account of forfeiture of equity shares of the Company. Utilisation of reserve will be as per the provisions of the relevant statute.

(g) Capital Redemption Reserve

Capital Redemption Reserve represents reserve created on redemption of preference shares. Utilisation of reserve will be as per the provisions of the relevant statute.

(h) & (i) Tonnage Tax Reserve and Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961

These reserves were created till the time erstwhile 'Shipping Division' was under Tonnage Tax Regime.

(j) Share Option Outstanding Account

The Share Option Outstanding Account is used to recognise the grant date fair value of options issued to employees under the CFCL Employees Stock Option Scheme, 2010. Refer to note 35 for further details of the plan.

(k) Cash Flow Hedging Reserve

The Company uses hedging instrument as part of its management of foreign currency risk associated with its highly probable forecast sale. Foreign currency risk associated with highly forecasted sale transaction is being hedged by taking foreign currency loans.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Financial Liabilities		
Note 11A: Non-Current Borrowings		
Secured Loans:		
Term Loans:		
- External Commercial Borrowings	1,808.88	2,297.71
- Foreign Currency Loans from Financial Institution	799.60	900.43
	2,608.48	**3,198.14**
Less : Current maturities of Long Term Borrowings shown under "Current Borrowings" (refer note 14A)	867.22	799.91
Non-Current Borrowings (as per Balance Sheet)	**1,741.26**	**2,398.23**
(a) Details of Borrowings and Transaction Costs		
(i) External Commercial Borrowings		
External Commercial Borrowings (refer (b) i below)	1,817.91	2,311.76
Less: Transaction Costs	9.03	14.05
Carrying Value of External Commercial Borrowings	**1,808.88**	**2,297.71**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(ii) Foreign Currency Loans from Financial Institution		
Foreign Currency Loans from Financial Institution (refer (b) ii below)	804.82	907.33
Less: Transaction Costs	5.22	6.90
Carrying Value of Foreign Currency Loans from Financial Institution	**799.60**	**900.43**

(b) Nature of Security, Terms and Repayment Schedule:

i External Commercial Borrowings ("ECB") from banks of USD 22.12 Crore (Rs. 1,817.91 Crore including current maturity of Rs. 688.37 Crore) (Previous Year: Rs. 2,311.76 Crore including current maturity of Rs. 634.94 Crore) carry interest in the range of 3 months LIBOR / ON SOFR plus 1.35% - 1.94% per annum. ECB amounting to USD 17.62 Crore (Rs. 1,448.12 Crore including current maturity of Rs.606.19 Crore) are repayable in remaining 10 quarterly instalments from June 30, 2023 onwards. ECB amounting to USD 4.50 Crore (Rs. 369.79 Crore including current maturity of Rs. 82.18 Crore) are repayable in remaining 18 equal quarterly instalments from June 30, 2023 onwards. These ECBs are secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties of the Company and hypothecation of the movable fixed assets of the Company, both present and future subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

ii Foreign currency term loans from a financial institution of USD 9.79 Crore (Rs. 804.82 Crore including current maturity of Rs.178.85 Crore) (Previous Year: Rs. 907.33 Crore including current maturity of Rs.164.97 Crore) carry interest of 3 months LIBOR plus 1.55% per annum. These term loans are repayable in remaining 18 equal quarterly instalments from June 30, 2023 onwards. These loans are secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties of the Company and hypothecation of the movable fixed assets of the Company, both present and future subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 12 : Long Term Provisions		
Provision for Employee Benefits		
- Gratuity (refer note 30)	13.53	10.02
- Post Retirement Medical Benefits (refer note 30)	5.11	4.98
	18.64	**15.00**
Note 13 : Other Non Current Liabilities		
Other Employee Benefits Obligations	3.20	3.28
	3.20	**3.28**
Current Financial Liabilities		
Note 14A : Current Borrowings		
Secured Loans:		
From Banks:		
- Rupee Loans - Working Capital Demand Loan (refer i below)	-	890.00
- Foreign Currency Loans (refer ii below)	647.64	161.94
Current Maturity of Long Term Borrowings (refer note 11A)	867.22	799.91
	1,514.86	**1,851.85**

Nature of Security, Terms and Repayment Schedule:

i Rupee Loans - Working Capital Demand Loan of Rs. 890.00 Crore was repaid during the year. Further, loan was secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. This loan was further secured by second charge on the immovable properties of the Company. This loan was repayable on demand.

ii Foreign Currency Loans from Banks of Rs. 647.64 Crore (Previous Year: Rs. 161.94 Crore) carry interest in the range of 5.16% - 5.46% per annum. These loans are secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company. These loans have been repaid on April 06, 2023.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 14B : Trade Payables		
Trade Payables		
a) total outstanding dues to Micro and Small Enterprises (refer note 33)	19.03	11.52
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,191.92	1,487.31
	1,210.95	**1,498.83**

Trade Payables Ageing Schedule

As at March 31, 2023 (Rs. in Crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	2.52	16.51	-	-	-	-	**19.03**
Others	129.10	615.83	446.99	0.00	-	-	**1,191.92**
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**131.62**	**632.34**	**446.99**	**0.00**	-	-	**1,210.95**

As at March 31, 2022 (Rs. in Crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	0.99	8.79	1.74	-	-	-	**11.52**
Others	43.87	804.74	638.70	-	-	-	**1,487.31**
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**44.86**	**813.53**	**640.44**	-	-	-	**1,498.83**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 14C : Other Financial Liabilities		
Interest Accrued but not due on Borrowings	4.33	0.38
Earnest Money / Security Deposits	233.88	215.51
Accrued Employee Liabilities (including payable to Key Management Personnel) (refer note 29)	34.69	32.85
Unclaimed Statutory Liabilities (as referred in Section 124(1) of the Companies Act, 2013):		
- Unpaid Dividend	18.87	17.38
Payable for Capital Goods {includes Rs. 2.15 Crore (Previous Year: Rs.1.83 Crore) dues to Micro and Small Enterprises (refer note 33)}	28.98	13.59
Derivative Financial Liabilities	9.43	4.97
	330.18	**284.68**
Terms and conditions of the above Financial Liabilities:		
- Trade and Other Financial Liabilities (other than Security Deposits) are non-interest bearing. For maturity profile of Trade Payables and Other Financial Liabilities, refer note 39.		
Note 15 : Other Current Liabilities		
Advance from Customers *	39.74	109.10
Other Employee Benefits Obligations	0.66	0.70
Statutory Obligations Payable	13.16	15.13
Other Liabilities :		
- Dues to Related Parties (refer note 29)	0.58	0.63
- Others	0.03	0.02
	54.17	**125.58**
* These represent contract liabilities arising from contracts with customers. The amount of Rs. 106.20 Crore (Previous Year: Rs. 27.80 Crore) pertaining to balance at the beginning of the year have been recognised as revenue during the year. The remaining balances have been refunded / adjusted.		
Note 16 : Current Provisions		
Provision for Employees Benefits:		
- Gratuity (refer note 30)	4.93	4.14
- Leave Encashment / Liabilities *	31.23	30.11
- Post Retirement Medical Benefits (refer note 30)	0.22	0.20
	36.38	**34.45**

* Leave obligations not expected to be settled within the next 12 months: Rs. 20.04 Crore as at March 31, 2023 and Rs. 19.96 Crore as at March 31, 2022

NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Note 17 : Revenue from Operations		
Sale of Products		
Sale of Own Manufactured Products {including Rs. 14,233.12 Crore (Previous Year: Rs. 8,821.84 Crore) Subsidy on Fertilisers}	16,689.14	10,925.56
Sale of Traded Products {including Rs. 6,360.56 Crore (Previous Year: Rs. 2,516.94 Crore) Subsidy on Fertilisers}	11,082.31	5,141.94
Other Operating Revenues		
Others (spillage)	1.36	1.33
Revenue from Operations	**27,772.81**	**16,068.83**
Note 18 : Other Income		
(A) Other Income		
Interest on:		
- Fertilisers Bonds	0.00	0.00
- Employees Loans	0.01	0.01
- Deposits	25.57	7.60
- Payment from Customers	0.82	1.41
- Others (including deposits with Government Authorities)	0.59	0.03
Dividend Income		
- On Investment in Joint Venture (refer note 29)	91.65	27.89
- On Non-Current Investment	0.00	0.00
Rent Received	0.17	0.10
Insurance Claims Received	45.43	18.72
Recoveries from Contractor	0.43	0.41
Liabilities no Longer Required Written Back	0.35	4.55
Allowance for Doubtful Debts and Advances (Net)	41.18	-
Sale of Scrap	3.96	4.47
Miscellaneous Income	2.26	10.51
(B) Other Gains :		
-Mark to Market Gain on Derivative Transactions	3.97	-
-Gain on Sale of Current Investments	42.65	8.11
-Gain on Foreign Exchange Variation (Net)	-	6.83
-Gain on Disposal of Property, Plant and Equipment (Net)	-	4.92
	259.04	**95.56**

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Note 19 : Cost of Materials Consumed		
Opening Inventories	2.00	1.53
Add: Purchases	8,522.20	5,369.00
Less: Closing Inventories	1.64	2.00
	8,522.56	**5,368.53**
Note 20 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Closing Inventories		
- Work-in-Progress	18.22	16.71
- Finished Goods	152.39	348.66
- Traded Goods	1,045.98	2,637.35
	1,216.59	**3,002.72**
Opening Inventories		
- Work-in-Progress	16.71	6.99
- Finished Goods	348.66	221.48
- Traded Goods	2,637.35	447.26
	3,002.72	**675.73**
Decrease / (Increase) in Inventories	**1,786.13**	**(2,326.99)**
Note 21 : Employee Benefits Expense		
Salaries, Wages and Bonus *	171.23	159.92
Contribution to Provident and Other Funds	9.21	9.14
Gratuity Expense (refer note 30)	3.65	3.42
Post Retirement Medical Benefits (refer note 30)	0.58	0.52
Workmen and Staff Welfare Expenses	5.35	6.80
	190.02	**179.80**
* Refer Note 27		
Note 22 : Finance Costs		
Interest (including Interest on Income Tax : Rs. 0.24 Crore (Previous Year : Rs. 1.79 Crore)) *	290.54	103.65
Bank Charges	17.63	14.36
Mark to Market Loss / (Gain) on Derivative Transactions	9.85	(16.65)
Loss on Foreign Exchange Variation (Net) related to financing arrangements	2.00	4.57
	320.02	**105.93**
* Refer Note 27		

(Rs. in Crore)

Particulars		Year Ended March 31, 2023		Year Ended March 31, 2022
Note 23 : Other Expenses				
Consumption of Stores and Spares		43.35		34.58
Consumption of Packing Materials		134.87		126.51
Bagging and Other Services		22.88		21.69
Power and Fuel		4,838.21		3,019.28
Catalyst Charges Written off		9.00		8.52
Rent (refer note 32)		7.88		6.83
Rates and Taxes		0.54		5.35
Insurance		38.18		32.12
Repairs and Maintenance:				
- Plant and Equipment		43.93		33.67
- Buildings		6.26		4.47
- Others		17.72		14.00
Director's Sitting Fees		0.25		0.29
Travelling and Conveyance *		11.24		7.20
Communication Costs		0.79		0.69
Printing and Stationery		0.42		0.34
Legal and Professional Fees *		5.77		7.73
Payments to the Auditor:				
As auditor:				
- Audit Fee		0.40		0.40
- Tax Audit Fee		0.07		0.07
- Limited Review Fee		0.30		0.30
- Certification and Other Services		0.59		0.20
- Reimbursement of Expenses		0.06		0.03
Freight and Forwarding Charges		777.97		633.99
Other Selling Expenses		9.09		3.42
Corporate Social Responsibility Expenditure (refer note 34)		34.30		28.00
Depletion of Loose Tools		0.20		0.22
Green Belt Development / Horticulture Expenses		3.44		3.36
Allowance for Doubtful Debts and Advances (Net)		-		2.36
Loss on Foreign Exchange Variation (Net)		23.58		-
Mark to Market Loss on Derivative Transactions		-		4.97
Loss on Disposal / Write off of Property, Plant and Equipment (Net) and Right of Use Assets		2.80		-
Bank Charges and Guarantee Commission (other than financing)		-		2.95
Irrecoverable Balances written off	0.02		0.04	
Less: Allowance for Doubtful Debts and Advances adjusted out of above	-	0.02	-	0.04
Miscellaneous Expenses*		23.33		20.12
		6,057.44		**4,023.70**

* Refer Note 27

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Note 24 : Earnings Per Share (EPS)		
Profit as per Standalone Statement of Profit and Loss	1,069.31	1,287.12
Calculation of Weighted Average Number of Equity Shares		
- Number of Equity Shares at the beginning of the Year	416,207,852	416,207,852
- Total Equity Shares Outstanding at the end of the Year	416,207,852	416,207,852
- Weighted Average Number of Equity Shares Outstanding during the Year	**416,207,852**	**416,207,852**
Basic and Diluted Earnings Per Share (in Rs.)*	25.69	30.92
Nominal value of equity shares (in Rs.)	10.00	10.00

*There are no dilutive potential equity shares.

25 Contingent Liabilities and Contingent Assets:

(i) Contingent Liabilities (not provided for) in respect of :

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Demand raised by Service Tax, Goods and Services Tax, Sales Tax and Income Tax (IT) authorities being disputed by the Company *	142.39	104.94
(b)	Penalty levied by FERA Board under appeal before the Calcutta High Court	0.01	0.01
(c)	Various labour cases	Amount not ascertainable	Amount not ascertainable
(d)	Other claims against the Company not acknowledged as debts	0.08	0.08

* Brief description of liabilities under (a) above are as follows :

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Income Tax:**		
	(i) Demand raised by IT authorities on account of various disallowances for assessment year 2011-12	0.03	0.03
	(ii) Demand raised by IT authorities on account of various disallowances for assessment year 2017-18	10.36	10.36
	(iii) Demand raised by IT authorities on account of various disallowances for assessment year 2018-19	92.27	76.24
	(iv) Demand raised by IT authorities on account of various disallowances for assessment year 2019-20	8.53	8.53
	(v) Demand raised by IT authorities on account of various disallowances for assessment year 2020-21	6.29	6.29
	(vi) Demand raised by IT authorities on account of various disallowances for assessment year 2021-22	0.39	0.39
	(vii) Demand raised by IT authorities on account of various disallowances for assessment year 2022-23	2.83	-
	(viii) Other Matters	7.11	2.83

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
2	**Service Tax:**		
	Demand (including penalty) plus interest at the appropriate rate raised in respect of service tax not paid on payments made in foreign currency to foreign parties, treating all such payments as taxable, which is being contested by the erstwhile Shipping Division of the Company.	0.27	0.27
3	**Goods and Services Tax:**		
	Penalty in respect of refund availment of Inverted duty structure	14.31	-
	Total	**142.39**	**104.94**

(e) The Company had received a demand of Rs. 3.52 Crore plus penalty (Previous Year: Rs. 3.52 Crore) from Sales Tax Department, Kota in an earlier year towards use of natural gas for ammonia fuel, power and steam generation for the period April, 1996 to May, 2001. The Company has obtained a stay from Hon'ble High Court of Rajasthan, Jodhpur on 13th July, 2001 (1996-97 to 1997-98) and on 17th August, 2001 (1998-99 to 2001-02 – Upto May 2001). However, in the event of the Company having to pay the above, it is reimbursable by Fertiliser Industry Coordination Committee (FICC), Government of India under Subsidy Scheme.

(f) The Company as well as other users of natural gas under Hazira-Bijeypur-Jagdishpur Gas Pipeline had in earlier years received letters from GAIL (India) Limited, informing about the possibility of levy of excise duty on natural gas (presently not levied) with retrospective effect. The amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC, Government of India under Subsidy Scheme.

(g) The Company as well as other users of Natural Gas under Hazira-Bijeypur-Jagdishpur Gas Pipeline had received a letter in an earlier year from GAIL (India) Limited, informing about the possibility of levy of Central Sales Tax. The Company has been taking the delivery of Gas in the State of Rajasthan and has been accordingly paying Rajasthan Sales Tax on the supply. Therefore, the Company is of the view that no Central Sales Tax is payable by it. Further, the amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC, Government of India under Subsidy Scheme.

(h) Under the Jute Packaging Material (Compulsory use of Packing Commodities) Act, 1987, a specified percentage of fertilisers dispatched were required to be supplied in Jute bags up to August 31, 2001. The provisions of the said Act were challenged in the Supreme Court, which upheld the constitutional validity of this Act in its judgment in 1996. In spite of making conscious efforts to step up use of jute packaging material, the Company had been unable to adhere to the specified percentage, due to strong customer resistance to use of jute bags. The Company had received show cause notice from the Office of the Jute Commissioner, Kolkata, for levying a penalty of Rs. 73.80 Crore (Previous Year: Rs. 73.80 Crore) for non compliance of the provisions of the said Act. The Company has obtained a stay order from Delhi High Court against the above show cause notice. Management believes that it had a strong case and basis merit of the case, the Company is of the view that the said levy is not tenable in law and accordingly no provision has been considered.

Based on favorable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors, etc., the Company believes that there is fair chance of decisions in its favour in respect of all the items listed above and hence no provision is considered necessary against the same.

In respect of above contingent liabilities, it is not practicable for the Company to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

(ii) Contingent assets (not recognised) in respect of :

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Un-utilised cenvat credit	3.06	3.06

The erstwhile Shipping Division of the Company had claimed cenvat credit in the service tax returns in the earlier years. However, such service tax credit receivable has not been recognised in the financial statements due to uncertainty in utilisation of the same.

26 Capital Commitments

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account {net of advances of Rs. 69.28 Crore (Previous Year : Rs. 7.51 Crore)}	204.00	83.69

27 Capitalisation of Expenditure

The Company has capitalised the following expenses of revenue nature to the cost of Capital Work in progress. Consequently expenses disclosed under the respective notes are net of amounts capitalised by the Company. The break up of expenditure is as follows :

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	0.57	0.77
Add : Expenditure during the year		
Salaries,Wages and Bonus	2.11	0.09
Travelling and Conveyance	0.31	0.01
Legal and Professional Fees	0.08	-
Miscellaneous Expenses	0.86	-
Interest **	1.50	0.11
Total Expenditure	**5.43**	**0.98**
Less: Allocated to Property, Plant and Equipment	(0.41)	(0.41)
Capitalisation of Expenditure (pending for Allocation) *	**5.02**	**0.57**

* Includes Rs. 3.44 Crore (Previous Year: Nil) related to upcoming Technical Ammonium Nitrate Plant.

** Interest comprises of Rs. 1.50 Crore (Previous Year : Rs. 0.11 Crore) on general borrowings for Technical Ammonium Nitrate Plant and other qualifying assets (Previous Year : other qualifying assets) using the weighted average interest rate applicable during the year which is 6.28% per annum (Previous Year: 3.88% per annum).

28 The Managing Director and Chief Financial Officer of the Company has been identified as the chief operating decision maker (CODM) as defined by Ind AS 108, 'Operating Segments'. The Company is in the business of manufacturing / marketing of Fertilisers and other Agri-inputs. Looking at the nature of business and risk involved, the CODM has determined that the operations of the Company falls into single business segment. Further, all the customers and assets are located in India. Accordingly, no segment information is provided.

29 Related Party Transactions

Disclosures of the related party information as per Ind AS - 24 'Related Party Disclosures', are as follows-

I Related Party Name and Relationship

(A) Subsidiaries

CFCL Ventures Limited

Chambal Infrastructure Ventures Limited

ISGN Corporation #

ISG Novasoft Technologies Limited #

Inuva Info Management Private Limited * / ##

* Dissolved on May 03, 2021.

Subsidiaries of CFCL Ventures Limited.

Subsidiary of ISG Novasoft Technologies Limited.

(B) Joint Venture

Indo Maroc Phosphore, S.A. - IMACID

(C) Post Employment Benefit Plans

CFCL Employees' Provident Fund

Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund

CFCL Employees Group Gratuity Scheme

India Steamship Staff Provident Fund

India Steamship Staff Gratuity Insurance Scheme

ISG Novasoft Technologies Limited Employees Group Gratuity Trust

(D) Key Management Personnel

S. No.	Name	Designation
1	Mr. Saroj Kumar Poddar	Non-Executive Chairman
2	Mr. Pradeep Jyoti Banerjee	Independent - Non-Executive Director
3	Mr. Shyam Sunder Bhartia	Non-Executive Director
4	Mr. Anil Kapoor	Managing Director (Ceased to be Managing Director with effect from April 16, 2021)
5	Mr. Gaurav Mathur	Managing Director (Joint Managing Director upto April 15, 2021 and Appointed as Managing Director with effect from April 16, 2021)
6	Mr. Vivek Mehra	Independent - Non-Executive Director
7	Mrs. Rita Menon	Independent - Non-Executive Director
8	Mr. Chandra Shekhar Nopany	Non-Executive Director
9	Ms. Radha Singh	Independent - Non-Executive Director (Ceased to be Director with effect from September 15, 2022)
10	Mr. Marco Philippus Ardeshir Wadia	Independent - Non-Executive Director (Ceased to be Director with effect from September 15, 2022)
11	Mr. Berjis Minoo Desai	Independent - Non-Executive Director (Appointed as Director with effect from September 13, 2022)
12	Mr. Abhay Baijal	Chief Financial Officer (Ceased to be Chief Financial Officer with effect from February 01, 2023)
13	Mr. Anand Agarwal	Chief Financial Officer (Appointed as Chief Financial Officer with effect from February 01, 2023)
14	Mr. Rajveer Singh	Company Secretary (Ceased to be Company Secretary with effect from May 06, 2023)
15	Mr. Anuj Jain	Company Secretary (Appointed as Company Secretary with effect from May 06, 2023)

II Transaction with the Related Parties

(A) Joint Venture

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Dividend Income		
Indo Maroc Phosphore, S.A. - IMACID	91.65	27.89
Total	**91.65**	**27.89**
Reimbursement of Expenses		
Indo Maroc Phosphore, S.A. - IMACID	0.29	-
Total	**0.29**	-

(B) **Post Employment Benefit Plans**

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Employer's Contribution Paid / Payable		
- CFCL Employees' Provident Fund	-	2.15
- Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund	-	0.49
- CFCL Employees Group Gratuity Scheme	-	2.00
- India Steamship Staff Provident Fund	0.02	0.02
Total	**0.02**	**4.66**

(C) **Key Management Personnel**

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Compensation *		
-Short Term Employee Benefits:		
Mr. Anil Kapoor	-	5.43
Mr. Gaurav Mathur	4.82	4.31
Mr. Abhay Baijal	2.22	1.72
Mr. Anand Agarwal	0.29	-
Mr. Rajveer Singh	1.04	0.94
-Post Employment Benefits:		
Mr. Anil Kapoor	-	1.68
Mr. Gaurav Mathur	0.35	0.34
Mr. Abhay Baijal	0.92	0.14
Mr. Anand Agarwal	0.02	-
Mr. Rajveer Singh	0.08	0.07
-Share Based Payments:		
Mr. Abhay Baijal	-	0.12
Mr. Rajveer Singh	0.74	-
Commission to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.10	0.10
Mr. Pradeep Jyoti Banerjee	0.10	0.10
Mr. Vivek Mehra	0.10	0.10
Mrs. Rita Menon	0.10	0.10
Mr. Chandra Shekhar Nopany	0.10	0.10
Ms. Radha Singh	0.05	0.10
Mr. Marco Philippus Ardeshir Wadia	0.05	0.10
Mr. Berjis Minoo Desai	0.05	-

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Sitting Fees to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.02	0.02
Mr. Pradeep Jyoti Banerjee	0.04	0.03
Mr. Vivek Mehra	0.04	0.05
Mrs. Rita Menon	0.04	0.04
Mr. Chandra Shekhar Nopany	0.03	0.03
Ms. Radha Singh	0.03	0.06
Mr. Marco Philippus Ardeshir Wadia	0.03	0.06
Mr. Berjis Minoo Desai	0.02	-

* The liabilities for the gratuity, leave, post retirement medical benefits, long service award scheme and settlement allowance are provided on an actuarial basis and determined for the Company as a whole rather than for each of the individual employees. Accordingly, the said liabilities cannot be ascertained separately for Managing Director, Chief Financial Officer and Company Secretary, hence not included, except for the amount actually paid.

III Outstanding Balances to / from Related Parties

(A) Joint Venture

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Current Financial Assets		
Indo Maroc Phosphore, S.A. - IMACID	0.20	-
Total	**0.20**	**-**

(B) Post Employment Benefit Plans

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Current Liabilities		
India Steamship Staff Provident Fund	0.00	0.00
Total	**0.00**	**0.00**

(C) Key Management Personnel

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Financial Liabilities		
Mr. Rajveer Singh	0.00	-
Total	**0.00**	**-**
Other Current Liabilities		
Mr. Saroj Kumar Poddar	0.09	0.09
Mr. Pradeep Jyoti Banerjee	0.09	0.09
Mr. Vivek Mehra	0.09	0.09
Mrs. Rita Menon	0.09	0.09
Mr. Chandra Shekhar Nopany	0.09	0.09
Ms. Radha Singh	0.04	0.09
Mr. Marco Philippus Ardeshir Wadia	0.04	0.09
Mr. Berjis Minoo Desai	0.05	-
Total	**0.58**	**0.63**

Note: Outstanding balances are unsecured and their settlement occurs in cash. Further, no loss allowances were made against such balances.

Key Management Personnel interests in the CFCL Employees Stock Option Scheme, 2010 (ESOS)

Details of Stock Options held by Key Management Personnel under the ESOS to purchase equity shares of the Company are as follows:

Key Management Personnel	Grant date	Expiry Period (Financial Year)	Exercise Price (in Rs.)	As at March 31, 2023 Number of Stock Options Outstanding and Exercisable	As at March 31, 2022 Number of Stock Options Outstanding and Exercisable
Mr. Rajveer Singh *	September 16, 2010	-	73.50	-	30,000
Total				-	**30,000**

Each stock option entitles the holder to acquire 1 equity share of Rs.10.

* Ceased to be Company Secretary with effect from May 06, 2023.

30 Gratuity and Other Post-Employment Benefit Plans:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity Plan - (Liability)	(18.46)	(14.16)
Provident Fund - Asset *	2.39	2.11
Post Retirement Medical Benefits Plan - (Liability)	(5.33)	(5.18)

* Plan asset of Rs. 2.39 Crore (Previous Year: Rs. 2.11 Crore) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

a) Gratuity

The Company has a defined benefit gratuity plan. Benefit is being paid as under:

A) In case of retirement or death of an employee while in service of the Company, the gratuity will be payable as under:

i) Completed continuous service of 5 years and above upto 20 years – gratuity equivalent to 15 days last drawn salary for each completed year of service.

ii) Completed continuous service of above 20 years – gratuity equivalent to 15 days last drawn salary for first 20 years and 20 days last drawn salary for each completed year of service after 20 years.

B) In case of resignation or termination of an employee, where the employee has completed 5 years of continuous service with the Company, gratuity equivalent to 15 days last drawn salary for each completed year of service shall be payable. In case of erstwhile Shipping Division, the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 to 30 days last drawn salary for each completed year of service.

The Scheme is funded with insurance company in the form of a qualifying insurance policy except in the case of crew employees of the division. The fund has the form of a trust and it is governed by the Board of Trustees.

b) Post Retirement Medical Benefit Plan

The Company has post retirement medical benefit schemes in the nature of defined benefit plan which is unfunded.

c) Provident Fund

The Company had set up provident fund trusts, which were managed by the Trustees. Provident funds set up by employers, which requires interest shortfall to be met by the employer, has been treated as defined benefit plan till August 31, 2021. During the Previous Year, the Company had initiated the process of surrender of exemption granted to CFCL Employees' Provident Fund and transferred the accumulated provident fund balance of employees to the Regional Provident Fund Commissioner ('RPFC'). In view of the above, the Company remits the monthly contribution of Provident Fund to RPFC with effect from September 01, 2021. Therefore, contribution to Provident Fund is treated as Defined Contribution Plan with effect from September 01, 2021 except contribution to Provident Fund of erstwhile shipping division of the Company.

The Board of Trustees of Gratuity Trust are responsible for the administration of the plan assets and for the definition of the investment strategy. The Board of Trustees reviews the level of funding and investment and such a review includes the asset-liability matching strategy and investment risk management policy.

The Board of Trustees decides its contribution based on the results of its review. Generally, it aims to have a portfolio mix of equity instruments and debt instruments. Investments of Provident Fund Trust were governed by the rules issued by the Ministry of Labour, Government of India for Employee Provident Fund exempted establishment.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans:

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2023:

(Rs. in Crore)

Particulars	As at April 01, 2022	Service Cost	Net Interest Expense	Sub-total included in Profit or Loss	Benefits Paid	Return on Plan Assets (excluding amounts included in Net interest Expense)	Actuarial Changes arising from changes in Demographic Assumptions	Actuarial changes arising from changes in Financial Assumptions	Experience Adjustments	Subtotal included in OCI	Settlement/ Transfer in	Contributions by Employer	As at March 31, 2023
		Cost charged to Statement of Profit and Loss				Re-measurement Gains / (Losses) in OCI							
(A) Gratuity Plan :													
Defined Benefit Obligation	(41.92)	(2.65)	(3.04)	(5.69)	3.59	-	-	-	0.59	0.59	-	-	(43.43)
Fair Value of Plan Assets	27.76	-	2.04	2.04	(3.58)	(1.25)	-	-	-	(1.25)	-	-	24.97
Benefit (Liability)	**(14.16)**			**(3.65)**	**0.01**					**(0.66)**	**-**	**-**	**(18.46)**
(B) Post Retirement Medical Benefits Plan:													
Defined Benefit Obligation	(5.18)	(0.20)	(0.38)	(0.58)	0.22	-	-	-	0.21	0.21	-	-	(5.33)
Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (Liability)	**(5.18)**			**(0.58)**	**0.22**					**0.21**	**-**	**-**	**(5.33)**

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2022:

(Rs. in Crore)

Particulars	As at April 01, 2021	Service Cost	Net Interest Expense	Sub-total included in Profit or Loss	Benefits Paid	Return on Plan Assets (excluding amounts included in Net interest Expense)	Actuarial Changes arising from changes in Demographic Assumptions	Actuarial changes arising from changes in Financial Assumptions	Experience Adjustments	Subtotal included in OCI	Settlement/ Transfer In	Contributions by Employer	As at March 31, 2022
		Cost charged to Statement of Profit and Loss				Re-measurement Gains / (Losses) in OCI							
(A) Gratuity Plan :													
Defined Benefit Obligation	(41.75)	(2.56)	(2.84)	(5.40)	4.14	-	-	-	1.09	1.09	-	-	(41.92)
Fair Value of Plan Assets	28.68	-	1.98	1.98	(4.15)	(0.75)	-	-	-	(0.75)	-	2.00	27.76
Benefit (Liability)	**(13.07)**			**(3.42)**	**(0.01)**					**0.34**	**-**	**2.00**	**(14.16)**
(B) Post Retirement Medical Benefits Plan:													
Defined Benefit Obligation	(5.04)	(0.17)	(0.35)	(0.52)	0.20	-	-	-	0.18	0.18	-	-	(5.18)
Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (Liability)	**(5.04)**			**(0.52)**	**0.20**					**0.18**	**-**	**-**	**(5.18)**

Provident Fund:

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2023 and March 31, 2022:

(Rs. in Crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset
Opening Balance	**(1.66)**	**3.77**	**2.11**	**(176.85)**	**186.32**	**9.47**
Service Cost	(0.02)	-	**(0.02)**	(2.15)	-	**(2.15)**
Net Interest Expense	(0.12)	0.31	**0.19**	(10.11)	-	**(10.11)**
Benefits Paid	-	-	**-**	11.03	(11.03)	**-**
Return on Plan Assets (excluding amounts included in Net Interest Expense)	-	-	**-**	-	4.01	**4.01**
Actuarial Changes arising from changes in Financial Assumptions	-	-	**-**	-	-	**-**
Experience Adjustments	(0.23)	0.32	**0.09**	(0.83)	(0.04)	**(0.87)**
Settlement / Transfer in *	-	-	**-**	181.97	(182.36)	**(0.39)**
Contributions by Plan Participant / Employees	(0.02)	0.02	**-**	(4.72)	4.72	**-**
Contributions by Employer	-	0.02	**0.02**	-	2.15	**2.15**
Closing Balance	**(2.05)**	**4.44**	**2.39**	**(1.66)**	**3.77**	**2.11**

* This includes accumulated Provident Fund Balance of CFCL Employees Provident Fund transferred to RPFC.

The Company expects to contribute Rs. 4.18 Crore (Previous Year : Rs. 3.39 Crore) to gratuity trust in the next financial year.

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

Particulars	As at March 31, 2023	As at March 31, 2022
	%	%
Discount Rate:		
Gratuity Plan	7.51	7.36
Post Retirement Medical Benefits	7.51	7.36
Future Salary Increase:		
Gratuity Plan	7.50	7.50
Medical Cost Escalation Rate:		
Post Retirement Medical Benefits cost increase	3.00	3.00
Life expectation for:		
Post Retirement Medical Benefits		
Male	17.31	17.31
Female	21.67	21.67

A quantitative sensitivity analysis for significant assumptions as at March 31, 2023 is shown below:

Gratuity Plan:

Particulars	Year Ended March 31, 2023			
Assumption	Discount Rate		Future Salary Increase	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore)	(1.64)	1.76	1.74	(1.63)

Post Retirement Medical Benefits Plan:

Particulars	Year Ended March 31, 2023			
Assumption	Discount Rate		Medical Cost Escalation Rate	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore)	(0.40)	0.42	0.42	(0.40)

A quantitative sensitivity analysis for significant assumptions as at March 31, 2022 is shown below:

Gratuity Plan:

Particulars	Year Ended March 31, 2022			
Assumption	Discount Rate		Future Salary Increase	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore)	(1.69)	1.70	1.72	(1.70)

Post Retirement Medical Benefits Plan:

Particulars	Year Ended March 31, 2022			
Assumption	Discount Rate		Medical Cost Escalation Rate	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore)	(0.36)	0.37	0.38	(0.36)

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

Sensitivities as to rate of inflation, rate of increase of pension payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

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

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.70 years for Gratuity Plan and 14.70 years for Post Retirement Medical Benefits Plan (Previous Year : 14.36 years for Gratuity Plan and 14.34 years for Post Retirement Medical Benefits Plan).

Investment Pattern in Plan Assets:

Particulars	Gratuity	
	Financial Year 2022-23	Financial Year 2021-22
Investments with insurers / Government securities / Equity shares / Equity oriented mutual funds (%)	100%	100%

Maturity Profile of Defined Benefit Obligation:

(Rs. in Crore)

Particulars	Within the Next 12 Months	Between 2 and 5 Years	Between 5 and 10 Years	Beyond 10 Years
As at March 31, 2023				
Gratuity Fund	3.64	12.93	14.38	12.48
Provident Fund	2.05	-	-	-
Post Retirement Medical Benefits Plan	0.22	1.18	1.49	2.44
As at March 31, 2022				
Gratuity Fund	4.93	10.89	13.23	12.87
Provident Fund	1.66	-	-	-
Post Retirement Medical Benefits Plan	0.20	1.01	1.36	2.61

Contribution to Defined Contribution Plans :

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Provident Fund *	1.49	2.97
Pension Fund	-	1.50
Superannuation Fund	-	0.47
National Pension System	2.00	1.77
Employers' Contribution to Employees' State Insurance Corporation	0.02	0.01

* With effect from September 01, 2021, the Company has remitted monthly contribution to RPFC.

31 Subsidies

(a) Nitrogenous Fertilisers are under the Concession Prices for urea under New Urea Policy 2015, New Pricing Scheme – Stage III, New Investment Policy 2012 (amended), Modified New Pricing Scheme - Stage - III and Uniform Freight Policy, which were further adjusted for input price escalation / de- escalation, as estimated on the basis of the prescribed norms in line with known policy parameters.

Contribution from sale of surplus ammonia has been accounted for in accordance with the known policy parameters.

Current year's subsidy income of Urea has been (reduced) / increased by Rs. (0.21) Crore (Previous Year: Rs. 90.38 Crore), pertaining to earlier years, but determined during the year.

(b) Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Subsidy Policy and Freight subsidy has been accounted for in line with the policy, notified by the Government of India.

32 Leases

This note provides information for the leases where the Company is a lessee. The Company leases various offices and lease periods are generally fixed ranging from eleven months to nine years, but may have extension options.

Amounts recognised in the Standalone Statement of Profit and Loss relating to Leases

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Depreciation charge for Right-of-Use Assets	5.17	5.41
Interest Expense (included in Finance Costs)	0.97	1.16
Expense relating to short term leases (included in Other Expenses)	7.88	6.83
Expense relating to leases of low - value assets that are not shown above as short term leases (included in Other Expenses)	-	-
Expense relating to variable lease payments not included in Lease Liabilities	-	-

Amount recognised in the Standalone Statement of Cash Flows

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Total cash outflow for Leases	5.88	6.46

Additions / Net Book Value pertaining to the right-of-Use Assets are as follows:

Property, Plant and Equipment comprises owned and leased assets that do not meet the definition of investment property.

(Rs. in Crore)

Particulars	Financial Year - 2022-23	Financial Year - 2021-22
Property, Plant and Equipment comprises:		
Right-of-Use Assets - Additions during the year	14.50	1.31
Right-of-Use Assets - Net Book Value	21.60	12.47

Maturity analysis of Lease Liabilities

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Payable within one year	4.67	5.25
Payable after one year but not more than five years	16.50	8.18
Payable after more than five years	1.96	0.34
Total undiscounted Lease Liabilities	**23.13**	**13.77**
Lease Liabilities included in the Standalone Balance Sheet	**23.13**	**13.77**
Non-Current	**18.46**	**8.52**
Current	**4.67**	**5.25**

The Company has discounted lease payments using the applicable incremental borrowing rate of 3.88% per annum (Previous Year: 4.48% per annum) for measuring the Lease Liabilities.

33 Details of dues to Micro and Small Enterprises as per 'The Micro, Small and Medium Enterprise Development Act, 2006' (MSMED) :

(Rs. in Crore)

Particulars	Financial Year 2022-23	Financial Year 2021-22
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year {including payable for capital goods of Rs. 2.15 Crore (Previous Year : Rs.1.83 Crore)};	21.18	13.35
The interest due on unpaid principal amount remaining as at the end of each accounting year;	-	-
Principal amounts paid to suppliers registered under the MSMED beyond the appointed day during the year;	-	0.07
The amount of interest paid by the buyer in terms of Section 16 of the MSMED beyond the appointed day during each accounting year.	-	0.00
Interest paid, other than under Section 16 of MSMED to suppliers registered under the MSMED beyond the appointed day during the year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under Section 23 of the MSMED.	-	-

34 The disclosures in respect of Corporate Social Responsibility Expenditure are as follows:-

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(a) Gross amount required to be spent by the Company during the year	34.27	27.90
(b) Amount spent during the year on the following in cash :		
(i) Construction / acquisition of any asset	-	0.06
(ii) For purposes other than (i) above	34.30	27.94
Total (b)	**34.30**	**28.00**

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Amount required to be spent by the company during the year	34.27	27.90
(ii) Amount of expenditure incurred	34.30	28.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities : - Education Initiatives including Technical Education - Rural Development Initiatives - Health Care and Sanitation Initiatives - Employability and Empowerment - Environmental Sustainability, Animal Welfare and Soil Health Initiatives - Disaster Management - Promotion of Sports		

35 **Share Based Payments**

Employees Stock Option Scheme

The shareholders of the Company had approved CFCL Employees Stock Option Scheme, 2010 on August 27, 2010 which was amended by the shareholders on September 13, 2013 and the revised CFCL Employees Stock Option Scheme, 2010 (ESOS) was approved by the shareholders on September 15, 2015. As per ESOS, 41,62,000 Stock Options can be issued to Whole time Director/ Managing Director and other specified categories of employees of the Company. The options are to be granted at market price. The market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Each option, upon vesting, shall entitle the holder to acquire 1 equity share of Rs.10 of the Company.

Details of the scheme are as under:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Date of Grant	16-Sep-2010	22-Jan-2011	10-May-2011	17-Oct-2011	11-May-2012
Number of Options Granted	28,50,000	3,00,000	2,20,000	1,00,000	2,70,000
Method of Settlement (Cash / Equity)	Equity	Equity	Equity	Equity	Equity
Exercise Period*	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting
Vesting Conditions	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance

* In case of death / permanent incapacity / superannuation of the employee, 3 years from the date of death / permanent incapacity/ superannuation or expiry of exercise period, whichever is earlier.

Vesting Schedule :

Vesting Date	All tranches
1 year from the date of grant	15%
2 years from the date of grant	15%
3 years from the date of grant	20%
4 years from the date of grant	25%
5 years from the date of grant	25%

Movement in options is summarized below :

Particulars	Financial Year 2022-23	Financial Year 2021-22
	No. of options	No. of options
Outstanding at the beginning of the year	3,27,000	5,81,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	2,59,000	2,54,000
Expired during the year	-	-
Outstanding at the end of the year	68,000	3,27,000
Exercisable at the end of the year	68,000	3,27,000
Weighted average remaining contractual life (in years)	0.20	0.62
Weighted average Exercise price (in Rs.)	74.76	74.76

The details of Exercise Price of Stock Options Outstanding as at March 31, 2023 are as under:

Tranche	Weighted Average Fair Value of Options (in Rs.)	Range of Exercise Price (in Rs.)	Number of Options Outstanding	Weighted Average remaining Contractual Life of Options (in years)	Weighted Average Exercise Price (in Rs.)
1	31.38	73.50	49,000	0.13	73.50
2	32.86	76.85	7,000	0.20	76.85
3	38.44	82.90	-	-	82.90
4	45.06	101.10	5,000	0.52	101.10
5	34.97	69.40	7,000	0.83	69.40

The details of Exercise Price of Stock Options Outstanding as at March 31, 2022 are as under:

Tranche	Weighted Average Fair Value of Options (in Rs.)	Range of Exercise Price (in Rs.)	Number of Options Outstanding	Weighted Average remaining Contractual Life of Options (in years)	Weighted Average Exercise Price (in Rs.)
1	31.38	73.50	2,69,000	0.50	73.50
2	32.86	76.85	17,000	0.66	76.85
3	38.44	82.90	15,000	0.82	82.90
4	45.06	101.10	15,000	1.13	101.10
5	34.97	69.40	11,000	1.54	69.40

Stock Options Granted

The weighted average fair value of stock options granted is Rs. 32.54 per option (Previous Year: Rs. 32.54 per option). The Black Scholes Valuation Model has been used for computing the weighted average fair value considering the following inputs :

As at March 31, 2023:-

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted Average Share Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Exercise Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Expected Volatility	37.12%	37.30%	37.46%	38.09%	37.94%
Life of the Options granted (vesting and exercise period) in years	0.13	0.20	-	0.52	0.83
Average Risk-Free Interest rate	7.71%	7.72%	7.73%	7.76%	7.79%
Expected Dividend Yield	3.45%	3.45%	3.45%	3.45%	3.45%

As at March 31, 2022:-

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted Average Share Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Exercise Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Expected Volatility	37.12%	37.30%	37.46%	38.09%	37.94%
Life of the Options granted (vesting and exercise period) in years	0.50	0.66	0.82	1.13	1.54
Average Risk-Free Interest rate	7.71%	7.72%	7.73%	7.76%	7.79%
Expected Dividend Yield	3.45%	3.45%	3.45%	3.45%	3.45%

The expected volatility was determined based on historical volatility data. For calculating volatility, the Company has considered the daily volatility of the stock prices of the Company on National Stock Exchange of India Limited over a period prior to the date of grant, corresponding with the expected life of the options.

In financial year 2010-11, CFCL Employees Welfare Trust (“Trust”) was constituted, inter alia, for the purpose of subscribing or acquiring equity shares of the Company from the Company or Secondary market, to hold the shares and to allocate or transfer these shares to eligible employees of the Company from time to time on the terms and conditions specified under the Employees stock option scheme. The Board of Directors at its meeting held on May 08, 2010 had approved grant of financial assistance upto Rs. 30.00 Crore by the Company to Trust in such manner and on such terms as agreed between the trustee(s) of the Trust and Managing Director of the Company for the purpose of subscribing or acquiring shares of the Company. Trust is holding 68,000 equity shares (Previous Year : 3,27,000 equity shares) of the Company which were purchased from the open market.

36 Income Tax Expense

The major components of Income Tax Expense are:

Profit or Loss Section

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current Income Tax:		
Current Income Tax Charge	208.81	320.12
Adjustments in respect of Current Income Tax of earlier years	-	16.79
Deferred Tax:		
Relating to origination and reversal of temporary differences	454.54	535.61
Less: Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(83.90)	(33.00)
Less: Minimum Alternate Tax (MAT) Credit Entitlement	(196.97)	(174.73)
Income Tax Expense reported in the Standalone Statement of Profit and Loss	**382.48**	**664.79**

Other Comprehensive Income (OCI) Section

Tax related to items recognised in OCI:

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net (Gain) / Loss on re-measurement of Defined Benefit Plans	(0.16)	0.18
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Current Tax	37.58	21.12
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Deferred Tax	19.57	11.79
Net (Gain) on Effective Portion of Exchange Difference on Hedging Instruments - Deferred Tax	(91.85)	(45.69)
Income Tax (Credit) to OCI	**(34.86)**	**(12.60)**

Reconciliation of Tax Expense and the accounting profit multiplied by India's domestic tax rate:

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Accounting Profit Before Income Tax	**1,451.79**	**1,951.91**
At India's Statutory Income Tax rate of 34.944% (Previous Year : 34.944%)	507.31	682.07
Adjustments in respect of Current Income Tax of earlier years	-	16.79
	507.31	**698.86**
Tax effects of amount which are not deductible (taxable) in calculating taxable income-		
Corporate Social Responsibility Expenditure	11.99	9.78
Deduction under section 80M of Income Tax Act, 1961 and difference in tax rate on Dividend Income from specified foreign companies	(32.02)	(9.75)
Realisation of Short Term Capital Loss to reduce the Current Tax Expense	(14.90)	(2.83)
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(83.90)	(33.00)
Other Non-Deductible Items	(6.00)	1.73
At the Effective Income Tax rate of 26.35% (Previous Year : 34.06%)	**382.48**	**664.79**
Income Tax Expense reported in the Standalone Statement of Profit and Loss	382.48	664.79

Deferred Tax

Deferred Tax relates to the following:

(Rs. in Crore)

Particulars	Standalone Balance Sheet		Standalone Statement of Profit and Loss	
	As at March 31, 2023	As at March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Deferred Income Tax Liabilities				
Property, Plant and Equipment (including other intangible assets)	2,007.31	2,053.69	(46.38)	(53.06)
Right-of-Use Assets	1.33	1.42	(0.09)	(0.03)
Interest Income from Income tax refund, Value Added Tax refund etc. accrued in the books, to be offered to tax in the year of realisation	-	-	-	(0.43)
Effects of Expenditure allowed under Income Tax Act, 1961 but to be charged in the Statement of Profit and Loss in subsequent year	0.98	1.89	(0.91)	(3.09)
Total Deferred Income Tax Liabilities	**2,009.62**	**2,057.00**	**(47.38)**	**(56.61)**
Deferred Income Tax Assets				
Effects of Expenditure debited to Statement of Profit and Loss in the current year/ earlier years but allowable in subsequent year	1.18	0.32	0.86	0.31
Allowance for Doubtful Debts and Advances	8.30	22.65	(14.35)	0.21
Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	37.01	37.01	-	-
Mark to Market Gain on Interest Rate Swaps	-	-	-	(5.32)
Leave Encashment	10.84	10.46	0.38	(1.81)
Gratuity	5.28	4.01	1.27	0.50
Carry Forward of Losses on account of Deduction under section 35AD of Income Tax Act, 1961	-	431.37	(431.37)	(556.90)
Deferred Tax on Cash Flow Hedge	60.06	46.49	13.57	4.69
Re-Measurement (Gain) / Loss on Defined Benefit Plans	1.41	1.25	0.16	(0.18)
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	522.12	438.22	83.90	33.00
MAT Credit Entitlement	659.12	462.15	196.97	174.73
Deferred Tax Income			**(101.23)**	**(294.16)**
Total Deferred Income Tax Assets	**1,305.32**	**1,453.93**		
Net Deferred Tax Liabilities / (Assets)	**704.30**	**603.07**		

Reconciliation of Deferred Tax Liabilities / Assets (Net):

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	603.07	308.91
Tax Expense during the year recognised in Standalone Statement of Profit and Loss	454.54	535.61
Tax (Income) during the year recognised in OCI	(72.44)	(33.72)
Tax (Income) on Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(83.90)	(33.00)
MAT Credit Entitlement	(196.97)	(174.73)
Closing Balance	**704.30**	**603.07**

The Company has long term/ short term capital losses, to the tune of Rs. 104.86 Crore (Previous Year: Rs. 461.43 Crore) that are available for offsetting for three to five years against future taxable profits (long term / short term) of the Company. Deferred tax assets have not been recognised in respect of above losses in the financial year 2022-23 as there are no other tax planning opportunities or other evidence of recoverability in the near future.

Non-Current Tax Assets represents Advance Taxes / Tax Deductible at source and are shown as net of provisions of Rs. 587.64 Crore (Previous Year: Rs. 888.31 Crore)

37 Fair Values

The management assessed that fair value of financial assets and liabilities approximates their carrying amount.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

(i) Derivative financial instruments - The fair value of foreign exchange forward contracts is determined using the foreign exchange spot and forward rates at the balance sheet date. The fair value of Interest rate swap contracts is determined using the Black Scholes Valuation Model. The derivatives are entered into with the banks / counterparties with investment grade credit ratings.

(ii) Long term Security Deposits / Employee loans - The fair value of security deposits / employee loans approximates the carrying value and hence, the valuation technique and inputs have not been given.

(iii) Floating Rate Borrowings / Finance Lease Obligation / Lease Liabilities - The fair values of the Company's interest bearing borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.

(iv) The carrying amount of bank deposits, trade receivables, cash and cash equivalents, investment at amortised cost, other current financial assets, trade payables, fixed rate borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

(v) The fair value of investments carried at fair value through profit and loss is determined using Income Approach, Market Approach and Net Assets Value Method. Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future growth rates, discount rates and other factors of the underlying businesses.

38 Fair Value Measurements

(i) Financial Instruments by Category

(Rs. in Crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments:						
-Preference Shares	13.44	-	-	13.44	-	-
-Equity Shares	0.02	-	-	0.02	-	-
-Mutual Funds	1,837.30	-	-	-	-	-
-Government Securities	-	-	0.00	-	-	0.00
Employee Loans	-	-	0.21	-	-	0.30
Security Deposits	-	-	4.62	-	-	7.64
Trade Receivables	-	-	1,760.48	-	-	2,151.30
Cash and Cash Equivalents	-	-	27.74	-	-	521.41
Bank Balances other than above	-	-	18.90	-	-	17.41
Derivative Financial Assets	-	-	-	1.42	-	-
Other Current Financial Assets	-	-	112.61	-	-	26.67
Total Financial Assets	**1,850.76**	**-**	**1,924.56**	**14.88**	**-**	**2,724.73**

(Rs. in Crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Liabilities						
Borrowings - Floating Rate	-	-	2,608.48	-	-	3,198.14
Borrowings - Fixed Rate	-	-	647.64	-	-	1,051.94
Lease Liabilities	-	-	23.13	-	-	13.77
Trade Payables	-	-	1,210.95	-	-	1,498.83
Derivative Financial Liabilities	9.43	-	-	4.97	-	-
Other Current Financial Liabilities	-	-	320.75	-	-	279.71
Total Financial Liabilities	**9.43**	**-**	**4,810.95**	**4.97**	**-**	**6,042.39**

(ii) Fair Value Hierarchy

The following table provides the Fair Value Measurement hierarchy of the Company's Assets and Liabilities.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2023:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair Value					
Investment in Preference Shares	31.03.2023	13.44	-	-	13.44
Investment in Equity Shares	31.03.2023	0.02	-	-	0.02
Investment in Mutual Funds	31.03.2023	1,837.30	1,837.30	-	-
Derivative Financial Assets	31.03.2023	-	-	-	-
Assets for which Fair Values are disclosed					
Employee Loans	31.03.2023	0.16	-	0.16	-
Security Deposits	31.03.2023	3.69	-	3.69	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Liabilities as at March 31, 2023:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at Fair Value					
Derivative Financial Liabilities	31.03.2023	9.43	-	9.43	-
Liabilities for which Fair Values are disclosed					
Borrowings - Floating Rate	31.03.2023	2,608.48	-	2,608.48	-
Lease Liabilities	31.03.2023	23.13	-	23.13	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value measurement Hierarchy for Assets as at March 31, 2022:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair Value					
Investment in Preference Shares	31.03.2022	13.44	-	-	13.44
Investment in Equity Shares	31.03.2022	0.02	-	-	0.02
Derivative Financial Assets	31.03.2022	1.42	-	1.42	-
Assets for which Fair Values are disclosed					
Employee Loans	31.03.2022	0.24	-	0.24	-
Security Deposits	31.03.2022	3.29	-	3.29	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement hierarchy for Liabilities as at March 31, 2022:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable Inputs	Significant Unobservable Inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at Fair Value					
Derivative Financial Liabilities	31.03.2022	4.97	-	4.97	-
Liabilities for which Fair Values are disclosed					
Borrowings - Floating Rate	31.03.2022	3,198.14	-	3,198.14	-
Lease Liabilities	31.03.2022	13.77	-	13.77	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items:

(Rs. in Crore)

Particulars	Investment in Preference Shares	**Investment in Equity Shares**
As at April 01, 2021	13.44	0.02
-Additions	-	-
-Deletions	-	-
-Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	-	-
As at March 31, 2022	**13.44**	**0.02**

(Rs. in Crore)

Particulars	Investment in Preference Shares	Investment in Equity Shares
- Additions	-	-
- Deletions	-	-
- Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	-	-
As at March 31, 2023	**13.44**	**0.02**

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown as below:

Particulars	Valuation techniques	Significant unobservable inputs	Range (Net assets value) (Rs. in Crore)	Sensitivity of the inputs to fair value
As at March 31, 2023				
Investment in Preference Shares	Net Assets value method	Net Assets Value	13.44	Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.67 Crore and (Rs. 0.67 Crore) respectively.
Investment in Equity Shares	Net Assets value method	Net Assets Value	0.02	Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs. 0.00 Crore and (Rs. 0.00 Crore) respectively.
As at March 31, 2022				
Investment in Preference Shares	Net Assets value method	Net Assets Value	13.44	Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs. 0.67 Crore and (Rs .0.67 Crore) respectively.
Investment in Equity Shares	Net Assets value method	Net Assets Value	0.02	Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs. 0.00 Crore) respectively.

39 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents which are derived directly from its operations. The Company also holds investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The management of these risks is carried out by the finance department under the approved policies of the Company. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The management reviews overall risks periodically.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, investments, other receivables, other payables and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

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

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

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2023 and March 31, 2022.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As and when deemed appropriate, the Company enters into Interest rate swap contracts for converting floating rate into fixed rate.

Interest Rate Sensitivity

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

(Rs. in Crore)

Particulars	Increase+/ Decrease-in basis points	Increase/ (Decrease) in Profit before Tax
March 31, 2023		
USD Borrowings	+50	(15.87)
USD Borrowings	-50	15.87
March 31, 2022		
USD Borrowings	+50	(18.57)
USD Borrowings	-50	18.57

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

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The foreign exchange risk of the Company arises mainly out of import of fertilisers and foreign currency borrowings.

The major part of the long term borrowings of the Company comprises of External Commercial Borrowings / Foreign Currency Term Loans availed in US Dollars for financing of Gadepan-III plant of the Company. The repayment of these loans has started from financial year 2019-20. The revenue of the Company from Gadepan-III Plant is linked to US Dollars in terms of New Investment policy 2012. Accordingly, the Company has natural cover against fluctuation of foreign exchange rates and did not enter into transactions to hedge foreign exchange risk in respect of aforesaid foreign currency borrowings.

In order to mitigate the foreign exchange risk in respect of imported fertilisers, the Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts and option structures.

Foreign Currency Sensitivity

The company exposure to foreign currency risk at the end of the reporting period expressed in Rupees are as follows.

As at March 31, 2023

(Rs. in Crore)

Currency	Assets			Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Receivable from Joint Venture	Other Receivables	Trade and Other Financial Liabilities	Borrowings	Derivative Financial Liabilities	Interest accrued but not due on Borrowings	
USD	-	0.20	13.45	444.72	3,270.37	9.43	4.33	(3,715.20)
EURO	-	-	-	1.74	-	-	-	(1.74)
JPY	-	-	-	2.26	-	-	-	(2.26)
GBP	-	-	-	0.10	-	-	-	(0.10)

As at March 31, 2022

(Rs. in Crore)

Currency	Assets			Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Receivable from Joint Venture	Other Receivables	Trade and Other Financial Liabilities	Borrowings	Derivative Financial Liabilities	Interest accrued but not due on Borrowings	
USD	1.42	-	20.46	607.73	3,381.03	4.97	0.38	(3,972.23)
EURO	-	-	-	0.66	-	-	-	(0.66)
JPY	-	-	-	0.16	-	-	-	(0.16)
GBP	-	-	-	-	-	-	-	-

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

(Rs. in Crore)

Particulars	Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2023	Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2022	Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2023	Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2022
USD Sensitivity				
Rs./USD increase by 5%	(53.68)	(37.30)	(131.14)	(160.95)
Rs./USD decrease by 5%	53.68	37.30	131.14	160.95
EURO Sensitivity				
Rs./EURO increase by 5%	(0.09)	(0.03)	-	-
Rs./EURO decrease by 5%	0.09	0.03	-	-
JPY Sensitivity				
Rs./JPY increase by 5%	(0.11)	(0.01)	-	-
Rs./JPY decrease by 5%	0.11	0.01	-	-
GBP Sensitivity				
Rs./GBP increase by 5%	(0.01)	-	-	-
Rs./GBP decrease by 5%	0.01	-	-	-

Impact of Hedging Activities

Disclosure of effects of hedge accounting on Financial Position and Financial Performance:

(a) **Financial Position**

As at March 31, 2023

(Rs. in Crore)

Type of Hedge & Risks	Nominal Value		Carrying amount of Hedging Instrument		Maturity Date	Hedge Ratio*	Weighted Average Strike Price/Rate	Changes in Fair value of Hedging Instrument	Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow Hedge									
Foreign Exchange Risk:									
Borrowings	-	2,608.48	-	2,608.48	30.09.2027	1:1	USD 1 : Rs. 66.27	859.00	(859.00)

As at March 31, 2022

(Rs. in Crore)

Type of Hedge & Risks	Nominal Value		Carrying amount of Hedging Instrument		Maturity Date	Hedge Ratio*	Weighted Average Strike Price/Rate	Changes in Fair value of Hedging Instrument	Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow Hedge									
Foreign Exchange Risk:									
Borrowings	-	3,198.14	-	3,198.14	30.09.2027	1:1	USD 1 : Rs. 66.27	596.14	(596.14)

* The entire amount of Borrowings taken for Gadepan-III Plant has been designated as hedging instrument against highly probable forecasted revenue being hedged item from Gadepan-III Plant, therefore the hedge ratio is 1:1.

(b) Financial Performance

(Rs. in Crore)

For the Year Ended March 31, 2023				
Type of Hedge	**Change in the value of the Hedging Instrument recognised in Other Comprehensive Income**	**Hedge ineffectiveness recognised in Profit or Loss**	**Amount re-classified from Cash Flow Hedging Reserve to Profit or Loss**	**Line item affected in Statement of Profit and Loss because of the re-classification**
Cash Flow Hedge				
Foreign Exchange Risk	(262.86)	-	163.57	Revenue from Operations

(Rs. in Crore)

For the Year Ended March 31, 2022				
Type of Hedge	**Change in the value of the Hedging Instrument recognised in Other Comprehensive Income**	**Hedge ineffectiveness recognised in Profit or Loss**	**Amount re-classified from Cash Flow Hedging Reserve to Profit or Loss**	**Line item affected in Statement of Profit and Loss because of the re-classification**
Cash Flow Hedge				
Foreign Exchange Risk	(130.74)	-	94.17	Revenue from Operations

Movements in Cash Flow Hedging Reserve

(Rs. in Crore)

Risk Category	Foreign Currency Risk	
	Financial Year 2022-23	Financial Year 2021-22
Derivative Instruments		
Cash Flow Hedging Reserve		
Opening at the beginning of the Year	**(253.81)**	**(230.02)**
Add: Changes in Borrowings	(262.86)	(130.74)
Add: Amounts re-classified to Profit or Loss	163.57	94.17
Less: Current Tax relating to above	37.59	21.12
Less: Deferred Tax relating to above	(72.29)	(33.90)
Closing at the end of the Year	**(318.40)**	**(253.81)**

c) Commodity Price Risk

Commodity price risk of the Company arises from the ongoing purchase of natural gas and imported fertilisers required for its operating activities.

(i) Natural gas is the major raw material for manufacture of Urea. The prices of Natural Gas are mostly linked to international crude oil prices which varies with the fluctuation in the prices of crude oil, demand supply pattern, etc. The part of the natural gas quantity required by the Company has also been purchased at fixed price. The cost of natural gas is considered appropriately in line with the subsidy policies of Government of India for manufacture of Urea. As per the guidelines for pooling of gas in fertilizer (Urea) sector issued by the Government of India, the natural gas is available to the Urea manufacturer at uniform price. The Company did not enter into any transaction for hedging the fluctuations in the prices of natural gas.

(ii) The Company deals in imported fertilisers (i.e. DAP, MOP and NPK), which are imported by the Company and sold in the domestic market. The prices of imported fertilisers may fluctuate due to demand-supply scenario, outage of plants, fluctuation in prices of raw materials, etc.

The Company takes following steps to mitigate the risk pertaining to fluctuation in prices:

(a) Dynamic sourcing strategy and review of demand and supply on regular basis;

(b) No long term commitments; and

(c) Constant review of market condition including costing of competitors.

The Company did not enter into any transactions to hedge the risk pertaining to fluctuation in prices.

(ii) Credit Risk

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

a) Trade Receivables

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

b) Financial Instruments and Cash Deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department. Credit risk arising from investment in mutual funds, bonds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised institutions with good credit ratings assigned by the credit rating agencies. Refer below table for Movement in allowances for debts and advances.

(Rs. in Crore)

Particulars	Trade Receivables	Other Current Assets	Other Current Financial Assets
Allowance as at April 01, 2021	**16.51**	**44.64**	**1.65**
Allowance made during the financial year 2021-22	0.35	3.89	-
Allowance written off / (written back) during the financial year 2021-22	(0.17)	(1.82)	(1.65)
Allowance as at March 31, 2022	**16.69**	**46.71**	**-**
Allowance made during the financial year 2022-23	0.14	-	-
Allowance written off / (written back) during the financial year 2022-23	(0.25)	(40.94)	-
Allowance as at March 31, 2023	**16.58**	**5.77**	**-**

(iii) Liquidity Risk

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

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

(Rs. in Crore)

Particulars	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
As at March 31, 2023						
Borrowings	1,514.86	698.83	665.15	391.53	-	3,270.37
Lease Liabilities	4.67	4.48	4.70	7.32	1.96	23.13
Other Financial Liabilities	301.20	-	-	-	-	301.20
Trade and Other Payables	1,239.93	-	-	-	-	1,239.93
Total	**3,060.66**	**703.31**	**669.85**	**398.85**	**1.96**	**4,834.63**
As at March 31, 2022						
Borrowings	1,851.85	799.91	644.59	854.30	120.38	4,271.03
Lease Liabilities	5.25	4.94	2.64	0.60	0.34	13.77
Other Financial Liabilities	271.09	-	-	-	-	271.09
Trade and Other Payables	1,512.42	-	-	-	-	1,512.42
Total	**3,640.61**	**804.85**	**647.23**	**854.90**	**120.72**	**6,068.31**

40 Capital Management

The Company's objective while managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefit for other stakeholders. The Company will maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return the capital to shareholders, issue new shares or sell assets to reduce debt.

The Capital Structure of the Company is as follows:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Share Capital	416.21	416.21
Other Equity	6,460.36	5,767.38
Debts (Long term and Short term both (including current maturities))*	3,256.12	4,250.08
Total	**10,132.69**	**10,433.67**

* The above debt includes Rs. 2,608.48 Crore (Previous Year: Rs. 3,198.14 Crore) towards Gadepan-III Plant, which had commenced commercial production from January 01, 2019. The balance debt is towards working capital requirements.

Under the terms of the borrowing facilities pertaining to Gadepan-III Plant, the Company is required to comply with certain financial covenants as detailed below:

S. No.	Debt Covenants	Required - Financial Year 2022-23	Achieved - Financial Year 2022-23	Required - Financial Year 2021-22	Achieved - Financial Year 2021-22
1	Total outstanding Liabilities to Tangible Net worth	Ratio should be ≤ 2.50:1	0.82:1	Ratio should be ≤ 2.50:1	1.10:1
2	Total Debts to EBITDA	Ratio should be ≤ 3.50:1	1.56:1	Ratio should be ≤ 4.00:1	1.81:1
3	Fixed Assets Cover Ratio	Ratio should be ≥ 1.25:1	1.95:1	Ratio should be ≥ 1.25:1	1.53:1
4	Debt Service Coverage Ratio	Ratio should be ≥ 1.20:1	1.60:1	Ratio should be ≥ 1.20:1	2.24:1

41 Distribution Made and Proposed

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Cash Dividend on Equity Shares Declared and Paid:		
Dividend (during the year ended on March 31, 2023: at the rate of Rs. 3.00 per equity share and March 31, 2022: at the rate of Rs. 4.50 per equity share)	124.87	187.29
Interim Dividend (during the year ended on March 31, 2023 at the rate of Rs. 4.50 per equity share and March 31, 2022 at the rate of Rs. 4.50 per equity share)	187.29	187.29
Total	**312.16**	**374.58**
Proposed Dividend on Equity Shares:		
Final Dividend (for the year ended on March 31, 2023: at the rate of Rs. 3.00 per equity share, for the year ended on March 31, 2022: at the rate of Rs. 3.00 per equity share)	124.86	124.86
Total	**124.86**	**124.86**

42 Assets classified as Held for Sale

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Property, Plant and Equipment classified as Held for Sale :		
- Plant and Equipment	1.20	0.36
- Factory Equipment	-	0.01
- Vehicles	0.00	0.00
Total	**1.20**	**0.37**

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

The Company has not given any loans, made investments or given guarantees or provided security during the financial year ended March 31, 2023 under section 186(4) of the Companies Act, 2013.

The details of Investments of the Company are given in note 5A and note 8A.

44 List of Subsidiaries and Joint Venture with Ownership % and Place of Business :

Name of the Investees	Principal Place of Business	Percentage of Ownership as at March 31, 2023	Percentage of Ownership as at March 31, 2022	Method used to account for the investment
Subsidiaries				
Chambal Infrastructure Ventures Limited	India	100.00%	100.00%	Deemed cost
CFCL Ventures Limited (CVL) #	Cayman Islands	72.27%	72.27%	Deemed cost / Fair Value
Subsidiaries of CVL				
ISGN Corporation ##	U.S.A	100.00%	100.00%	
ISG Novasoft Technologies Limited ##	India	100.00%	100.00%	
Inuva Info Management Private Limited */ ## / ###	India	-	-	
Joint Venture				
Indo Maroc Phosphore S.A, - IMACID	Morocco	33.33%	33.33%	Deemed cost

* The liquidator of the subsidiary completely liquidated the assets thereof during the financial year 2019-20 and the subsidiary was dissolved on May 03, 2021.

In case of equity investment at deemed cost, whereas investment in preference shares at Fair value through Profit and Loss.

Percentage of ownership of CVL.

Subsidiary of ISG Novasoft Technologies Limited.

45 Changes in Financial Liabilities arising from Financing Activities for Financial Year 2022-23

(Rs. in Crore)

Particulars	As at March 31, 2022	Receipt	Repayment	Foreign Exchange Variation (Net)	Foreign Currency Translation	Transaction Cost & Others*	As at March 31, 2023
Long Term Borrowings	3,198.14	-	(859.22)	262.86	-	6.70	2,608.48
Short Term Borrowings	890.00	7,965.81	(8,855.81)	-	-	-	-
Supplier's Credit	161.94	2,803.74	(2,289.71)	(28.33)	-	-	647.64
Lease Liabilities *	13.77	-	(5.88)	-	-	15.24	23.13
Total	**4,263.85**	**10,769.55**	**(12,010.62)**	**234.53**	**-**	**21.94**	**3,279.25**

Changes in Financial Liabilities arising from Financing Activities for Financial Year 2021-22

(Rs. in Crore)

Particulars	As at March 31, 2021	Receipt	Repayment	Foreign Exchange Variation (Net)	Foreign Currency Translation	Transaction Cost & Others*	As at March 31, 2022
Long Term Borrowings	3,847.99	-	(788.42)	130.74	-	7.83	3,198.14
Short Term Borrowings	-	2,682.76	(1,792.76)	-	-	-	890.00
Supplier's Credit	-	355.83	(196.81)	2.92	-	-	161.94
Lease Liabilities *	17.75	-	(6.46)	-	-	2.48	13.77
Total	**3,865.74**	**3,038.59**	**(2,784.45)**	**133.66**	**-**	**10.31**	**4,263.85**

* Represents movement in Lease Liabilities on account of addition and interest expenses.

46 The Company will continue to assess the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir and Others Vs the Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. CI/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. As per the said assessment and the legal advice obtained by the Company, the aforesaid matter is not likely to have any significant impact and accordingly, no provision has been made in these Financial Statements.

47 The Company, as per the Securities and Exchange Board of India (SEBI) circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, is a Large Corporate and hence is required to disclose the following information about its borrowings:

i. Initial Disclosure filed for the Financial Year 2022-23

Sl. No.	Particulars	Details
1	Name of the Company	Chambal Fertilisers and Chemicals Limited
2	CIN	L24124RJ1985PLC003293
3	Outstanding borrowing of company as on 31st March, 2022 (in Rs. Crore)	Rs. 907.33 crore *
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	CRISIL AA +/ Stable by CRISIL Ratings Limited
5	Name of the Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange of India Limited

* Long term Borrowings with original maturity of more than one year (excluding External Commercial Borrowings) pertains to Foreign Currency Term Loans of USD 119.704 Million (converted from USD to Rupees @ 1 USD = Rs. 75.7975).

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

ii. **Initial Disclosure filed for the Financial Year 2023-24**

Sl. No.	Particulars	Details
1	Name of the Company	Chambal Fertilisers and Chemicals Limited
2	CIN	L24124RJ1985PLC003293
3	Outstanding borrowing of company as on 31st March, 2023 (in Rs. crore)	Rs. 804.82 crore *
4	Highest Credit Rating During the previous FY along with name of the CRA	CRISIL AA +/ Stable by CRISIL Ratings Limited
5	Name of the Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange of India Limited

* Long term Borrowings with original maturity of more than one year (excluding External Commercial Borrowings) pertains to Foreign Currency Term Loans of USD 97.9395 Million (converted from USD to Rupees @ 1 USD = Rs. 82.1750).

We confirm that we are a Large Corporate as per the applicability criteria given under the Chapter XII of SEBI Operational Circular dated August 10, 2021.

iii. **Annual Disclosure**

1. Name of the Company: Chambal Fertilisers and Chemicals Limited
2. CIN : L24124RJ1985PLC003293
3. Report filed for FY : 2022-23
4. Details of Current block (all figures in Rs. Crore):

Sl. No.	Particulars	Details
i.	3-year block period (Specify financial years)	FY 2022-23, FY 2023-24 and FY 2024-25
ii.	Incremental borrowing done in FY 2022-23 (a)	NIL
iii.	Mandatory borrowing to be done through debt securities in FY 2022-23 (b) = (25% of a)	NIL
iv.	Actual borrowing done through debt securities in FY 2022-23 (c)	NIL
v.	Shortfall in the borrowing through debt securities, if any, for FY 2021-22 carried forward to FY 2022-23 (d)	NIL
vi.	Quantum of (d), which has been met from (c) (e)	NIL
vii.	Shortfall, if any, in the mandatory borrowing through debt securities for FY' 2022-23 (after adjusting for any shortfall in borrowing for FY 2021-22 which was carried forward to FY 2022-23) (f)= (b)-[(c)-(e)] (If the calculated value is zero or negative, write "nil")	NIL

5. Details of penalty to be paid, if any, in respect to previous block (all figures in Rs crore):

Sl. No.	Particulars	Details
i.	2-year block period (Specify financial years)	FY 2021-22, FY 2022-23
ii.	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)} #	Not Applicable

(d) and (e) are same as mentioned at 4(v) and 4(vi) above.

48 **Disclosure as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

In accordance with the requirements of Listing Regulations, the details of transaction of the Company with any person or entity belonging to the promoter/promoter group holding 10% or more shareholding in the Company are as under:

(Rs. in Crore)

Name of the Shareholder	Nature of Transaction	% Shareholding as at March 31, 2023	Amount of Transaction for the Year Ended March 31, 2023	Outstanding Balance Receivable as at March 31, 2023	% Shareholding as at March 31, 2022	Amount of Transaction for the Year Ended March 31, 2022	Outstanding Balance Receivable as at March 31, 2022
The Hindustan Times Limited	Rent and Maintenance Expenses and Security Deposit	14.26	0.11	-	14.26	0.27	0.06

49 **Additional regulatory information required by Schedule III of Companies Act, 2013**

(i) **Details of Benami Property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) **Borrowings secured against current assets**

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts. Below is the disclosure of quarterly statements filed for the Financial Year 2022-23 and Previous Year 2021-22.

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
April 2022 to June 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	4,173.91	4,173.91	-	-
July 2022 to September 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	3,860.69	3,860.69	-	-

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
October 2022 to December 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	1,077.97	1,077.97	-	-
January 2023 to March 2023	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	1,263.53	1,263.53	-	-

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
April 2021 to June 2021	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	2,354.04	2,354.04	-	-

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
July 2021 to September 2021	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	2,301.00	2,301.00	-	-
October 2021 to December 2021	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	2,373.36	2,373.36	-	-
January 2022 to March 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Company.	3,479.58	3,479.58	-	-

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Loans or advances to specified persons

The Company has not granted loans or advances to promoters, directors,key management personnel and the related parties (as defined under Companies Act 2013) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.

(x) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(xi) Valuation of Property, Plant and Equipment, intangible assets and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xii) Financial Ratios

Ratio	Numerator	Denominator	Financial Year - 2022-23	Financial Year - 2021-22	% Variance	Reason for Variance; Change of 25% or more
Current Ratio	Current Assets	Current Liabilities	1.79	1.59	12%	
Debt-Equity Ratio	Total Debt	Total Equity	0.47	0.69	-32%	The debt of the Company has reduced by around 23% due to repayment of scheduled installments of the long-term borrowings and reduction in short term borrowings on account of receipt of higher subsidy during Financial Year 2022-23. The equity of the Company has increased due to the addition of profits during Financial Year 2022-23. These factors have enabled to improve the debt equity ratio of the Company.

Ratio	Numerator	Denominator	Financial Year - 2022-23	Financial Year - 2021-22	% Variance	Reason for Variance; Change of 25% or more
Debt Service Coverage Ratio	Profit Before Tax + Interest Expense + Depreciation + Unrealised Foreign Exchange Rate Variation and Mark to Market Gain / Loss on Derivative Transactions – Current Tax	Long Term Debt repaid during the year + Repayment of Lease Liabilities during the year + Interest Expense	1.60	2.24	-29%	Due to increase in natural gas price and increase in imported fertilisers prices, working capital borrowings were higher through out the year, though towards end of the year a major subsidy was received, which resulted into lower working capital at the end. Further interest rates were also higher during the year. On the other hand sharp increase in USD/ INR rate also increased repayment obligation of the loan. In addition to above performance of the Company was also lower as compared last year due to losses in imported fertilisers. All the above factors led to increase in Interest cost and lower profits, resulting into lower debt service coverage ratio.
Return on Equity Ratio	Profit after Tax	Average Shareholder's Equity	16.38	22.43	-27%	Profit after tax of the Company during the financial year 2022-23 was lower in comparison to the previous financial year which was mainly attributable to losses in imported fertilisers and higher interest cost, which was partially offset by higher other income and lower tax expenses. On the other hand, average equity for the financial year 2022-23 was higher in comparison to the previous year. These factors have mainly impacted the return on equity during the financial year 2022-23 in comparison to the previous year.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventories	11.59	7.07	64%	The average inventory of fertilisers as on March 31, 2023 was higher around 15% in value terms, in comparison to the previous year. The Cost of Goods Sold (COGS) was around 88% higher than last year due to increase in natural gas price, increase in sale volume and increase in prices of fertilisers of the Company. The Inventory Turnover Ratio has improved on account of increase in COGS, which has been partly offset by increase in average inventory.

Ratio	Numerator	Denominator	Financial Year - 2022-23	Financial Year - 2021-22	% Variance	Reason for Variance; Change of 25% or more
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	14.20	9.66	47%	The increase in natural gas price, increase in sales volume and increase in prices of fertilisers contributed to around 73% increase in turnover of the Company. The average debtors of the Company for the Financial Year 2022-23 were around 17% higher in comparison to the previous year. The Debtors Turnover Ratio has improved on account of increase in turnover, which has been partly offset by increase in average debtors.
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	16.89	12.65	34%	Trade Payables Turnover Ratio has increased on account of Prices of Fertilisers which were quite high during the year, which leads to higher purchases.
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	11.22	7.12	58%	Net Capital Turnover Ratio has been increased mainly due to increase in revenue on account of high gas prices and imported fertiliser prices.
Net Profit Ratio	Profit after Tax	Revenue from Operations	3.85	8.01	-52%	The turnover of the Company for the Financial Year 2022-23 has increased around 73% mainly on account of higher prices of natural gas and fertilisers. However, the profit of the Company did not increase commensurate with the increase in cost of goods sold as bulk fertilisers including urea are regulated by the Government of India. The lower Net Profit Margin during Financial Year 2022-23 in comparison to the previous year was mainly attributed to these factors.
Return on Capital Employed	Earning before Interest and taxes	Average Capital Employed	16.20	20.09	-19%	
Return on Investment	Earning before Interest and taxes	Average Total Assets	13.88	17.71	-22%	

(xiii) Title deeds of immovable properties not held in name of the Company

<table>
<tr><th>Relevant line item in the Balance sheet</th><th>Description of item of property</th><th>Gross carrying value (Rs. in Crore)</th><th>Title deeds held in the name of</th><th>Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director</th><th>Property held since which date</th><th>Reason for not being held in the name of the Company</th></tr>
<tr><td>Property Plant and Equipment - Land- Freehold</td><td>Land</td><td>0.01</td><td>Individual Sellers</td><td rowspan="4">No</td><td>30-09-1989</td><td>The sale deed could not be executed due to death of sellers.</td></tr>
<tr><td rowspan="3">Property Plant and Equipment - Land -Leasehold</td><td rowspan="3">Land</td><td>0.27</td><td rowspan="2">State Government of Rajasthan</td><td>30-09-1989</td><td rowspan="2">The transfer of title is pending as some procedural and administrative requirements are yet to be completed.</td></tr>
<tr><td>0.07</td><td>30-09-1996</td></tr>
<tr><td>0.01</td><td>Individual Sellers</td><td>30-09-1991</td><td>The transfer of title is pending due to dispute with sellers.</td></tr>
</table>

(xiv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xv) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

50 Significant Accounting Judgements, Estimates and Assumptions

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

a) 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 the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) Income Taxes

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

The Company was having brought forward losses on account of claim under section 35AD of Income tax Act, 1961 that has been used to offset taxable income during the financial year. The Company has profitable operations that supported the recognition of deferred taxes on these losses. On this basis, the Company has determined that it can recognise deferred tax assets on the tax losses carried forward.

The Company has Rs. 104.56 Crore (Previous Year: Rs. 461.43 Crore) of carried forward tax losses on account of long term/ short term capital losses. These losses mainly relate to the loss on voluntary liquidation of a subsidiary of the Company and merger of a subsidiary of the Company with its subsidiary and will expire in three to five years and may be used to offset taxable long term / short term capital gains in the future. On this basis, the Company has determined that it cannot recognise deferred tax assets on these tax losses (long term/ short term capital losses) carried forward. If the Company would have been able to recognise all unrecognised deferred tax assets, profit and equity would have increased by Rs. 36.49 Crore (Previous Year: Rs.124.53 Crore). Further details on taxes are disclosed in note 36 to the financial statements.

The Government of India has introduced the Taxation Laws (Amendment) Act, 2019 and has given the option of lower tax rate subject to certain conditions. As the Company has carried forward tax losses and Minimum Alternate Tax ("MAT") credit mainly due to addition of New Urea Plant in the past and it is expected that the Company will remain under MAT for some more years, the management has carried out an assessment according to which the Company shall continue under the existing tax regime and move to lower tax rate after certain years. In view of above, the Company has re-assessed the deferred tax liability as per Ind AS 12 'Income Taxes' and resultant impact has been recognised during the year. Accordingly, the 'Deferred Tax' for the financial year ended March 31, 2023 includes a credit of Rs. 83.90 Crore (Previous Year: Rs. 33.00 Crore).

c) Defined Benefit Plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit plans are given in note 30 to the financial statements.

d) Revenue

The Company's revenue includes subsidy claims, part of which are pending notification / final implementation by 'Fertiliser Industry Coordination Committee' (FICC), Government of India. As per management estimates, there is reasonable certainty based on Government of India policy and past experience that claims will be notified in due course. On issuance of notification by FICC, Government of India, the adjustments, if any, to revenue are not expected to be significant.

e) 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 including discounted cash flow method. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The 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. Further disclosures in this regard are given in note 38.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Chambal Fertilisers and Chemicals Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Chambal Fertilisers and Chemicals Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (refer Note 25 to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint venture as at March 31, 2023, and their consolidated total comprehensive income (comprising of consolidated profit and other consolidated comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its joint venture in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 14 of the Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
Assessment of implications of government policies/ notifications on recognition of subsidy revenue and its recoverability [Refer to the accompanying notes 2.3(xvii)(a), 8(B), 17, 33 and 53(d) of the Consolidated Financial Statements.] During the year, the Holding Company has recognised subsidy revenue amounting to Rs. 20,593.68 Crore and the aggregate amount of subsidy receivable as at March 31, 2023 is Rs. 1,640.70 Crore. The amount of subsidy revenue and the subsidy receivable are significant to the Consolidated Financial Statements. We identified this as a Key Audit Matter since the recognition of subsidy revenue and the assessment of recoverability of the related subsidy receivables is subject to significant judgements of the management. Further, the areas of subjectivity and judgement include interpretation and satisfaction of conditions specified in the notifications/ policies in the estimation of timing and amount of recognition of subsidy revenue, likelihood of recoverability and allowance in relation to the outstanding subsidy receivables.	Our procedures included the following: • We understood and evaluated the design and tested the operating effectiveness of controls as established by management in recognition of subsidy revenue and assessment of the recoverability of subsidy receivables. • We evaluated the management's assessment regarding reasonable certainty of complying with the relevant conditions as specified in the notifications/policies. • We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of subsidy revenue and adjustments to subsidy already recognised in earlier years pursuant to changes in subsidy rates. • We evaluated the basis of judgements that management has made in relation to the notifications/policies including past precedence and subsequent evidence in the form of notifications/policies/clarifications, as applicable. • We assessed the reasonableness of recoverability of subsidy receivables by assessing the management's analysis and information used to determine the recoverability of subsidy receivables, ageing of receivables and historical trends.

Key audit matter	How our audit addressed the key audit matter
	• We evaluated adequacy of disclosures in the Consolidated Financial Statements. Based on the above procedures performed, the management's assessment of implications of government notifications/policies on recognition of subsidy revenue and the recoverability were considered to be reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

   In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 14 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated statement of changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture respectively and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture, respectively, 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 Group including its joint venture or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding

company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 ability of the Group and its joint venture 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company of which we are the independent auditors 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

14. We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of Rs. 19.56 Crore and net assets of Rs. (858.44) Crore as at March 31, 2023, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (1.80) Crore and net cash flows amounting to Rs. (2.52) Crore for the year ended March 31, 2023, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. 72.25 Crore for the year ended March 31, 2023 as considered in the Consolidated Financial Statements, in respect of one joint venture, whose financial information has not been audited by us. These financial statements and other financial information have been audited by other independent auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.

    The financial information of the joint venture, it being located outside India, has been prepared in accordance with International Financial Reporting Standards (IFRS) accounting principles and have been audited by its other independent auditor under International Standards on Auditing (ISA). The Company's management has converted the financial information of such joint venture located outside India from IFRS to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion insofar as it relates to the balances and affairs of such joint venture located outside India, including other information, is based on the report of its other independent auditor and the conversion adjustments prepared by the management of the Company and audited by us.

    Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included

by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) In our opinion, proper books of account as required by the law maintained by the Holding Company and its subsidiaries included in the Group incorporated in India including relevant record, relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained by the Holding Company for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Holding Company and its subsidiaries incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture– Refer Note 26 to the Consolidated Financial Statements.

ii. The Group and its joint venture was not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group and its joint venture has made provision, as required under applicable law or accounting standards, for material foreseeable losses on derivative contracts - Refer Note 14C to the Consolidated Financial Statements.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023. There were no amounts which is required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary companies incorporated in India have not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group and joint venture, is applicable to the Group, and joint venture only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

17. The Holding Company and its subsidiaries incorporated in India, have 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 23077779BGXZRJ9871

Place: New Delhi
Date : May 26, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Chambal Fertilisers and Chemicals Limited on the Consolidated Financial Statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's and its subsidiaries, which are companies incorporated in India, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiaries companies, which are incorporated in India, internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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 Holding Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to certain subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 23077779BGXZRJ9871

Place: New Delhi
Date : May 26, 2023

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in Crore)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	6,239.41	6,343.26
Capital Work-in-Progress	28 & 3	101.63	156.56
Right-of-Use Assets	3	21.60	12.47
Other Intangible Assets	4A	1.38	1.94
Intangible Assets under Development	4B	0.99	0.34
Investments Accounted for Using the Equity Method	37(A)	539.77	559.17
Financial Assets:			
i. Investments	5A	0.02	0.02
ii. Loans	5B	0.16	0.24
iii. Other Financial Assets	5C	7.22	3.32
Non-Current Tax Assets (Net)	41	135.89	108.07
Other Non-Current Assets	6	83.26	28.25
Total Non-Current Assets		**7,131.33**	**7,213.64**
Current Assets			
Inventories	7	1,373.83	3,123.21
Financial Assets:			
i. Investments	8A	1,837.30	-
ii. Trade Receivables	8B	1,760.48	2,151.30
iii. Cash and Cash Equivalents	8C	36.93	532.02
iv. Bank Balances other than (iii) above	8D	20.70	22.12
v. Loans	8E	0.05	0.06
vi. Other Financial Assets	8F	114.55	33.45
Current Tax Assets (Net)	41	0.00	0.01
Other Current Assets	9	493.70	212.82
Assets Classified as Held for Sale	45	1.20	0.37
Total Current Assets		**5,638.74**	**6,075.36**
Total Assets		**12,770.07**	**13,289.00**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	416.21	416.21
Other Equity	10A	6,651.90	5,983.37
Equity attributable to Owners of the Parent Company		**7,068.11**	**6,399.58**
Non-Controlling Interests	37(B)	(15.19)	(13.49)
Total Equity		**7,052.92**	**6,386.09**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	11A	1,820.41	2,471.24
ii. Lease Liabilities	34	18.46	8.52
Provisions	12	18.64	15.00
Deferred Tax Liabilities (Net)	41	704.30	603.07
Other Non-Current Liabilities	13	3.20	3.28
Total Non-Current Liabilities		**2,565.01**	**3,101.11**
Current Liabilities			
Financial Liabilities			
i. Borrowings	14A	1,514.86	1,851.85
ii. Lease Liabilities	34	4.67	5.25
iii. Trade Payables	14B		
a) total outstanding dues of micro enterprises and small enterprises; and		19.03	11.53
b) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,192.51	1,488.30
iv. Other Financial Liabilities	14C	330.18	284.68
Other Current Liabilities	15	54.48	125.68
Provisions	16	36.41	34.51
Total Current Liabilities		**3,152.14**	**3,801.80**
Total Liabilities		**5,717.15**	**6,902.91**
Total Equity and Liabilities		**12,770.07**	**13,289.00**

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Crore)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from Operations	**17**	27,772.81	16,068.83
Other Income	**18**	167.76	68.00
Total Income		**27,940.57**	**16,136.83**
Expenses			
Cost of Materials Consumed	**19**	8,522.56	5,368.53
Purchases of Stock-in-Trade		9,395.60	6,561.77
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	**20**	1,786.13	(2,326.99)
Employee Benefits Expense	**21**	191.00	180.67
Finance Costs	**22**	320.02	105.93
Depreciation and Amortization Expenses	**3 & 4A**	308.29	299.74
Other Expenses	**23**	6,058.17	4,022.66
Total Expenses		**26,581.77**	**14,212.31**
Profit before Share of Profit of a Joint Venture and Tax		**1,358.80**	**1,924.52**
Share of Net Profit of a Joint Venture accounted for using the Equity Method	**37(A)**	57.53	306.38
Profit Before Tax		**1,416.33**	**2,230.90**
Tax Expense:			
(1) Current Tax	**41**	208.87	320.17
(2) Tax related to Earlier Years	**41**	0.00	16.79
(3) Deferred Tax	**41**	173.67	327.88
Total Tax Expense		**382.54**	**664.84**
Profit for the Year		**1,033.79**	**1,566.06**
Other Comprehensive Income (OCI)			
A. Items that will not be re-classified to Profit or Loss:			
(i) Re-measurement (Loss) / Gain on Defined Benefit Plans	**31**	(0.44)	0.52
(ii) Income Tax Credit / (Charge) relating to items that will not be re-classified to Profit or Loss	**41**	0.16	(0.18)
B. Items that will be re-classified to Profit or Loss:			
(i) Exchange Difference Gain / (Loss) on Translation of Foreign Operations		9.36	(19.88)
(ii) Effective Portion of Exchange Difference (Loss) on Hedging Instruments	**42**	(262.86)	(130.74)
(iii) Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	**42**	163.57	94.17
(iv) Income Tax Credit relating to items that will be re-classified to Profit or Loss	**41**	34.70	12.78
OCI for the Year (Net of Tax)		**(55.51)**	**(43.33)**
Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)		**978.28**	**1,522.73**
Profit for the Year attributable to:			
Owners of the Parent Company		1,034.22	1,565.98
Non-Controlling Interests	**37(B)**	(0.43)	0.08
Other Comprehensive Income for the Year attributable to:			
Owners of the Parent Company		(54.25)	(42.80)
Non-Controlling Interests		(1.26)	(0.53)
Total Comprehensive Income for the Year attributable to:			
Owners of the Parent Company		979.97	1,523.18
Non-Controlling Interests		(1.69)	(0.45)
Earnings per Share attributable to Owners of the Parent Company			
Earnings per Equity Share:	**24**		
Basic and Diluted (in Rs.)		24.85	37.62

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

Place : New Delhi
Date : May 26, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
A.	**Cash Flow from Operating Activities :**			
	Profit Before Tax		**1,416.33**	**2,230.90**
	Adjustments for :			
	Depreciation and Amortization Expenses	**3 & 4A**	308.29	299.74
	(Gain) on Sale of Current Investments	**18**	(42.65)	(8.11)
	Mark to Market Loss / (Gain) on Derivative Transactions	**18, 22 & 23**	5.88	(11.68)
	Un-realised Foreign Exchange Variation (Gain) / Loss		(3.29)	4.02
	Realised Foreign Exchange Variation (Gain)		(25.91)	(0.05)
	Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	**42**	163.57	94.17
	Loss / (Gain) on Disposal of Property, Plant and Equipment (Net)	**18 & 23**	2.80	(4.92)
	Allowance for Doubtful Debts and Advances (Net)	**18 & 23**	(41.13)	0.04
	Liabilities no Longer Required Written Back	**18**	(0.54)	(4.55)
	Catalyst Charges Written off	**23**	9.00	8.52
	Irrecoverable Balances Written off	**23**	0.02	0.04
	Finance Costs (Interest and Premium)		320.85	103.65
	Interest (Income)		(27.22)	(9.30)
	Dividend (Income) on Non Current Investment	**18**	(0.00)	(0.00)
	Share of Profit of a Joint Venture	**37(A)**	(57.53)	(306.38)
	Operating Profit before Working Capital Changes		**2,028.47**	**2,396.09**
	Working Capital Adjustments:			
	Decrease / (Increase) in Inventories		1,746.38	(2,346.12)
	Decrease / (Increase) in Trade Receivables		391.02	(976.78)
	(Increase) / Decrease in Other Financial Assets - Non-Current		(0.32)	0.14
	(Increase) / Decrease in Other Financial Assets - Current		(81.09)	129.54
	Decrease in Other Assets - Non-Current		0.72	2.17
	(Increase) in Other Assets - Current		(239.88)	(100.62)
	(Decrease) / Increase in Trade Payables		(287.45)	1,112.88
	Increase in Other Financial Liabilities - Current		19.07	22.96
	(Decrease) / Increase in Other Liabilities - Non-Current		(0.08)	0.08
	(Decrease) / Increase in Other Liabilities - Current		(71.20)	81.86
	Increase in Provisions - Non Current		3.20	1.59
	Increase / (Decrease) in Provisions - Current		1.90	(4.99)
	Cash generated from Operations		**3,510.74**	**318.80**
	Income Tax Paid (Net of Refunds)		(271.48)	(343.03)
	Net Cash Flow generated from / (used in) Operating Activities		**3,239.26**	**(24.23)**
B.	**Cash Flow from Investing Activities**			
	Purchase of Property, Plant and Equipment		(196.55)	(177.13)
	Purchase of Intangible Assets		(0.54)	(1.42)
	Purchase of Intangible Assets under Development		(0.65)	(0.07)
	Proceeds from Sale of Property, Plant and Equipment		3.51	15.08
	Purchase of Current Investments		(16,925.00)	-
	Proceeds from Sale of Current Investments		15,130.35	8.11
	Interest Received		24.66	8.67
	Dividend Received		0.00	0.00
	Distribution Received from Joint Venture	**37(A)**	91.65	27.89
	Fixed Deposits placed (having original maturity of more than three months)		(0.59)	(0.26)
	Net Cash Flow (used in) Investing Activities		**(1,873.16)**	**(119.13)**

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
C.	**Cash Flow from Financing Activities**			
	Repayment of Long Term Borrowings	49	(859.22)	(788.42)
	Availment of Supplier's Credit	49	2,803.74	355.83
	Repayment of Supplier's Credit	49	(2,289.71)	(196.81)
	Net (Repayment) / Proceeds of / from Short Term Borrowings	49	(890.00)	890.00
	Repayment of Lease Liabilities	49	(5.88)	(6.46)
	Receipt of amount from CFCL Employees Welfare Trust		0.65	1.89
	Finance Costs paid (Interest and Premium)		(309.47)	(94.53)
	Dividend Paid		(312.10)	(374.29)
	Net Cash Flow (used in) Financing Activities		**(1,861.99)**	**(212.79)**
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)		**(495.89)**	**(356.15)**
	Foreign Currency Translation Difference		0.80	0.26
	Cash and Cash Equivalents at the beginning of the Year		532.02	887.91
	Cash and Cash Equivalents at the end of the Year		**36.93**	**532.02**
	Components of Cash and Cash Equivalents:			
	Balances with Banks :			
	- on Current Accounts		9.14	10.37
	- on Cash Credit Accounts		27.72	171.34
	- Deposits with original maturity of less than three months		0.05	350.30
	Cash on hand		0.02	0.01
	Total Cash and Cash Equivalents	8C	**36.93**	**532.02**

Note: Cash Flow from operating activities for the year ended on March 31, 2023 is after considering corporate social responsibility expenditure of Rs. 34.30 Crore (Previous Year : Rs. 28.00 Crore).

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Chambal Fertilisers and Chemicals Limited

A : Equity Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid (refer note 10)

(Rs. in Crore)

As at March 31, 2023	Balance as at April 01, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2023
	416.21	**-**	**-**	**-**	**416.21**

(Rs. in Crore)

As at March 31, 2022	Balance as at April 01, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
	416.21	**-**	**-**	**-**	**416.21**

B : Other Equity

For the Year Ended March 31, 2023

(Rs. in Crore)

Particulars	Attributable to the Equity Holders of the Parent Company													Non-Controlling Interests	Total
	Reserves and Surplus										Items of Other Comprehensive Income		Total Other Equity		
	Treasury Shares	Loss on Treasury Shares acquired	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961	Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961	Share Option Outstanding Account (refer note 10A)	Retained Earnings	Exchange Difference on Translation of Foreign Operations	Cash Flow Hedging Reserve			
Balance as at April 01, 2022	(2.76)	(1.90)	0.21	6.42	0.25	684.26	0.50	42.25	2.64	5,554.73	(49.42)	(253.81)	5,983.37	(13.49)	5,969.88
Profit for the Year	-	-	-	-	-	-	-	-	-	1,034.22	-		1,034.22	(0.43)	1,033.79
Other Comprehensive Income (Net of Tax):															
- Re-measurement (Loss) on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(0.28)	-	-	(0.28)	-	(0.28)
- Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-	-	10.63	-	10.63	(1.27)	9.36
- Effective portion of Exchange Difference on Hedging Instruments	-	-	-	-	-	-	-	-	-	-		(64.59)	(64.59)	-	(64.59)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,033.94**	**10.63**	**(64.59)**	**979.98**	**(1.70)**	**978.28**
Cash Dividends (refer note 44)	-	-	-	-	-	-	-	-	-	(312.16)	-	-	(312.16)	-	(312.16)
Exercise of Share Options	2.19	(0.24)	-	-	-	-	-	-	-	-	-	-	1.95	-	1.95
Transfer to General Reserve	-	-	-	-	-	50.00	-	-	-	(50.00)	-	-	-	-	-
Any Other Change {refer note below}	-	-	-	-	-	-	-	-	-	(1.24)	-	-	(1.24)	-	(1.24)
Balance as at March 31, 2023	**(0.57)**	**(2.14)**	**0.21**	**6.42**	**0.25**	**734.26**	**0.50**	**42.25**	**2.64**	**6,225.27**	**(38.79)**	**(318.40)**	**6,651.90**	**(15.19)**	**6,636.71**

For the Year Ended March 31, 2022

(Rs. in Crore)

Particulars	Attributable to the Equity Holders of the Parent Company													Non-Controlling Interests	Total
	Reserves and Surplus										Items of Other Comprehensive Income		Total Other Equity		
	Treasury Shares	Loss on Treasury Shares acquired	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961	Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961	Share Option Outstanding Account (refer note 10A)	Retained Earnings	Exchange Differences on Translation of Foreign Operations	Cash Flow Hedging Reserve			
Balance as at April 01, 2021	(4.90)	(1.66)	0.21	6.42	0.25	634.26	0.50	42.25	2.64	4,412.70	(30.07)	(230.02)	4,832.58	(13.04)	4,819.54
Profit for the Year	-	-	-	-	-	-	-	-	-	1,565.98	-	-	1,565.98	0.08	1,566.06
Other Comprehensive Income (Net of Tax):															
- Re-measurement Gain on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	0.34	-	-	0.34	-	0.34
- Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-	-	(19.35)	-	(19.35)	(0.53)	(19.88)
- Effective portion of Exchange Difference on Hedging Instruments	-	-	-	-	-	-	-	-	-	-	-	(23.79)	(23.79)	-	(23.79)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,566.32**	**(19.35)**	**(23.79)**	**1,523.18**	**(0.45)**	**1,522.73**
Cash Dividends (refer note 44)	-	-	-	-	-	-	-	-	-	(374.58)	-	-	(374.58)	-	(374.58)
Exercise of Share Options	2.14	(0.24)	-	-	-	-	-	-	-	-	-	-	1.90	-	1.90
Transfer to General Reserve	-	-	-	-	-	50.00	-	-	-	(50.00)	-	-	-	-	-
Any Other Change {refer note below}	-	-	-	-	-	-	-	-	-	0.29	-	-	0.29	-	0.29
Balance as at March 31, 2022	**(2.76)**	**(1.90)**	**0.21**	**6.42**	**0.25**	**684.26**	**0.50**	**42.25**	**2.64**	**5,554.73**	**(49.42)**	**(253.81)**	**5,983.37**	**(13.49)**	**5,969.88**

Note: Any other change in retained earnings represents dividend on treasury shares and net results of ESOP trust operations.

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

Place : New Delhi
Date : May 26, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

1. Corporate Information

The consolidated financial statements comprise financial statements of Chambal Fertilisers and Chemicals Limited (the Parent Company), its subsidiaries (collectively, the Group) and joint venture for the year ended March 31, 2023. The Parent Company is a public company domiciled in India and has been incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on two recognised stock exchanges in India. The registered office of the Parent Company is located at Gadepan, District Kota, Rajasthan, PIN-325208.

The Parent Company is engaged in production of Urea and has three Urea plants. Apart from manufacture of Urea, the Parent Company also deals in other fertilisers and Agri-inputs. The Parent Company has a joint venture for manufacture of Phosphoric Acid in Morocco.

These consolidated financial statements were authorised for issuance by the Board of Directors of the Parent Company at its meeting held on May 26, 2023.

2. Significant Accounting Policies

2.1 Basis of Preparation

These Consolidated Financial Statements (CFS) of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") and other relevant rules and provisions of the Act, as applicable.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost basis, except for the following material items those have been measured at fair value as required by relevant Ind AS:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans and other long-term employee benefits;
- Share-based payment transactions; and
- Investment in debt instruments (i.e. preference shares).

The consolidated financial statements of the Group are presented in Indian Rupees (Rs.) and all values are presented in Crore, except when otherwise indicated.

The transactions and balances with values below rounding off norm adopted by the Group have been reflected as 0.00 in the financial statements.

New and amended standards adopted by the Group.

The Ministry of Corporate Affairs had vide its notification dated March 23, 2022, notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022.

These amendments did not have any impact on the amounts recognised in the current period and are not expected to significantly affect the future periods.

New amendments issued but not effective.

The Ministry of Corporate Affairs has vide notification dated March 31, 2023, notified Companies (Indian Accounting Standards) Amendment Rules, 2023, amends certain accounting standards effective from April 01, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries and joint venture. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31. Further, subsidiaries which are liquidated/under liquidation are consolidated till the Group was having the control over the subsidiaries.

Consolidation Procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiaries.

b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary.

c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 'Income Taxes' applies to temporary differences that arise from the elimination of profits or losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The accumulated loss attributable to non-controlling interests in excess of their equity on the date of transition to Ind AS has been restricted to zero in accordance with Ind AS 101.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and any related non-controlling interests and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

2.3 Summary of Significant Accounting Policies

i) Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in other comprehensive income (OCI) of the investee is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

Dividends received or receivable from joint venture are recognised as a reduction in the carrying amount of the investment.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Statement of Profit and Loss.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Statement of Profit and Loss.

ii) Basis of Classification of Current and Non-Current

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

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

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

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

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

iii) Foreign Currency Translation

(a) Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's consolidated financial statements are presented in Indian Rupees (Rs.), which is Parent Company's functional and presentation currency.

(b) Initial Recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(c) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

(d) Exchange Differences

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated Statement of Profit and Loss (also refer note 2.3(xvi) below).

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 other comprehensive income (OCI) or profit or loss are also recognised in OCI or profit or loss, respectively).

(e) Translation of Foreign Operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet including comparatives are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each Statement of Profit and Loss including comparatives are translated at average exchange rates; and

(iii) all resulting exchange differences have been recognised in other comprehensive income.

On disposal of foreign operations, the associated exchange differences are re-classified to profit or loss, as part of the gain or loss on disposal.

Goodwill arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the exchange rate in effect at the balance sheet date.

Cumulative currency translation differences for all foreign operations were deemed to be zero at the date of transition to Ind AS, viz, April 01, 2015. Gain or loss on subsequent disposal of any foreign operations excludes translation differences that arose before the date of transition but includes only translation differences arising after the date of transition.

iv) Derivative Financial Instruments

Initial Recognition and Subsequent Measurement

Derivatives are initially recognised at fair value on the date of derivative contract and are subsequently re-measured at fair value at the end of each reporting period. The resulting gains / losses are recognised in the Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item. The Parent Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Parent Company documents the economic relationship between the hedging instrument and the hedged item including whether the changes in the cash flows of the hedging instrument are expected to offset changes in the cash flows of hedged items, along with the risk management objectives and its strategy for undertaking hedge transaction.

The Parent Company has designated certain derivatives as hedge of foreign exchange risk associated with the cash flows of highly probable forecast transactions with borrowings.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are re-classified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as re-classification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity are recognised immediately in the Statement of Profit and Loss.

v) Fair Value Measurement

The Group measures financial instruments, such as, derivatives at fair value at each reporting date.

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

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

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

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

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

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

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

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

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

  The Investment in mutual funds is valued using the closing Net Assets Value ('NAV').

- 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 Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group'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 fair value measurement, such as assets held for disposal in discontinued operations.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

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

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

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

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

vi) Non-current Assets held for Sale and Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Discontinued operations is a component of an entity that either has been disposed off, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose off a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the Statement of Profit and Loss.

vii) Property, Plant and Equipment ("PPE")

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and non- refundable purchase taxes, borrowing costs if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

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

Catalysts which are used in commissioning of new plant are capitalized and are amortized based on the estimated useful life as technically assessed. Subsequent issues of catalysts, if any, are treated as inventory.

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

viii) Leases

As a lessee:

Leases are recognised as a right-of-Use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments.
- Amount expected to be payable by the Group under residual value guarantees, if any.
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Right-of-Use assets are measured at cost comprising the following:

- The amount of initial measurement of lease liability.
- Any lease payment made at or before the commencement date less any lease incentive received.
- Any initial direct cost and restoration cost.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise information technology / computer equipment and small items of office furniture.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

ix) Depreciation on PPE and Right-of-Use Assets

Depreciation on PPE is calculated using the straight-line method to allocate their cost, net of their residual values, over their useful lives estimated by the management based on technical evaluation which are equal to the useful life prescribed under Schedule II to the Companies Act, 2013, other than the cases as mentioned in table below from

S.No. (i) to (vi) where the useful lives are different from those prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. A major portion of the plant and equipment of the Parent Company has been considered as continuous process plant.

S. No.	Assets	Useful lives
(i)	- Leasehold Land - Leasehold Improvements - Assets under finance lease - Right-of-Use assets	Amortised over 99 Years Ranging from 3 to 15 Years Ranging from 3 to 9 Years Over the life of lease period These assets are amortised over the period of respective leases or useful lives of assets, whichever is lower.
(ii)	Plant and Equipment	Over their useful lives ranging from 1 to 35 years.
(iii)	Insurance / Capital / Critical Stores and Spares	Over the remaining useful life of related plant and equipment or useful life of insurance / capital / critical spare part, whichever is lower.
(iv)	Vehicles	Depreciated over 5 years. After the expiry of 5 years, the vehicle gets normally replaced.
(v)	Railway Siding	30 years based on technical evaluation that the railway siding is currently in use.
(vi)	Building (other than factory building) and Reinforced Cement Concrete Frame Structure	Over their useful lives ranging from 10 to 60 years.

Assets costing below Rs.5,000 are depreciated in the year of purchase.

The residual values, useful lives and methods of depreciation of PPE and Right-of-Use assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

x) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets with finite lives are amortised on a straight line basis over the estimated useful economic life.

Software is the acquired intangible asset.

Management of the Group assessed the useful life of software as finite and cost of software is amortized over its estimated useful life of five years on straight line basis.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

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

xi) Impairment of Non-Financial Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case events which caused impairment initially cease to exist, impairments are only reversed to the extent that increased carrying amount of the asset does not exceed the carrying amount that would have been in place had there no impairment been carried out in the first place, taking into account the normal depreciation/ amortization.

xii) Financial Instruments

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

(a) Financial Assets

Initial Recognition and Measurement

All financial assets 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent Measurement

Debt Instruments

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

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

Debt Instruments at Amortised Cost

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

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

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

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

Debt Instrument at FVTOCI

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

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

b) The asset's contractual cash flows represent SPPI.

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

Debt Instrument at FVTPL

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

Equity Instruments

For the purposes of subsequent measurement, equity instruments are classified in two categories:

- Equity instruments measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments are measured at fair value. The Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, on derecognition, including sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition

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

(a) The rights to receive cash flows from the asset have expired, or

(b) The Group 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 (i) the Group has transferred substantially all the risks and rewards of the asset, or (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case to case basis based on available information.

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

The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

(b) Financial Liabilities

Initial Recognition and Measurement

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

Subsequent Measurement

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

Financial Liabilities at Fair Value through Profit or Loss

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

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

Loans and Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption/ repayment amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Financial Guarantee Contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 109 'Financial instruments' and the amount initially recognised less cumulative amortisation, where appropriate. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instruments and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Off-setting 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.

xiii) Cash and Cash Equivalents

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

xiv) Dividend to Equity Holders of the Parent Company

The Parent Company recognises a liability to make dividend distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Parent Company. As per the applicable laws in India, a distribution is authorised when it is approved by the shareholders, except in case of Interim Dividend on approval of board. A corresponding amount is recognised directly in equity.

xv) Inventories

Inventories are valued as follows:

Spares and Lubricants*	Lower of cost and net realisable value. Cost is determined on weighted average basis.
Raw Materials, Packing Materials, other Stores and Spares	Lower of cost and net realisable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Catalyst in Use	Based on amortized cost and consumption over the period based on technical assessment ranging from two to twenty years.
Loose Tools	At depreciated cost arrived at on the basis of amortization over a period of three years.
Work in Process and Finished Goods	Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Traded Products	Lower of cost and net realisable value. Cost is determined on weighted average basis.

* included under the inventory of stores and spares.

Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

xvi) Borrowing Costs

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

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is de-capitalised from the qualifying assets.

xvii) Revenue Recognition and Other Income

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Contract Assets

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

Trade Receivables

A receivable represents the Group'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).

Contract liabilities

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

(a) Sale of Goods

Revenue, including subsidy, in respect of sale of goods is recognised at a point in time when control of the goods has transferred, being when the goods are delivered to the buyer, the buyer has full discretion over the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from the sales is recognised based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates and goods & service tax (GST). The Group collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Subsidy on Urea including freight have been accounted on the basis of notified concession prices as under:

(i) New Pricing Scheme (NPS) – Stage III and Modified NPS III;

(ii) New Urea Policy 2015;

(iii) New Investment Policy 2012 (amended); and

(iv) Uniform Freight Policy.

The concession price and freight is accounted based on notified prices, further adjusted for input price escalation/de-escalation and as estimated by the management based on the prescribed norms in line with known policy parameters.

Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Policy and Freight Subsidy has been accounted for in line with the policy, notified by the Government of India.

(b) Interest Income

Interest income is calculated by applying the effective interest rate to gross carrying amount of a financial asset except for financial asset that subsequently become credit impaired. In case of credit impaired financial asset, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(c) Dividend

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(d) Insurance Claims

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

xviii) Retirement and Other Employee Benefits

(a) Provident fund of the Parent Company except erstwhile shipping division of the Parent Company is a defined contribution scheme with effect from September 01, 2021 as the Parent Company had initiated the process of surrender of exemption granted to CFCL Employees Provident Fund Trust and transferred the accumulated provident fund balance of employees to the fund administered and managed by the Government of India. Thus the Parent Company makes monthly contributions at prescribed rates towards Provident Fund to a Fund administered and managed by the Government of India. The Parent Company has no further obligations once the contributions have been made (refer note 31).

The Group's contribution paid/payable during the year to Pension Fund, Provident Fund, Superannuation Fund and Employees' State Insurance Corporation are recognized in the Statement of Profit and Loss.

Provident fund of Indian subsidiary of CFCL Ventures Limited (CVL) and Pension Fund of all components of the Group is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

(b) Superannuation Fund is a defined contribution scheme. Liability in respect of Superannuation Fund to the concerned employees of the Parent Company is accounted for as per the Group's Scheme and contributed to concerned insurers every year. The group does not have any other obligation, other than the contribution payable to the superannuation fund. The group recognizes contribution payable to the superannuation fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability.

(c) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Gratuity plan of the Parent Company is funded with insurance companies to cover the gratuity liability of the employees. The step down subsidiary of CVL has also taken an insurance policy to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with insurance companies is provided for as liability in the books.

(d) Retirement benefit in the form of post-retirement medical benefits is a defined benefit obligation of the Parent Company and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.

(e) Accumulated leaves, which are expected to be utilized within the next 12 months, are treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the entire leaves as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(f) Long service awards are other long-term benefits accruing to all eligible employees of the Parent Company, as per Parent Company's scheme. The cost of providing benefit under long service awards scheme is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

(g) Settlement allowance are other long-term benefits accruing to the eligible employees of the Parent Company, as per Parent Company's scheme. The cost of providing benefit under settlement allowance is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

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

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

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and such re-measurement gains / (losses) are not reclassified to the Statement of Profit and Loss in the subsequent periods. They are included in retained earnings in the Statement of Changes in Equity.

xix) Income Taxes

Tax expense or credit comprises current income tax and deferred tax. Current income-tax expense or credit is measured at the amount expected to be paid to the taxation authorities in accordance with the tax laws applicable in the jurisdiction in which the respective entities of the Group domiciled. The tax rates and tax laws used to compute the amount of current income tax are those that are enacted or substantively enacted, at the reporting date. Deferred Income tax is determined using tax rates (and laws) that have been enacted or substantively enacted, at the reporting date and are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled.

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

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the accounting framework and other applicable accounting pronouncements, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement” and grouped under Deferred Tax. The Group reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

xx) Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker considers the business activities in terms of nature of products i.e. manufacturing/marketing of fertilisers & other agri-inputs. The analysis of geographical segments is based on the locations of customers (refer note 29).

Segment Accounting Policies

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

xxi) Earnings Per Share

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

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

xxii) Contingent Assets and Liabilities

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

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

xxiii) Share-Based Payments

Parent Company

Share-based compensation benefits are provided to employees via the Parent Company's Employees Stock Option Scheme. The fair value of options granted under the Employees Stock Option Scheme of the Parent Company is recognised as an employee benefits expense with a corresponding increase in equity. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

xxiv) Treasury Shares

The Group has created CFCL Employees Welfare Trust ('ESOP Trust') for providing share-based payment to the employees of the Parent Company. The Group uses ESOP Trust as a vehicle for distributing shares to employees under the Employees Stock Option Scheme. The ESOP Trust has bought shares of the Parent Company from the market, for giving shares to employees. The Group treats ESOP Trust as its extension and shares held by ESOP Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) have been recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are satisfied with treasury shares.

xxv) Provisions

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

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(Rs. in Crore)

Particulars	Own Assets												Right-of-Use Assets (refer note 34)
	Land-Freehold	Land-Leasehold	Buildings	Leasehold Improvements	Leasehold Improvements (on Finance Lease)	Railway Siding	Plant and Equipment	Factory Equipment	Office Equipment	Furniture and Fittings	Vehicles	Total	
Note 3 : Property, Plant and Equipment and Right-of-Use Assets													
Gross Book Value													
As at April 01, 2021	5.75	4.30	761.12	0.47	1.08	8.15	6,485.92	22.65	25.40	5.30	18.93	7,339.07	26.39
Additions	-	-	39.56	-	-	-	130.52	2.69	3.94	1.08	7.35	185.14	1.31
Deletions	-	-	(4.12)	-	-	(0.04)	(34.77)	(0.17)	(0.24)	(0.23)	(5.42)	(44.99)	(0.30)
As at March 31, 2022	**5.75**	**4.30**	**796.56**	**0.47**	**1.08**	**8.11**	**6,581.67**	**25.17**	**29.10**	**6.15**	**20.86**	**7,479.22**	**27.40**
Additions	2.06	-	7.65	-	-	5.55	174.76	2.29	4.25	1.83	6.72	205.11	14.50
Deletions	-	-	-	(0.25)	-	-	(14.51)	(0.10)	(1.38)	(0.09)	(5.07)	(21.40)	(2.74)
As at March 31, 2023	**7.81**	**4.30**	**804.21**	**0.22**	**1.08**	**13.66**	**6,741.92**	**27.36**	**31.97**	**7.89**	**22.51**	**7,662.93**	**39.16**
Depreciation and Impairment													
As at April 01, 2021	-	0.32	71.25	0.31	0.93	1.49	766.63	6.64	15.51	2.29	12.02	877.39	9.82
Charge for the year	-	0.06	26.63	0.03	-	0.32	257.66	1.72	3.93	0.51	2.40	293.26	5.41
Deletions	-	-	(3.15)	-	-	-	(25.99)	(0.14)	(0.20)	(0.19)	(5.02)	(34.69)	(0.30)
As at March 31, 2022	-	**0.38**	**94.73**	**0.34**	**0.93**	**1.81**	**998.30**	**8.22**	**19.24**	**2.61**	**9.40**	**1,135.96**	**14.93**
Charge for the year	-	0.06	27.23	0.02	-	0.32	264.27	1.90	3.94	0.58	3.70	302.02	5.17
Deletions	-	-	-	(0.21)	-	-	(8.40)	(0.06)	(1.19)	(0.07)	(4.53)	(14.46)	(2.54)
As at March 31, 2023	-	**0.44**	**121.96**	**0.15**	**0.93**	**2.13**	**1,254.17**	**10.06**	**21.99**	**3.12**	**8.57**	**1,423.52**	**17.56**
Net Book Value													
As at March 31, 2022	**5.75**	**3.92**	**701.83**	**0.13**	**0.15**	**6.30**	**5,583.37**	**16.95**	**9.86**	**3.54**	**11.46**	**6,343.26**	**12.47**
As at March 31, 2023	**7.81**	**3.86**	**682.25**	**0.07**	**0.15**	**11.53**	**5,487.75**	**17.30**	**9.98**	**4.77**	**13.94**	**6,239.41**	**21.60**

Footnotes:

1. Freehold land having carrying value Rs. 0.01 Crore (Previous Year : Rs. 0.01 Crore) and Leasehold land having carrying value of Rs. 0.35 Crore (Previous Year : Rs. 0.35 Crore) are yet to be registered in the Parent Company's name.
2. The carrying value of Buildings includes Rs. 0.00 Crore (Previous Year : Rs. 0.00 Crore) representing undivided share in assets jointly owned with others.
3. Deletions from Plant and Equipment includes Equipment having gross block of Rs. 6.20 Crore (Previous Year: Rs. 1.71 Crore), Factory Equipment having gross block of Nil (Previous Year: Rs. 0.10 Crore), and Vehicles having gross block of Nil (Previous Year: Rs. 0.00 Crore) and Accumulated Depreciation of Plant and Equipment of Rs. 5.10 Crore (Previous Year: Rs. 1.45 Crore), Factory Equipment of Nil (Previous Year: Rs. 0.09 Crore), and Vehicles of Nil (Previous Year: Rs. 0.00 Crore) transfered to "Assets held for sale" (refer note 45).
4. Leasehold Improvements (on Finance Lease) had been fully depreciated in earlier years carried at residual value.
5. Capital Work-in-Progress of Rs. 101.63 Crore (Previous Year : Rs. 156.56 Crore) primarily represents capital expenditure in respect of Plant and Machinery & Buildings.

   Capital Work-in-Progress ("CWIP")

   As at March 31, 2023

(a) Ageing Schedule (Rs. in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	83.68	15.40	1.92	0.63	**101.63**

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following is the CWIP completion schedule:

(Rs. in Crore)

CWIP	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	-	-	-	-	-

As at March 31, 2022

(a) Ageing Schedule

(Rs. in Crore)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	137.85	15.84	2.87	-	**156.56**

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following is the CWIP completion schedule:

(Rs. in Crore)

CWIP	To be Completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	-	-	-	-	-

Note: There are no projects as at March 31, 2023 and March 31, 2022 which have been either temporarily suspended or whose completion is overdue or has exceeded its cost compared to its original plan.

(Rs. in Crore)

Particulars	Goodwill on Consolidation	Total Goodwill	Software	Total Other Intangible Assets
Note 4 A : Other Intangible Assets				
Gross Book Value				
As at April 01, 2021	207.83	207.83	8.23	8.23
Additions	-	-	1.42	1.42
Deletions	-	-	(0.25)	(0.25)
As at March 31, 2022	**207.83**	**207.83**	**9.40**	**9.40**
Additions	-	-	0.54	0.54
Deletions	-	-	(0.28)	(0.28)
As at March 31, 2023	**207.83**	**207.83**	**9.66**	**9.66**
Amortization and Impairment				
As at April 01, 2021	207.83	207.83	6.64	6.64
Charge for the year	-	-	1.07	1.07
Deletions	-	-	(0.25)	(0.25)
As at March 31, 2022	**207.83**	**207.83**	**7.46**	**7.46**
Charge for the year	-	-	1.10	1.10
Deletions	-	-	(0.28)	(0.28)
As at March 31, 2023	**207.83**	**207.83**	**8.28**	**8.28**
Net Book Value				
As at March 31, 2022	-	-	1.94	1.94
As at March 31, 2023	**-**	**-**	**1.38**	**1.38**

Note 4B : Intangible Assets under Development

Intangible assets under development of Rs. 0.99 Crore represents Ariba implementation and SAP upgradation (Previous Year: Rs. 0.34 Crore represents New Health / Safety Software and Server Upgradation).

Intangible assets under development ageing schedule

As at March 31, 2023

(Rs. in Crore)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.99	-	-	-	**0.99**
Total	**0.99**	**-**	**-**	**-**	**0.99**

As at March 31, 2022

(Rs. in Crore)

Intangible Assets under Development	Amount in Intangible Assets under Development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	0.32	0.02	-	-	**0.34**
Total	**0.32**	**0.02**	**-**	**-**	**0.34**

Note: There are no projects as at March 31, 2023 and March 31, 2022 which have been either temporarily suspended or whose completion is overdue or has exceeded its cost.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Financial Assets		
Note 5A : Non-Current Investments		
A **Investment carried at Fair Value through Profit or Loss**		
Equity Instruments (Unquoted)		
- 20,000 (Previous Year: 20,000) equity shares of Rs.10 each fully paid up in Shivalik Solid Waste Management Limited	0.02	0.02
- 2,180 (Previous Year: 2,180) equity shares of Rs.10 each fully paid up in Woodlands Multispeciality Hospital Limited	0.00	0.00
B **Investment carried at Amortised Cost**		
Government Securities (Unquoted)		
- 6 Year National Savings Certificates VIII Issue (lodged with Government Authorities)	0.00	0.00
- Indira Vikas Patra	0.00	0.00
	0.02	**0.02**
Aggregate amount of Unquoted Investments	0.02	0.02
Note 5B : Non Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.12	0.19
(b) Loans Receivables Considered Good - Unsecured	0.04	0.05
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables credit impaired	-	-
	0.16	**0.24**
Note 5C : Other Non Current Financial Assets		
(Unsecured, Considered Good)		
Security Deposits	3.69	3.29
Deposit with Banks having maturity more than 12 months (refer note 8D)	3.53	0.03
	7.22	**3.32**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 6 : Other Non Current Assets		
(Unsecured, Considered Good)		
Capital Advances	69.28	7.51
Balances with Statutory / Government Authorities	2.23	2.18
(Considered Doubtful: Rs. 2.23 Crore (Previous Year: Rs. 2.18 Crore))		
Catalysts in use (valued based on life technically assessed)	11.09	17.09
Prepaid Expenses	2.89	3.65
	85.49	**30.43**
Less: Allowance for Doubtful Advances	2.23	2.18
	83.26	**28.25**
Note 7 : Inventories		
Raw Materials	1.64	2.00
Work-in-Progress	18.22	16.71
Finished Goods {including in transit- Rs.78.15 Crore (Previous Year: Rs. 65.31 Crore)}	152.39	348.66
Traded Goods {including in transit- Rs. 85.68 Crore (Previous Year: Rs. 283.92 Crore)}	1,045.98	2,637.35
Stores and Spares {including in transit- Rs. 0.44 Crore (Previous Year: Nil)}	112.88	101.79
Loose Tools	0.25	0.15
Catalysts in use (valued based on life technically assessed)	30.22	8.33
Packing Materials	12.25	8.22
	1,373.83	**3,123.21**
Current Financial Assets		
Note 8A : Current Investments		
Investment carried at Fair value through Profit or Loss		
Unquoted		
Investment in Mutual Funds		
9,57,133.912 (Previous Year: Nil) units in Axis Liquid Fund - Direct Growth - CFDG	239.37	-
5,20,719.306 (Previous Year: Nil) units in Kotak Liquid Fund Direct Plan Growth	236.84	-
67,33,355.805 (Previous Year: Nil) units in ICICI Prudential Liquid Fund - Direct Plan - Growth	224.35	-
4,23,572.388 (Previous Year: Nil) units in Nippon India Liquid Fund - Direct Plan - Growth Plan - Growth Option	233.26	-
6,72,325.897 (Previous Year: Nil) units in SBI Liquid Fund - Direct Growth	236.88	-
57,821.886 (Previous Year: Nil) units in Baroda BNP Paribas Liquid Fund - Direct Growth - LQD2	15.01	-
6,26,222.204 (Previous Year: Nil) units in Tata Liquid Fund Direct Plan - Growth	222.40	-
5,95,582.233 (Previous Year: Nil) units in DSP Liquidity Fund - Direct Plan - Growth	191.61	-
6,43,979.091 (Previous Year: Nil) units in UTI Liquid Cash Plan - Direct Plan - Growth	237.58	-
Total Investment in Mutual Funds	**1,837.30**	-
Investment in Bonds	-	-
320 (Previous Year: 320), 9.45% Corporate Bonds of Rs.10,00,000 each in IL&FS Transportation Networks Limited #	-	-
	1,837.30	-
Aggregate amount of Unquoted Investments	**1,837.30**	-
Less: Fair Value Loss on Investment carried at Fair Value through Profit or Loss #	-	-
Total Current Investments	**1,837.30**	-

Fair Value Loss had been recognised for entire value during the earlier years.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8B : Trade Receivables		
Trade Receivables Considered Good - Secured	48.48	25.88
Trade Receivables Considered Good - Unsecured (including subsidy receivable from Government of India- Rs. 1,640.26 Crore (Previous Year: Rs. 2,102.24 Crore))	1,712.00	2,125.42
Trade Receivables Considered Doubtful - Unsecured (including subsidy receivable from Government of India- Rs. 0.44 Crore (Previous Year : Rs. 0.30 Crore))	16.58	16.69
	1,777.06	**2,167.99**
Less: Allowance for Doubtful Debts	16.58	16.69
Total Trade Receivables (Net of Allowances)	**1,760.48**	**2,151.30**
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	1,760.48	**2,151.30**

Trade Receivables Aging Schedule

As at March 31, 2023 (Rs. in Crore)

S No.	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i)	Undisputed Trade receivables – considered good - Secured	46.71	0.89	-	0.13	0.01	0.74	**48.48**
(ii)	Undisputed Trade receivables – considered good - Unsecured	507.09	1,190.76	11.63	-	-	2.52	**1,712.00**
(iii)	Undisputed Trade receivables – considered doubtful	0.44	-	-	-	-	-	**0.44**
(iv)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables–considered doubtful	-	-	-	0.17	0.35	15.62	**16.14**
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**554.24**	**1,191.65**	**11.63**	**0.30**	**0.36**	**18.88**	**1,777.06**

As at March 31, 2022 (Rs. in Crore)

S No.	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i)	Undisputed Trade receivables – considered good - Secured	23.91	1.09	-	0.14	-	0.74	**25.88**
(ii)	Undisputed Trade receivables – considered good - Unsecured	1,974.34	134.54	7.40	-	4.16	4.98	**2,125.42**
(iii)	Undisputed Trade receivables – considered doubtful	0.30	-	-	-	-	-	**0.30**
(iv)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables–considered doubtful	-	0.34	0.00	0.18	-	15.87	**16.39**
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**1,998.55**	**135.97**	**7.40**	**0.32**	**4.16**	**21.59**	**2,167.99**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 8C : Cash and Cash Equivalents		
Balances with Banks:		
On Current Accounts	9.14	10.37
On Cash Credit Accounts	27.72	171.34
Deposits with original maturity of less than three months	0.05	350.30
Cash on hand	0.02	0.01
	36.93	**532.02**
There is no repatriation restrictions on cash and cash equivalents.		
Note 8D : Bank Balances Other than 8C above		
On Unpaid Dividend Accounts	18.87	17.38
Deposits with remaining maturity for less than 12 months	1.83	4.74
Deposits with remaining maturity for more than 12 months *	3.53	0.03
	24.23	**22.15**
Less: Deposits with remaining maturity of more than 12 months disclosed under 'other non current financial assets' (refer note 5C)	3.53	0.03
	20.70	**22.12**
* Fixed Deposit receipts of Rs. 0.03 Crore (Previous Year : Rs.0.03 Crore) are pledged with Sales Tax Authorities.		
Note 8E : Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.04	0.05
(b) Loans Receivables Considered Good - Unsecured	0.01	0.01
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
	0.05	**0.06**
Note 8F : Other Current Financial Assets		
(Unsecured and Considered Good, except to the extent stated)		
Derivatives:		
- Derivative Financial Assets	-	1.42
Security Deposits	1.93	5.35
Others		
Receivable from Gas Pool Operator	85.87	-
Receivable from a Joint Venture (refer Note 30)	0.20	-
Insurance and Other Claims Receivable	13.29	-
Interest Receivable on Deposits	0.01	0.01
Rebates and Other General Receivables	13.25	26.67
	114.55	**33.45**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 9 : Other Current Assets		
(Unsecured and Considered Good, except to the extent stated)		
Advance to Suppliers	21.87	18.42
(Considered Doubtful Rs. 0.33 Crore (Previous Year : Rs. 0.33 Crore))		
Balances with Statutory / Government Authorities	454.51	219.45
(Considered Doubtful Rs. 5.44 Crore (Previous Year: Rs. 46.38 Crore))		
Interest Receivable - Others	0.33	0.33
Prepaid Gratuity (refer note 31)	0.01	0.01
Prepaid Expenses	22.25	20.88
Other General Receivables	0.50	0.44
	499.47	**259.53**
Less: Allowance for Doubtful Advances	5.77	46.71
	493.70	**212.82**
Note 10 : Share Capital		
Authorised :		
44,00,00,000 (Previous Year : 44,00,00,000) Equity Shares of Rs.10 each	440.00	440.00
21,00,00,000 (Previous Year : 21,00,00,000) Redeemable Preference Shares of Rs.10 each	210.00	210.00
	650.00	**650.00**
Issued,Subscribed and Paid up :		
41,62,07,852 (Previous Year : 41,62,07,852) Equity Shares of Rs.10 each, fully paid up	416.21	416.21
	416.21	**416.21**

a) **Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting periods**

There is no movement in the equity shares outstanding at the beginning and at the end of the reporting periods.

b) **Terms / Rights attached to Equity Shares**

The Parent Company has only one class of shares having a par value of Rs.10 per share fully paid up. Each holder of equity shares is entitled to one vote per share and the equity shares will rank pari passu with each other in all respects. The Parent Company declares and pays dividend in Indian rupees. The dividend recommended / proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also declare an interim dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after payment of all liabilities.

c) **Shareholding of Promoters and Promoter Group**

	Name	As at March 31, 2023			As at March 31, 2022		
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
(A)	**Promoters:**						
	Jyotsna Poddar	44,05,000	1.06	-	44,05,000	1.06	0.02
	Nandini Nopany	7,02,667	0.17	-	7,02,667	0.17	-
	Shobhana Bhartia	27,26,796	0.66	-	27,26,796	0.66	-
	RTM Investment and Trading Co. Ltd.	19,74,200	0.47	0.01	19,46,200	0.47	-
	SCM Investment & Trading Co. Ltd.	5,89,200	0.14	0.01	5,61,200	0.13	-
	SIL Investments Limited	3,37,93,455	8.12	0.02	3,37,33,455	8.10	0.09
	The Hindustan Times Limited	5,93,71,221	14.26	-	5,93,71,221	14.26	-
	Zuari Industries Limited (formerly Zuari Global Limited)	5,90,17,307	14.18	0.00	5,90,15,360	14.18	-
	Sub Total (A)	**16,25,79,846**	**39.06**		**16,24,61,899**	**39.03**	

	Name	As at March 31, 2023			As at March 31, 2022		
		No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
(B)	**Promoter Group:**						
	Adventz Finance Private Limited	10,65,607	0.26	-	10,65,607	0.26	0.19
	Adventz Securities Enterprises Limited	1,70,022	0.04	-	1,70,022	0.04	0.04
	Akshay Poddar	23,25,025	0.56	-	23,25,025	0.56	-
	Arhant Vikram Nopany	47,000	0.01	-	47,000	0.01	0.01
	Chandra Shekhar Nopany (Shruti Family Trust)	1,000	0.00	-	1,000	0.00	-
	Chandra Shekhar Nopany (Shekhar Family Trust)	1,40,01,000	3.36	-	1,40,01,000	3.36	-
	Chandra Shekhar Nopany	2,90,275	0.07	-	2,90,275	0.07	(0.01)
	Chandra Shekhar Nopany HUF	2,40,100	0.06	-	2,40,100	0.06	-
	Deepshikha Trading Co. Private Limited	57,700	0.01	-	57,700	0.01	-
	Duke Commerce Limited	5,50,200	0.13	-	5,50,200	0.13	-
	Earthstone Holding (Two) Private Limited	1,47,95,077	3.55	-	1,47,95,077	3.55	-
	Earthstone Investment & Finance Limited	84,24,515	2.02	-	84,24,515	2.02	-
	Earthstone Holding (Three) LLP	5,000	0.00	-	5,000	0.00	-
	Ganges Securities Limited	22,51,795	0.54	0.07	19,66,795	0.47	0.30
	Gobind Sugar Mills Limited*	-	-	(0.00)	1,947	0.00	-
	Hargaon Investment & Trading Co. Ltd.	1,36,634	0.03	-	1,36,634	0.03	-
	La Monde Trading & Investments Private Ltd.	15,000	0.00	-	15,000	0.00	-
	Manavta Holdings Ltd.	30,85,000	0.74	-	30,85,000	0.74	(0.08)
	Manbhawani Investment Ltd.	44,57,006	1.07	-	44,57,006	1.07	(0.08)
	Master Exchange & Finance Limited	16,01,600	0.38	-	16,01,600	0.38	-
	New India Retailing and Investment Ltd.	6,92,663	0.17	0.03	5,81,163	0.14	-
	Nilgiri Plantations Limited	42,91,740	1.03	-	42,91,740	1.03	0.03
	Pavapuri Trading and Investment Company Ltd.	1,00,000	0.02	-	1,00,000	0.02	-
	Premium Exchange and Finance Limited	30,86,500	0.74	-	30,86,500	0.74	-
	Ronson Traders Limited	71,50,000	1.72	0.02	70,94,000	1.70	0.04
	RTM Properties Ltd.	1,25,000	0.03	-	1,25,000	0.03	-
	Saroj Kumar Poddar	7,06,128	0.17	-	7,06,128	0.17	-
	Shital Commercial Limited	1,38,318	0.03	-	1,38,318	0.03	-
	Shradha Agarwala	3,25,900	0.08	-	3,25,900	0.08	-
	Shree Vihar Properties Ltd.	7,00,000	0.17	-	7,00,000	0.17	-
	Shruti Vora	4,10,000	0.10	-	4,10,000	0.10	-
	Sidh Enterprises Ltd.	1,53,500	0.04	-	1,53,500	0.04	-
	SIL Properties Ltd.	1,00,000	0.02	-	1,00,000	0.02	-
	Simon India Limited	22,00,000	0.53	-	22,00,000	0.53	-
	Sonali Commercial Ltd.	3,79,350	0.09	-	3,79,350	0.09	-
	Texmaco Infrastructure & Holdings Limited	2,96,864	0.07	-	2,96,864	0.07	0.05
	Texmaco Rail & Engineering Ltd.	10,000	0.00	-	10,000	0.00	(0.24)
	Uttam Commercial Ltd.	68,00,200	1.63	(0.04)	69,67,100	1.67	0.03
	Yashovardhan Investment & Trading Co. Ltd.	78,89,500	1.90	-	78,89,500	1.90	0.04
	Zuari International Limited (formerly Zuari Investments Limited)	4,02,840	0.10	-	4,02,840	0.10	-
	Sub Total (B)	**8,94,78,059**	**21.50**		**8,91,94,406**	**21.43**	
Total (A) + (B)		**25,20,57,905**	**60.56**		**25,16,56,305**	**60.46**	

* Gobind Sugar Mills Limited was holding 1,947 equity shares of the Parent Company, as at March 31, 2022. Pursuant to the scheme of amalgamation, Gobind Sugar Mills Limited merged with Zuari Industries Limited (formerly Zuari Global Limited) and 1,947 equity shares held by Gobind Sugar Mills Limited vested into Zuari Industries Limited (formerly Zuari Global Limited) during the financial year 2022-23.

d) Details of Shareholders holding more than 5% shares in the Parent Company

Name	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
The Hindustan Times Limited	5,93,71,221	14.26	5,93,71,221	14.26
Zuari Industries Limited (formerly Zuari Global Limited)	5,90,17,307	14.18	5,90,15,360	14.18
SIL Investments Limited	3,37,93,455	8.12	3,37,33,455	8.10
DSP Small Cap Fund and its Associate Funds	2,50,74,281	6.02	1,71,39,349	4.12

As per the records of the Parent Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownership of shares.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 10A : Other Equity*		
Reserves and Surplus:		
(a) Securities Premium	6.42	6.42
(b) Retained Earnings	6,225.27	5,554.73
(c) General Reserve	734.26	684.26
(d) Treasury Shares	(0.57)	(2.76)
(e) Loss on Treasury Shares Acquired	(2.14)	(1.90)
(f) Capital Reserve	0.21	0.21
(g) Capital Redemption Reserve	0.25	0.25
(h) Tonnage Tax Reserve under Section 115VT of the Income Tax Act, 1961	0.50	0.50
(i) Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961	42.25	42.25
(j) Share Option Outstanding Account	2.64	2.64
Total	**7,009.09**	**6,286.60**
Other Comprehensive Income:		
(k) Exchange Difference on Translation of Foreign Operations	(38.79)	(49.42)
(l) Cash Flow Hedging Reserve	(318.40)	(253.81)
Total	**(357.19)**	**(303.23)**
Other Equity	**6,651.90**	**5,983.37**

* For movement during the year refer Consolidated Statement of Changes in Equity.

Description of Nature and Purpose of each Reserve

(a) Securities Premium

Securities Premium represents amount received on issue of shares in excess of the par value. Utilisation of reserve will be as per the provisions of the relevant statute.

(b) Retained Earnings

Retained Earnings comprises of prior years as well as current year's undistributed earnings after taxes.

(c) General Reserve

General Reserve is a free reserve. It represents appropriation of profit by the Parent Company. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

(d) Treasury Shares

Treasury Shares represents equity shares of the Parent Company acquired by CFCL Employees Welfare Trust from the Secondary market to allocate or transfer these shares to eligible employees of the Parent Company from time to time on the terms and conditions specified under the CFCL Employees Stock Option Scheme, 2010.

(e) Loss on Treasury Shares

Loss on Treasury Shares acquired represents the amount of loss incurred by CFCL Employees Welfare Trust, on the transfer of equity shares to the eligible employees of the Parent Company as per CFCL Employees Stock Option Scheme, 2010.

(f) Capital Reserve

Capital Reserve represents the amount on account of forfeiture of equity shares of the Parent Company. Utilisation of reserve will be as per the provisions of the relevant statute.

(g) Capital Redemption Reserve

Capital Redemption Reserve represents reserve created on redemption of preference shares. Utilisation of reserve will be as per the provisions of the relevant statute.

(h) & (i) Tonnage Tax Reserve and Tonnage Tax Reserve (utilised) Account under Section 115VT of the Income Tax Act, 1961

These reserves were created till the time erstwhile 'Shipping Division' of the Parent Company was under Tonnage Tax Regime.

(j) Share Option Outstanding Account

Share Option Outstanding Account is used to recognise the grant date fair value of options issued to employees under the CFCL Employees Stock Option Scheme, 2010. Refer to note 36 for further details of the plans.

(k) Exchange Difference on Translation of Foreign Operations

Exchange Difference arising on translation of foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is re-classified to profit or loss when the net investment is disposed off.

(l) Cash Flow Hedging Reserve

The Parent Company uses hedging instrument as part of its management of foreign currency risk associated with its highly probable forecast sale. Foreign currency risk associated with highly forecasted sale transaction is being hedged by taking foreign currency loans.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Financial Liabilities		
Note 11A: Non Current Borrowings		
Secured Loans:		
Term Loans :		
- External Commercial Borrowings	1,808.88	2,297.71
- Foreign Currency Loans from Financial Institution	799.60	900.43
	2,608.48	**3,198.14**
Unsecured Loans:		
- Redeemable Preference Shares	79.15	73.01
	2,687.63	**3,271.15**
Less : Current Maturities of Long Term Borrowings shown under "Current Borrowings" (refer note 14A)	867.22	799.91
Non-Current Borrowings (as per Balance Sheet)	**1,820.41**	**2,471.24**
(a) Details of Borrowings and Transaction Costs		
(i) External Commercial Borrowings		
External Commercial Borrowings (refer (b) i below)	1,817.91	2,311.76
Less: Transaction Costs	9.03	14.05
Carrying Value of External Commercial Borrowings	**1,808.88**	**2,297.71**
(ii) Foreign Currency Loans from Financial Institution		
Foreign Currency Term Loans from Financial Institution (refer (b) ii below)	804.82	907.33
Less: Transaction Costs	5.22	6.90
Carrying Value of Foreign Currency Loans from Financial Institution	**799.60**	**900.43**

(b) Nature of Security, Terms and Repayment Schedule :

i External Commercial Borrowings (“ECB”) from banks of USD 22.12 Crore (Rs. 1,817.91 Crore including current maturity of Rs. 688.37 Crore) (Previous Year: Rs. 2,311.76 Crore including current maturity of Rs. 634.94 Crore) carry interest in the range of 3 months LIBOR / ON SOFR plus 1.35% - 1.94% per annum. ECB amounting to USD 17.62 Crore (Rs. 1,448.12 Crore including current maturity of Rs. 606.19 Crore) are repayable in remaining 10 quarterly instalments from June 30, 2023 onwards. ECB amounting to USD 4.50 Crore (Rs. 369.79 Crore including current maturity of Rs. 82.18 Crore) are repayable in remaining 18 equal quarterly instalments from June 30, 2023 onwards. These ECBs are secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties of the Parent Company and hypothecation of the movable fixed assets of the Parent Company, both present and future subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

ii Foreign currency term loans from a financial institution of USD 9.79 Crore (Rs.804.82 Crore including current maturity of Rs.178.85 Crore) (Previous Year: Rs. 907.33 Crore including current maturity of Rs.164.97 Crore) carry interest of 3 months LIBOR plus 1.55% per annum. These term loans are repayable in remaining 18 equal quarterly instalments from June 30, 2023 onwards. These loans are secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties of the Parent Company and hypothecation of the movable fixed assets of the Parent Company, both present and future subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

(c) Redeemable Preference Shares

In respect of redeemable preference shares issued by a subsidiary of the Parent Company, as the Group has an obligation to deliver a number of its equity instruments which may vary based on the fair value of the preference shares on the date of redemption, the contractual obligation has been construed as a financial liability. Refer note 32 for the details regarding rights, preference and restrictions attached to the redeemable preference shares.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 12 : Long Term Provisions		
Provision for Employee Benefits		
- Gratuity (refer note 31)	13.53	10.02
- Post Retirement Medical Benefits (refer note 31)	5.11	4.98
	18.64	**15.00**
Note 13 : Other Non Current Liabilities		
Other Employee Benefit Obligations	3.20	3.28
	3.20	**3.28**
Current Financial Liabilities		
Note 14A : Current Borrowings		
Secured Loans:		
From Banks:		
- Rupee Loans - Working Capital Demand Loan (refer i below)	-	890.00
- Foreign Currency Loans (refer ii below)	647.64	161.94
Current Maturity of Long Term Borrowings (refer note 11A)	867.22	799.91
	1,514.86	**1,851.85**

Nature of Security, Terms and Repayment Schedule :

i Rupee Loans - Working Capital Demand Loan of Rs. 890.00 Crore was repaid during the year. Further, loan was secured by hypothecation of all the Parent Company’s current assets including all stocks and book debts and other movable assets, both present and future.This loan was further secured by second charge on the immovable properties of the Parent Company. This loan was repayable on demand.

ii Foreign Currency Loans from Banks of Rs. 647.64 Crore (Previous Year: Rs. 161.94 Crore) carry interest in the range of 5.16% - 5.46% per annum. These loans are secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company. These loans have been repaid on April 06, 2023.

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 14B : Trade Payables		
Trade Payables		
a) total outstanding dues to Micro and Small Enterprises (refer note 35)	19.03	11.53
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,192.51	1,488.30
	1,211.54	**1,499.83**

Trade Payables Ageing Schedule

As at March 31, 2023

(Rs. in Crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	2.52	16.51	-	-	-	-	**19.03**
Others	129.66	615.84	447.01	0.00	-	-	**1,192.51**
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**132.18**	**632.35**	**447.01**	**0.00**	**-**	**-**	**1,211.54**

As at March 31, 2022

(Rs. in Crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Payables							
Micro Enterprises and Small Enterprises	0.99	8.79	1.75	-	-	-	**11.53**
Others	43.87	804.74	639.69	-	-	-	**1,488.30**
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**44.86**	**813.53**	**641.44**	**-**	**-**	**-**	**1,499.83**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Note 14C : Other Financial Liabilities		
Interest Accrued but not due on Borrowings	4.33	0.38
Earnest Money / Security Deposits	233.88	215.51
Accrued Employee Liabilities (including payable to Key Management Personnel) (refer note 30)	34.69	32.85
Unclaimed Statutory Liabilities (as referred in Section 124(1) of the Companies Act, 2013):		
-Unpaid Dividend	18.87	17.38
Payable for Capital Goods {includes Rs. 2.15 Crore (Previous Year: Rs.1.83 Crore) dues to Micro and Small Enterprises (refer note 35)}	28.98	13.59
Derivative Financial Liabilities	9.43	4.97
Warrants (refer note 32)	0.00	0.00
	330.18	**284.68**
Terms and Conditions of the above Financial Liabilities:		
- Trade and Other Financial Liabilities (other than Security Deposits) are non-interest bearing. For maturity profile of Trade Payables and Other financial Liabilities, refer note 42.		
Note 15 : Other Current Liabilities		
Advance from Customers*	39.75	109.10
Other Employee Benefit Obligations	0.66	0.70
Statutory Obligations Payable	13.20	15.16
Other Liabilities :		
- Dues to Related Parties (refer note 30)	0.58	0.63
- Others	0.29	0.09
	54.48	**125.68**
* These represent contract liabilities arising from contracts with customers. The amount of Rs. 106.20 Crore (Previous Year: Rs. 27.80 Crore) pertaining to balance at the beginning of the year have been recognised as revenue during the year. The remaining balances have been refunded / adjusted.		
Note 16 : Current Provisions		
Provision for Employees Benefits:		
- Gratuity (refer note 31)	4.93	4.14
- Leave Encashment / Liabilities*	31.26	30.17
- Post Retirement Medical Benefits (refer note 31)	0.22	0.20
	36.41	**34.51**
* Leave obligations not expected to be settled within the next 12 months: Rs. 20.04 Crore as at March 31, 2023 and Rs. 19.96 Crore as at March 31, 2022.		

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Note 17 : Revenue from Operations		
Sale of Products		
Sale of Own Manufactured Products {including Rs. 14,233.12 Crore (Previous Year: Rs. 8,821.84 Crore) Subsidy on Fertilisers}	16,689.14	10,925.56
Sale of Traded Products {including Rs. 6,360.56 Crore (Previous Year: Rs. 2,516.94 Crore) Subsidy on Fertilisers}	11,082.31	5,141.94
Other Operating Revenues		
Others (spillage)	1.36	1.33
Revenue from Operations	**27,772.81**	**16,068.83**
Note 18 : Other Income		
(A) Other Income:		
Interest on:		
- Fertilisers Bonds	0.00	0.00
- Employee Loans	0.01	0.01
- Deposits	25.80	7.85
- Payment from Customers	0.82	1.41
- Others (including deposits with Government Authorities)	0.59	0.03
Dividend Income on Non Current Investment	0.00	0.00
Rent Received	0.17	0.10
Insurance Claims Received	45.43	18.72
Liabilities no Longer Required Written Back	0.54	4.55
Allowance for Doubtful Debts and Advances (Net)	41.13	-
Recoveries from Contractor	0.43	0.41
Sale of Scrap	3.96	4.47
Miscellaneous Income	2.26	10.59
(B) Other Gains :		
- Mark to Market Gain on Derivative Transactions	3.97	-
- Gain on Sale of Current Investments	42.65	8.11
- Gain on Foreign Exchange Variation (Net)	-	6.83
- Gain on Disposal of Property, Plant and Equipment (Net)	-	4.92
	167.76	**68.00**
Note 19 : Cost of Materials Consumed		
Opening Inventories	2.00	1.53
Add: Purchases	8,522.20	5,369.00
Less: Closing Inventories	1.64	2.00
	8,522.56	**5,368.53**
Note 20 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Closing Inventories		
- Work-in-Progress	18.22	16.71
- Finished Goods	152.39	348.66
- Traded Goods	1,045.98	2,637.35
	1,216.59	**3,002.72**

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Opening Inventories		
- Work-in-Progress	16.71	6.99
- Finished Goods	348.66	221.48
- Traded Goods	2,637.35	447.26
	3,002.72	**675.73**
Decrease / (Increase) in Inventories	**1,786.13**	**(2,326.99)**
Note 21 : Employee Benefits Expense		
Salaries, Wages and Bonus *	172.15	160.74
Contribution to Provident and Other Funds	9.25	9.18
Gratuity Expense (refer note 31)	3.66	3.43
Post Retirement Medical Benefits (refer note 31)	0.58	0.52
Workmen and Staff Welfare Expenses	5.36	6.80
	191.00	**180.67**
* Refer note 28		
Note 22 : Finance Costs		
Interest (including Interest on Income Tax : Rs. 0.24 Crore (Previous Year : Rs.1.79 Crore))*	290.54	103.65
Bank Charges	17.63	14.36
Mark to Market Loss / (Gain) on Derivative Transactions	9.85	(16.65)
Loss on Foreign Exchange Variation (Net) related to financing arrangements	2.00	4.57
	320.02	**105.93**
* Refer note 28		
Note 23 : Other Expenses		
Consumption of Stores and Spares	43.35	34.58
Consumption of Packing Materials	134.87	126.51
Bagging and Other Services	22.88	21.69
Power and Fuel	4,838.21	3,019.28
Catalyst Charges Written off	9.00	8.52
Rent (refer note 34)	7.89	6.86
Rates and Taxes	0.54	5.42
Insurance	38.18	32.35
Repairs and Maintenance:		
- Plant and Equipment	43.93	33.67
- Buildings	6.26	4.47
- Others	17.75	14.03
Director’s Sitting Fees	0.25	0.29
Travelling and Conveyance *	11.24	7.20
Communication Costs	0.80	0.70
Printing and Stationery	0.42	0.34
Legal and Professional Fees *	6.24	8.49
Payments to the Auditor:		
As auditor:		
- Audit Fee	0.44	0.44
- Tax Audit Fee	0.07	0.07

(Rs. in Crore)

Particulars		Year Ended March 31, 2023		Year Ended March 31, 2022
- Limited Review Fee		0.30		0.30
- Certification and Other Services		0.59		0.20
- Reimbursement of Expenses		0.06		0.03
Freight and Forwarding Charges		777.97		633.99
Other Selling Expenses		9.09		3.42
Corporate Social Responsibility Expenditure		34.30		28.00
Depletion of Loose Tools		0.20		0.22
Green Belt Development / Horticulture Expenses		3.44		3.36
Allowance for Doubtful Debts and Advances (Net)		-		0.04
Loss on Foreign Exchange Variation (Net)		23.59		-
Mark to Market Loss on Derivative Transactions		-		4.97
Loss on Disposal / Write off of Property, Plant and Equipment (Net) and Right -of -Use Assets		2.80		-
Bank Charges and Guarantee Commission (other than Financing)		-		2.95
Irrecoverable Balances Written Off	0.02		0.04	
Less: Allowance for Doubtful Debts and Advances adjusted out of above	-	0.02	-	0.04
Miscellaneous Expenses *		23.49		20.23
		6,058.17		**4,022.66**

* Refer note 28

Note 24 : Earnings Per Share (EPS)

	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit as per Consolidated Statement of Profit and Loss	1,033.79	1,566.06
Loss / (Profit) for the Year attributable to Non-Controlling Interests	0.43	(0.08)
Profit attributable to Equity Holders of the Parent Company:	**1,034.22**	**1,565.98**
Calculation of Weighted Average Number of Equity Shares		
- Number of Equity Shares at the beginning of the Year	416,207,852	416,207,852
- Total Equity Shares Outstanding at the end of the Year	416,207,852	416,207,852
- Weighted average Number of Equity Shares Outstanding during the Year	416,207,852	416,207,852
Basic and Diluted Earnings Per Share (in Rs.) *	24.85	37.62
Nominal Value of Equity Shares (in Rs.)	10.00	10.00

* There are no dilutive potential equity shares.

25 The Group comprises of the following entities:

	Name of the Entities	Country of Incorporation	Percentage of Ownership as at March 31, 2023	Percentage of Ownership as at March 31, 2022
A.	**Subsidiaries**			
	Chambal Infrastructure Ventures Limited	India	100.00%	100.00%
	CFCL Ventures Limited (CVL)	Cayman Islands	72.27%	72.27%
	Subsidiaries of CVL			
	ISGN Corporation #	U.S.A	100.00%	100.00%
	ISG Novasoft Technologies Limited #	India	100.00%	100.00%
	Inuva Info Management Private Limited * / # / ##	India	-	-
B.	**Joint Venture**			
	Indo Maroc Phosphore S.A. - IMACID	Morocco	33.33%	33.33%

* The liquidator of the subsidiary completely liquidated the assets thereof during the financial year 2019-20 and the subsidiary was dissolved on May 03, 2021.

Percentage of ownership of CVL.

Subsidiary of ISG Novasoft Technologies Limited.

26 Contingent Liabilities and Contingent Assets:

(i) Contingent Liabilities (not provided for)

I. In respect of Parent Company :

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(a)	Demand raised by Service Tax, Goods and Services Tax, Sales Tax and Income Tax (IT) authorities being disputed by the Parent Company *	142.39	104.94
(b)	Penalty levied by FERA Board under appeal before the Calcutta High Court	0.01	0.01
(c)	Various labour cases	Amount not ascertainable	Amount not ascertainable
(d)	Other claims against the Parent Company not acknowledged as debts	0.08	0.08

* Brief description of liabilities under (a) above are as follows :

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Income Tax :**		
	(i) Demand raised by IT authorities on account of various disallowances for assessment year 2011-12	0.03	0.03
	(ii) Demand raised by IT authorities on account of various disallowances for assessment year 2017-18	10.36	10.36
	(iii) Demand raised by IT authorities on account of various disallowances for assessment year 2018-19	92.27	76.24
	(iv) Demand raised by IT authorities on account of various disallowances for assessment year 2019-20	8.53	8.53
	(v) Demand raised by IT authorities on account of various disallowances for assessment year 2020-21	6.29	6.29
	(vi) Demand raised by IT authorities on account of various disallowances for assessment year 2021-22	0.39	0.39
	(vii) Demand raised by IT authorities on account of various disallowances for assessment year 2022-23	2.83	-
	(viii) Other Matters	7.11	2.83
2	**Service Tax :** Demand (including penalty) plus interest at the appropriate rate raised in respect of service tax not paid on payments made in foreign currency to foreign parties, treating all such payments as taxable, which is being contested by the erstwhile Shipping Division of the Parent Company.	0.27	0.27
3	**Goods and Services Tax:**		
	Penalty in respect of refund availment of Inverted duty structure	14.31	-
	Total	**142.39**	**104.94**

(e) The Parent Company had received a demand of Rs. 3.52 Crore plus penalty (Previous Year: Rs. 3.52 Crore) from Sales Tax Department, Kota in an earlier year towards use of natural gas for ammonia fuel, power and steam generation for the period April, 1996 to May, 2001.The Parent Company has obtained a stay from Hon'ble High Court of Rajasthan, Jodhpur on 13th July, 2001 (1996-97 to 1997-98) and on 17th August, 2001 (1998-99 to 2001-02–Upto May 2001). However, in the event of the Parent Company having to pay the above, it is reimbursable by Fertiliser Industry Coordination Committee (FICC), Government of India under Subsidy Scheme.

(f) The Parent Company as well as other users of natural gas under Hazira-Bijeypur-Jagdishpur Gas Pipeline had in earlier years received letters from GAIL (India) Limited, informing about the possibility of levy of excise duty on natural gas (presently not levied) with retrospective effect. The amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC, Government of India under Subsidy Scheme.

(g) The Parent Company as well as other users of Natural Gas under Hazira-Bijeypur-Jagdishpur Gas Pipeline had received a letter in an earlier year from GAIL (India) Limited, informing about the possibility of levy of Central Sales Tax. The Parent Company has been taking the delivery of Gas in the State of Rajasthan and has been accordingly paying Rajasthan Sales Tax on the supply. Therefore, the Parent Company is of the view that no Central Sales Tax is payable by it. Further, the amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC, Government of India under Subsidy Scheme.

(h) Under the Jute Packaging Material (Compulsory use of Packing Commodities) Act, 1987, a specified percentage of fertilisers dispatched were required to be supplied in Jute bags up to August 31, 2001. The provisions of the said Act were challenged in the Supreme Court, which upheld the constitutional validity of this Act in its judgment in 1996. In spite of making conscious efforts to step up use of jute packaging material, the Parent Company had been unable to adhere to the specified percentage, due to strong customer resistance to use of jute bags. The Parent Company had received show cause notice from the Office of the Jute Commissioner, Kolkata, for levying a penalty of Rs. 73.80 Crore (Previous Year: Rs. 73.80 Crore) for non compliance of the provisions of the said Act. The Parent Company has obtained a stay order from Delhi High Court against the above show cause notice. Management believes that it had a strong case and basis merit of the case, the Parent Company is of the view that the said levy is not tenable in law and accordingly no provision has been considered.

Based on favorable decisions in similar cases, legal opinion taken by the Parent Company, discussions with the solicitors, etc., the Parent Company believes that there is fair chance of decisions in its favour in respect of all the items listed above and hence no provision is considered necessary against the same.

II. In respect of Subsidiaries :

The details of the cases, the amount of claim (wherever quantifiable) and the subsidiary of the Group involved are as below:

ISG Novasoft Technologies Limited ('ISGN India')

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax demands, under appeal [refer Note below] USD 25,36,496 (Previous Year: USD 28,77,801)	20.84	21.81

Note:

In respect of ISGN India, the tax authorities have made various adjustments relating to transfer pricing and other disallowances to taxable income for various assessment years i.e. 2009-10 to 2019-20.

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

In respect of above contingent liabilities, it is not practicable for the Group to estimate the timings of cash outflows, if any, pending resolution of the respective proceedings.

(ii) Contingent Assets (not recognised for) in respect of Parent Company:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Un-utilised Cenvat Credit	3.06	3.06

The erstwhile Shipping Division of the Parent Company had claimed cenvat credit in the service tax returns in the earlier years. However, such service tax credit receivable has not been recognised in the financial statements due to uncertainty in utilisation of the same.

27 Capital Commitments

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account {net of advances of Rs. 69.28 Crore (Previous Year : Rs. 7.51 Crore)}	204.00	83.69

28 Capitalisation of Expenditure

-Parent Company

The Parent Company has capitalised the following expenses of revenue nature to the cost of Capital Work-in-Progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Parent Company. The break up of expenditure is as follows :

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	0.57	0.77
Add : Expenditure during the year		
Salaries,Wages and Bonus	2.11	0.09
Travelling and Conveyance	0.31	0.01
Legal and Professional Fees	0.08	-
Miscellaneous expenses	0.86	-
Interest **	1.50	0.11
Total Expenditure	**5.43**	**0.98**
Less : Allocated to Property, Plant and Equipment	(0.41)	(0.41)
Capitalisation of Expenditure (pending for Allocation) *	**5.02**	**0.57**

* Includes Rs. 3.44 Crore (Previous Year: Nil) related to upcoming Technical Ammonium Nitrate Plant.

** Interest comprises of Rs. 1.50 Crore (Previous Year : Rs. 0.11 Crore) on general borrowings for Technical Ammonium Nitrate Plant and other qualifying assets (Previous Year : other qualifying assets) using the weighted average interest rate applicable during the year which is 6.28% per annum (Previous Year: 3.88% per annum).

29 The Managing Director and Chief Financial Officer of the Parent Company has been identified as the chief operating decision maker (CODM) as defined by Ind AS 108, 'Operating Segments'. The Parent Company is in the business of manufacturing / marketing of Fertilisers and other Agri-inputs. Looking at the nature of business and risk involved, the CODM has determined that the operations of the Parent Company falls into single business segment. Further, all the customers and assets are located in India. The Group does not consider Software and Other Business as a reportable segment as it does not have continuing significance. Accordingly, no segment information is provided.

30 Related Party Transactions

Disclosures of the related party information as per Ind AS - 24 'Related Party Disclosures', are as follows-

I Related Party Name and Relationship

(A) Subsidiaries

CFCL Ventures Limited

Chambal Infrastructure Ventures Limited

ISGN Corporation #

ISG Novasoft Technologies Limited #

Inuva Info Management Private Limited * / ##

* Dissolved on May 03, 2021.

Subsidiaries of CFCL Ventures Limited.

Subsidiary of ISG Novasoft Technologies Limited.

(B) Joint Venture

Indo Maroc Phosphore, S.A. - IMACID

(C) Post Employment Benefit Plans

CFCL Employees' Provident Fund

Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund

CFCL Employees Group Gratuity Scheme

India Steamship Staff Provident Fund

India Steamship Staff Gratuity Insurance Scheme

ISG Novasoft Technologies Limited Employees Group Gratuity Trust

(D) Key Management Personnel

S.No.	Name	Designation
1	Mr. Saroj Kumar Poddar	Non-Executive Chairman
2	Mr. Pradeep Jyoti Banerjee	Independent - Non-Executive Director
3	Mr. Shyam Sunder Bhartia	Non-Executive Director
4	Mr. Anil Kapoor	Managing Director (Ceased to be Managing Director with effect from April 16, 2021)
5	Mr. Gaurav Mathur	Managing Director (Joint Managing Director upto April 15, 2021 and Appointed as Managing Director with effect from April 16, 2021)
6	Mr. Vivek Mehra	Independent - Non-Executive Director
7	Mrs. Rita Menon	Independent - Non-Executive Director
8	Mr. Chandra Shekhar Nopany	Non-Executive Director
9	Ms. Radha Singh	Independent - Non-Executive Director (Ceased to be Director with effect from September 15, 2022)
10	Mr. Marco Philippus Ardeshir Wadia	Independent - Non-Executive Director (Ceased to be Director with effect from September 15, 2022)
11	Mr. Berjis Minoo Desai	Independent - Non-Executive Director (Appointed as Director with effect from September 13, 2022)
12	Mr. Abhay Baijal	Chief Financial Officer (Ceased to be Chief Financial Officer with effect from February 01, 2023)
13	Mr. Anand Agarwal	Chief Financial Officer (Appointed as Chief Financial Officer with effect from February 01, 2023)
14	Mr. Rajveer Singh	Company Secretary (Ceased to be Company Secretary with effect from May 06, 2023)
15	Mr. Anuj Jain	Company Secretary (Appointed as Company Secretary with effect from May 06, 2023)

II Transaction with the Related Parties

(A) Joint Venture

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Reimbursement of Expenses		
Indo Maroc Phosphore, S.A. - IMACID	0.29	-
Total	**0.29**	**-**

(B) Post Employment Benefit Plans

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Employer's Contribution Paid / Payable		
- CFCL Employees' Provident Fund	-	2.15
- Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund	-	0.49
- CFCL Employees Group Gratuity Scheme	-	2.00
- India Steamship Staff Provident Fund	0.02	0.02
Total	**0.02**	**4.66**

(C) **Key Management Personnel**

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Compensation *		
-Short Term Employee Benefits:		
Mr. Anil Kapoor	-	5.43
Mr. Gaurav Mathur	4.82	4.31
Mr. Abhay Baijal	2.22	1.72
Mr. Anand Agarwal	0.29	-
Mr. Rajveer Singh	1.04	0.94
-Post Employment Benefits:		
Mr. Anil Kapoor	-	1.68
Mr. Gaurav Mathur	0.35	0.34
Mr. Abhay Baijal	0.92	0.14
Mr. Anand Agarwal	0.02	-
Mr. Rajveer Singh	0.08	0.07
-Share Based Payments:		
Mr. Abhay Baijal	-	0.12
Mr. Rajveer Singh	0.74	-
Commission to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.10	0.10
Mr. Pradeep Jyoti Banerjee	0.10	0.10
Mr. Vivek Mehra	0.10	0.10
Mrs. Rita Menon	0.10	0.10
Mr. Chandra Shekhar Nopany	0.10	0.10
Ms. Radha Singh	0.05	0.10
Mr. Marco Philippus Ardeshir Wadia	0.05	0.10
Mr. Berjis Minoo Desai	0.05	-
Sitting Fees to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.02	0.02
Mr. Pradeep Jyoti Banerjee	0.04	0.03
Mr. Vivek Mehra	0.04	0.05
Mrs. Rita Menon	0.04	0.04
Mr. Chandra Shekhar Nopany	0.03	0.03
Ms. Radha Singh	0.03	0.06
Mr. Marco Philippus Ardeshir Wadia	0.03	0.06
Mr. Berjis Minoo Desai	0.02	-

* The liabilities for the gratuity, leave, post retirement medical benefits, long service award scheme and settlement allowance are provided on an actuarial basis and determined for the Parent Company as a whole rather than for each of the individual employees. Accordingly, the said liabilities cannot be ascertained separately for Managing Director, Chief Financial Officer and Company Secretary, hence not included, except for the amount actually paid.

III Outstanding Balances from / to Related Parties

(A) **Joint Venture**

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Current Financial Assets		
Indo Maroc Phosphore, S.A. - IMACID	0.20	-
Total	**0.20**	-

(B) Post Employment Benefit Plans

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Current Liabilities		
India Steamship Staff Provident Fund	0.00	0.00
Total	**0.00**	**0.00**

(C) Key Management Personnel

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Financial Liabilities		
Mr. Rajveer Singh	0.00	-
Total	**0.00**	**-**
Other Current Liabilities		
Mr. Saroj Kumar Poddar	0.09	0.09
Mr. Pradeep Jyoti Banerjee	0.09	0.09
Mr. Vivek Mehra	0.09	0.09
Mrs. Rita Menon	0.09	0.09
Mr. Chandra Shekhar Nopany	0.09	0.09
Ms. Radha Singh	0.04	0.09
Mr. Marco Philippus Ardeshir Wadia	0.04	0.09
Mr. Berjis Minoo Desai	0.05	-
Total	**0.58**	**0.63**

Note 1: Transactions and balances with the Subsidiaries and Joint Venture to the extent eliminated on consolidation are not included.

Note 2: Outstanding balances are unsecured and their settlement occurs in cash. Further, no loss allowances were made against such balances.

Key Management Personnel interests in the CFCL Employees Stock Option Scheme, 2010 (ESOS)

Details of Stock Options held by Key Management Personnel under the ESOS to purchase equity shares of the Parent Company are as follows:

Key Management Personnel	Grant date	Expiry Period (Financial Year)	Exercise Price (in Rs.)	As at March 31, 2023 Number of Stock Options Outstanding and Exercisable	As at March 31, 2022 Number of Stock Options Outstanding and Exercisable
Mr. Rajveer Singh *	September 16, 2010	-	73.50	-	30,000
Total				**-**	**30,000**

Each stock option entitles the holder to acquire 1 equity share of Rs.10 of the Parent Company

* Ceased to be Company Secretary with effect from May 06, 2023.

31 Gratuity and Other Post-Employment Benefit Plans:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity Plan - (Liability)	(18.45)	(14.15)
Provident Fund - Asset *	2.39	2.11
Post Retirement Medical Benefits Plan - (Liability)	(5.33)	(5.18)

* Plan asset of Rs. 2.39 Crore (Previous Year: Rs. 2.11 Crore) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

a) Gratuity

(i) The Parent Company has a defined benefit gratuity plan. Benefit is being paid as under-

A) In case of retirement or death while in service, the gratuity will be payable as under:

i) Completed continuous service of 5 years and above upto 20 years – gratuity equivalent to 15 days last drawn salary for each completed year of service.

ii) Completed continuous service of above 20 years – gratuity equivalent to 15 days last drawn salary for first 20 years and 20 days last drawn salary for each completed year of service after 20 years.

B) In case of resignation or termination of an employee, where the employee has completed 5 years of continuous service with the Parent Company, gratuity equivalent to 15 days last drawn salary for each completed year of service shall be payable.

The Scheme is funded with insurance company in the form of a qualifying insurance policy. The fund has the form of a trust and it is governed by the Board of Trustees.

(ii) In case of erstwhile Shipping Division of the Parent Company, the Parent Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 to 30 days last drawn salary for each completed year of service. The Scheme is funded with insurance company in the form of qualifying insurance policy except in the case of crew employees of the division. The fund has the form of a trust and it is governed by the Board of Trustees.

(iii) In case of Software subsidiaries of the Group, a subsidiary has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at the rate of 15 days last drawn salary for each completed year of service. Gratuity is applicable only to employees drawing a salary in Indian rupees and there are no other defined benefit gratuity plans.

b) Post Retirement Medical Benefit Plan

The Parent Company has post retirement medical benefit schemes in the nature of defined benefit plan which is unfunded.

c) Provident Fund

The Parent Company had set up provident fund trusts, which were managed by the Trustees. Provident funds set up by employers, which requires interest shortfall to be met by the employer, has been treated as defined benefit plan till August 31, 2021. During the Previous Year, the Parent Company had initiated the process of surrender of exemption granted to CFCL Employees' Provident Fund and transferred the accumulated provident fund balance of employees to the Regional Provident Fund Commissioner ('RPFC'). In view of the above, the Parent Company remits the monthly contribution of Provident Fund to RPFC with effect from September 01, 2021. Therefore, contribution to Provident Fund is treated as Defined Contribution Plan with effect from September 01, 2021 except contribution to Provident Fund of erstwhile shipping division of the Parent Company.

The Boards of Trustees of Gratuity Trust of the Parent Company are responsible for the administration of the plan assets of Parent Company and for the definition of the investment strategy. The Board of Trustees reviews the level of funding and investment and such a review includes the asset-liability matching strategy and investment risk management policy.

The Board of Trustees decides the contribution based on the results of the review. Generally, they aim to have a portfolio mix of equity instruments and debt instruments. Investments of Provident Fund Trust were governed by the rules issued by the Ministry of Labour, Government of India for Employee Provident Fund exempted establishment.

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

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2023: (Rs. in Crore)

Particulars	As at April 01, 2022	Service Cost	Net Interest Expense	Sub-total included in Profit or Loss	Benefits Paid	Return on Plan Assets(excluding amounts included in net interest expense)	Actuarial Changes arising from changes in Demographic Assumptions	Actuarial changes arising from changes in Financial Assumptions	Experience Adjustments	Subtotal included in OCI	Settlement/ Transfer In	Contributions by Employer	Effects of Exchange Rate Changes	As at March 31, 2023
		Cost charged to Consolidated Statement of Profit and Loss				Remeasurement Gains/(Losses) in OCI								
(A) Gratuity Plan:														
Defined Benefit Obligation	(41.97)	(2.66)	(3.04)	(5.70)	3.59	-	0.00	-	0.60	0.60	-	-	(0.01)	(43.49)
Fair Value of Plan Assets	27.82	-	2.04	2.04	(3.59)	(1.25)	-	-	-	(1.25)	-	-	0.02	25.04
Benefit (Liability)	**(14.15)**			**(3.66)**	**-**					**(0.65)**	**-**	**-**	**0.01**	**(18.45)**
(B) Post Retirement Medical Benefits Plan:														
Defined Benefit Obligation	(5.18)	(0.20)	(0.38)	(0.58)	0.22	-	-	-	0.21	0.21	-	-	-	(5.33)
Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (Liability)	**(5.18)**			**(0.58)**	**0.22**					**0.21**	-	-	-	**(5.33)**

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2022: (Rs. in Crore)

Particulars	As at April 01, 2021	Service Cost	Net Interest Expense	Sub-total included in Profit or Loss	Benefits Paid	Return on Plan Assets(excluding amounts included in net interest expense)	Actuarial Changes arising from changes in Demographic Assumptions	Actuarial changes arising from changes in Financial Assumptions	Experience Adjustments	Subtotal included in OCI	Settlement/ Transfer In	Contributions by Employer	Effects of Exchange Rate Changes	As at March 31, 2022
		Cost charged to Consolidated Statement of Profit and Loss				Remeasurement Gains/(Losses) in OCI								
(A) Gratuity Plan:														
Defined Benefit Obligation	(41.79)	(2.57)	(2.84)	(5.41)	4.14	-	0.00	-	1.09	1.09	-	-	(0.00)	(41.97)
Fair Value of Plan Assets	28.74	-	1.98	1.98	(4.15)	(0.75)	-	-	-	(0.75)	-	2.00	0.00	27.82
Benefit (Liability)	**(13.05)**			**(3.43)**	**(0.01)**					**0.34**	-	**2.00**	**(0.00)**	**(14.15)**
(B) Post Retirement Medical Benefits Plan:														
Defined Benefit Obligation	(5.04)	(0.17)	(0.35)	(0.52)	0.20	-	-	-	0.18	0.18	-	-	-	(5.18)
Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (Liability)	**(5.04)**			(0.52)	**0.20**					**0.18**	-	-	-	(5.18)

Provident Fund:

Changes in the Defined Benefit obligation and Fair Value of Plan Assets as at March 31, 2023 and March 31, 2022:

(Rs. in Crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset
Opening Balance	**(1.66)**	**3.77**	**2.11**	**(176.85)**	**186.32**	**9.47**
Service Cost	(0.02)	-	**(0.02)**	(2.15)	-	**(2.15)**
Net Interest Expense	(0.12)	0.31	**0.19**	(10.11)	-	**(10.11)**
Benefits Paid	-	-	-	11.03	(11.03)	-
Return on Plan Assets (excluding amounts included in Net Interest Expense)	-	-	-	-	4.01	**4.01**
Actuarial Changes arising from changes in Financial Assumptions	-	-	-	-	-	-
Experience Adjustments	(0.23)	0.32	**0.09**	(0.83)	(0.04)	**(0.87)**
Settlement / Transfer In *	-	-	-	181.97	(182.36)	**(0.39)**
Contributions by Plan Participant / Employees	(0.02)	0.02	-	(4.72)	4.72	-
Contributions by Employer	-	0.02	**0.02**	-	2.15	**2.15**
Closing Balance	**(2.05)**	**4.44**	**2.39**	**(1.66)**	**3.77**	**2.11**

* This includes accumulated Provident Fund of CFCL Employees Provident Fund Balance transferred to RPFC.

The Group expects to contribute Rs. 4.18 Crore (Previous Year : Rs. 3.39 Crore) to gratuity trust respectively in the next financial year.

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

Particulars	As at March 31, 2023	As at March 31, 2022
	%	%
Discount Rate:		
Gratuity Plan	6.90 to 7.51	4.30 to 7.36
Post Retirement Medical Benefits	7.51	7.36

Particulars	As at March 31, 2023	As at March 31, 2022
	%	%
Future Salary Increase:		
Gratuity Plan	7.00 to 7.50	7.00 to 7.50
Medical Cost Escalation Rate:		
Post Retirement Medical Benefits Cost Increase	3.00	3.00
Life Expectation for:		
Post Retirement Medical Benefits		
Male	17.31	17.31
Female	21.67	21.67

A quantitative sensitivity analysis for significant assumptions as at March 31, 2023 is shown below:

Gratuity Plan of the Group:

Particulars	Year ended March 31, 2023			
Assumption	Discount Rate		Future Salary Increase	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined benefit Obligation (Increase) / Decrease (Rs. in Crore)	(1.64)	1.76	1.74	(1.63)

Post Retirement Medical Benefits Plan of the Parent Company:

Particulars	Year ended March 31, 2023			
Assumption	Discount Rate		Medical Cost Escalation Rate	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined benefit Obligation (Increase) / Decrease (Rs. in Crore)	(0.40)	0.42	0.42	0.40

A quantitative sensitivity analysis for significant assumptions as at March 31, 2022 is shown below:

Gratuity Plan of the Group:

Particulars	Year ended March 31, 2022			
Assumption	Discount Rate		Future Salary Increase	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore)	(1.69)	1.70	1.72	(1.70)

Post Retirement Medical Benefits Plan for the Parent Company:

Particulars	Year ended March 31, 2022			
Assumption	Discount Rate		Medical Cost Escalation Rate	
Sensitivity Level	0.50% Increase	0.50% Decrease	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Increase) / Decrease (Rs. in Crore)	(0.36)	0.37	0.38	(0.36)

Sensitivities due to mortality and withdrawals are not material and hence impact of change is not calculated. Sensitivities as to rate of inflation, rate of increase of pension payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

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

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 14.70 years for Gratuity Plan and 14.70 years for Post Retirement Medical Benefits Plan (Previous Year : 14.36 years for Gratuity Plan and 14.34 years for Post Retirement Medical Benefits Plan).

Investment Pattern in Plan Assets:

Particulars	Gratuity	
	Financial year 2022-23	Financial year 2021-22
Investments with insurers/ Government securities/ Equity shares/ Equity oriented mutual funds (%)	100%	100%

Maturity Profile of Defined Benefit Obligation: (Rs. in Crore)

Particulars	Within the next 12 months	Between 2 and 5 years	Between 5 and 10 years	Beyond 10 Years
As at March 31, 2023				
Gratuity Fund	3.71	12.93	14.38	12.48
Provident Fund	2.05	-	-	-
Post Retirement Medical Benefits Plan	0.22	1.18	1.49	2.44
As at March 31, 2022				
Gratuity Fund	4.98	10.89	13.23	12.87
Provident Fund	1.66	-	-	-
Post Retirement Medical Benefits Plan	0.20	1.01	1.36	2.61

Contribution to Defined Contribution Plans : (Rs. in Crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provident Fund *	1.49	2.97
Pension Fund	-	1.50
Superannuation Fund	-	0.47
National Pension System	2.00	1.77
Employers' Contribution to Employees' State Insurance Corporation	0.02	0.01

* With effect from September 01, 2021, the Parent Company has remitted monthly contribution to RPFC.

32 Rights, Preference and Restrictions attached to Redeemable Preference Shares and Details about Share Warrants

Preference shareholders carry voting rights on an as converted basis with ordinary shareholders, except for key governance protections outlined in the Articles of Association of CFCL Ventures Limited (CVL), a subsidiary of the Parent Company, in which case each class votes separately on an as converted basis as per the terms of the preference shareholders agreement. Further, preference shareholders carry preferential dividend rights over ordinary shares if declared by the Board of Directors and priority over ordinary shares in the event of any liquidation, dissolution or winding up of the affairs of CVL.

Within ninety (90) days after the receipt of a written request from members holding not less than a majority of the then outstanding preference shares, voting together on an as converted basis, that all preference shares be redeemed (such date within such ninety (90) days period being the "Redemption Date") and concurrently with the surrender by the holders of outstanding preference shares of the certificates representing such preference shares, CVL shall, to the extent it may lawfully do so, redeem all of the then outstanding preference shares by paying an amount in cash per preference share to be redeemed equal to the greater of (i) the original purchase price per share (subject to adjustment for any Recapitalizations) and (ii) the fair market value of such preference share as of the Redemption Date, as determined by an independent third-party investment bank or similar financial service provider agreed to by CVL and the holders of at least a majority of the preference shares then outstanding, voting together on an as-converted basis.

If, on the Redemption Date, the funds of CVL legally available for redemption of preference shares are insufficient to redeem all outstanding preference shares, those funds that are legally available will be used to make payment to the holders of preference shares on a pro-rata basis in proportion to the number of preference shares then held by such members. Any preference shares not redeemed shall remain outstanding and shall be entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of CVL are legally available for the redemption of the preference shares, such funds will immediately be used to redeem the balance of the preference shares not redeemed on the Redemption Date in the manner and in the order set forth in the preceding sentence. Each holder of Preference Shares shall be entitled to convert any or all of its Preference Shares, at any time, without the payment of any additional consideration, into such number of fully paid Ordinary Shares as is determined by multiplying the number of Preference Shares by a fraction determined by dividing the Original Purchase Price by the Conversion Price determined in each case, in effect at the time of conversion. Any conversion of Preference Shares made pursuant to these Articles shall be effected by the redemption of the relevant number of Preference Shares and the issuance of an appropriate number of Ordinary Shares.

Share Warrants

The subsidiary of the Parent Company, CFCL Ventures Limited is having below share warrants:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Exercise price (USD)	No. of shares	Exercise price (USD)	No. of shares
Ordinary shares	-	-	0.01	93,450
Series G Preference shares	-	-	0.01	35,210
Series H Preference shares	-	-	4.62	630,433
Series H Preference shares	0.01	1,446,419	0.01	1,446,419
Series I Preference shares	0.01	1,613,333	0.01	1,613,333

None of the warrants have been exercised by the warrant holders of the CFCL Ventures Limited.

33 Subsidies

(a) Nitrogenous Fertilisers are under the Concession Prices for urea under New Urea Policy 2015, New Pricing Scheme – Stage III, New Investment Policy 2012 (amended), Modified New Pricing Scheme - Stage - III and Uniform Freight Policy, which were further adjusted for input price escalation / de-escalation, as estimated on the basis of the prescribed norms in line with known policy parameters.

Contribution from sale of surplus ammonia has been accounted for in accordance with the known policy parameters.

Current year's subsidy income of Urea has been (reduced) / increased by Rs. (0.21) Crore (Previous Year: Rs.90.38 Crore), pertaining to earlier years, but determined during the year.

(b) Subsidy on Phosphatic and Potassic (P&K) fertilisers has been accounted for as per the concession rates based on Nutrient Based Subsidy Policy and Freight Subsidy has been accounted for in line with the policy, notified by the Government of India.

34 Leases

This note provides information for the Group leases where the Group is a lessee. The Group leases various offices and lease periods are generally fixed ranging from eleven months to nine years, but may have extension options.

Amounts recognised in the Consolidated Statement of Profit and Loss relating to Leases

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Depreciation charge for Right-of-Use Assets	5.17	5.41
Interest expense (included in Finance Costs)	0.97	1.16
Expense relating to short term leases (included in Other Expenses)	7.89	6.86
Expense relating to leases of low - value assets that are not shown above as short term leases (included in Other Expenses)	-	-
Expense relating to variable lease payments not included in Lease Liabilities	-	-

Amount recognised in the Statement of Consolidated Statement of Cash Flows

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Total cash outflow for leases	5.88	6.46

Additions / Net Book Value pertaining to the Right-of-Use Assets are as follows:

Property, Plant and Equipment comprises owned and leased assets that do not meet the definition of investment property.

(Rs. in Crore)

Particulars	Financial Year - 2022-23	Financial Year - 2021-22
Property, Plant and Equipment comprises:		
Right-of-Use Assets - Additions during the year	14.50	1.31
Right-of-Use Assets - Net Book Value	21.60	12.47

Maturity analysis of Lease Liabilities

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Payable within one year	4.67	5.25
Payable after one year but not more than five years	16.50	8.18
Payable after more than five years	1.96	0.34
Total undiscounted Lease Liabilities	**23.13**	**13.77**
Lease liabilities included in the Consolidated Balance Sheet	**23.13**	**13.77**
Non-Current	**18.46**	**8.52**
Current	**4.67**	**5.25**

The Group has discounted lease payments using the applicable incremental borrowing rate as of 3.88% per annum (Previous Year: 4.48% per annum) for measuring the Lease Liabilities.

35 Details of dues to Micro and Small Enterprises as per 'The Micro, Small and Medium Enterprise Development Act, 2006' (MSMED):

(Rs. in Crore)

Particulars	Financial Year 2022-23	Financial Year 2021-22
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year {including payable for capital goods of Rs. 2.15 Crore (Previous Year : Rs.1.83 Crore)};	21.18	13.36
The interest due on unpaid principal amount remaining as at the end of each accounting year;	-	-
Principal amounts paid to suppliers registered under the MSMED beyond the appointed day during the year;	-	0.07
The amount of interest paid by the buyer in terms of Section 16 of the MSMED beyond the appointed day during each accounting year.	-	0.00
Interest paid, other than under Section 16 of MSMED to suppliers registered under the MSMED beyond the appointed day during the year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under Section 23 of the MSMED.	-	-

36 Share Based Payments

Employees Stock Option Scheme

The shareholders of the Parent Company had approved CFCL Employees Stock Option Scheme, 2010 on August 27, 2010 which was amended by the shareholders on September 13, 2013 and the revised CFCL Employees Stock Option Scheme, 2010 (ESOS) was approved by the shareholders on September 15, 2015. As per ESOS, 4,162,000 Stock Options can be issued to Whole-time Director/ Managing Director and other specified categories of employees of the Parent Company. The options are to be granted at market price. The market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Each option, upon vesting, shall entitle the holder to acquire 1 equity share of Rs.10 of the Parent Company.

Details of the scheme are as under:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Date of Grant	16/Sep/2010	22/Jan/2011	10/May/2011	17/Oct/2011	11/May/2012
Number of Options Granted	28,50,000	300,000	220,000	100,000	270,000
Method of Settlement (Cash / Equity)	Equity	Equity	Equity	Equity	Equity
Exercise Period*	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting
Vesting Conditions	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance

* In case of death / permanent incapacity / superannuation of the employee, 3 years from the date of death / permanent incapacity/ superannuation or expiry of exercise period, whichever is earlier.

Vesting Schedule :

Vesting Date	All tranches
1 year from the date of grant	15%
2 years from the date of grant	15%
3 years from the date of grant	20%
4 years from the date of grant	25%
5 years from the date of grant	25%

Movement in options is summarized below:

Particulars	Financial Year 2022-23	Financial Year 2021-22
	No. of options	No. of options
Outstanding at the beginning of the year	327,000	581,000
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	259,000	254,000
Expired during the year	-	-
Outstanding at the end of the year	68,000	327,000
Exercisable at the end of the year	68,000	327,000
Weighted average remaining contractual life (in years)	0.20	0.62
Weighted average Exercise price (in Rs.)	74.76	74.76

The details of Exercise Price of Stock Options Outstanding as at March 31, 2023 are as under:

Tranche	Weighted Average Fair Value of Options (in Rs.)	Range of Exercise Price (in Rs.)	Number of Options Outstanding	Weighted Average remaining Contractual Life of Options (in years)	Weighted Average Exercise Price (in Rs.)
1	31.38	73.50	49,000	0.13	73.50
2	32.86	76.85	7,000	0.20	76.85
3	38.44	82.90	-	-	82.90
4	45.06	101.10	5,000	0.52	101.10
5	34.97	69.40	7,000	0.83	69.40

The details of Exercise Price of Stock Options Outstanding as at March 31, 2022 are as under:

Tranche	Weighted Average Fair Value of Options (in Rs.)	Range of Exercise Price (in Rs.)	Number of Options Outstanding	Weighted Average remaining Contractual Life of Options (in years)	Weighted Average Exercise Price (in Rs.)
1	31.38	73.50	269,000	0.50	73.50
2	32.86	76.85	17,000	0.66	76.85
3	38.44	82.90	15,000	0.82	82.90
4	45.06	101.10	15,000	1.13	101.10
5	34.97	69.40	11,000	1.54	69.40

Stock Options Granted

The weighted average fair value of stock options granted is Rs. 32.54 per option (Previous Year Rs. 32.54 per option). The Black Scholes Valuation Model has been used for computing the weighted average fair value considering the following inputs:

As at March 31, 2023:-

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted Average Share Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Exercise Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Expected Volatility	37.12%	37.30%	37.46%	38.09%	37.94%
Life of the Options Granted (vesting and exercise period) in years	0.13	0.20	-	0.52	0.83
Average Risk-Free Interest rate	7.71%	7.72%	7.73%	7.76%	7.79%
Expected Dividend Yield	3.45%	3.45%	3.45%	3.45%	3.45%

As at March 31, 2022:-

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted Average Share Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Exercise Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Expected Volatility	37.12%	37.30%	37.46%	38.09%	37.94%
Life of the Options granted (vesting and exercise period) in years	0.50	0.66	0.82	1.13	1.54
Average Risk-Free Interest rate	7.71%	7.72%	7.73%	7.76%	7.79%
Expected Dividend Yield	3.45%	3.45%	3.45%	3.45%	3.45%

The expected volatility was determined based on historical volatility data. For calculating volatility, the Parent Company has considered the daily volatility of the stock prices of the Parent Company on National Stock Exchange of India Limited over a period prior to the date of grant, corresponding with the expected life of the options.

In financial year 2010-11, CFCL Employees Welfare Trust ("Trust") was constituted, inter alia, for the purpose of subscribing or acquiring equity shares of the Parent Company from the Parent Company or Secondary market, to hold the shares and to allocate or transfer these shares to eligible employees of the Parent Company from time to time on the terms and conditions specified under the Employees stock option scheme. The Board of Directors at its meeting held on May 08, 2010 had approved grant of financial assistance upto Rs.30.00 Crore by the Parent Company to Trust in such manner and on such terms as agreed between the trustee(s) of the Trust and Managing Director of the Parent Company for the purpose of subscribing or acquiring shares of the Parent Company. Trust is holding 68,000 equity shares (Previous Year : 3,27,000 equity shares) of the Parent Company which were purchased from the open market.

37 Interest in Other Entities:

(A) Interest in Joint Venture

The Group has 33.33% ownership interest in Indo Maroc Phosphore S.A. - IMACID (IMACID), which is engaged in manufacturing of phosphoric acid. IMACID is registered in Morocco. The Group's interest in IMACID is accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint venture, based on its financial information and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised Balane Sheet (Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Assets, including Cash and Cash Equivalents- Rs. 1,219.55 Crore (Previous Year : Rs. 795.11 Crore)	2,625.13	2,605.28
Non-Current Assets	297.61	292.82
Current Liabilities, including Trade Payables- Rs. 1,246.74 Crore (Previous Year : Rs.1,107.28 Crore)	1,255.49	1,168.19
Non-Current Liabilities	47.93	52.40
Equity	**1,619.32**	**1,677.51**
Proportion of the Group's Ownership	**33.33%**	**33.33%**
Carrying amount of the Investment	**539.77**	**559.17**

Reconciliation of Carrying amount of the Investment in Joint Venture (Rs. in Crore)

Particulars	Amount
Carrying amount of the Investment as on March 31, 2022	**559.17**
Less: Dividend Received from Joint Venture during the year	91.65
Add: Share of Profit of Joint Venture for the year	57.53
Add: Exchange Differences on Translation for the year	14.72
Carrying amount of the Investment as on March 31, 2023	**539.77**

Summarised Statement of Profit and Loss of the Joint Venture : (Rs. in Crore)

Particulars	For the Financial Year Ended March 31, 2023	For the Financial Year Ended March 31, 2022
Income		
Revenue	4,088.16	4,337.92
Other Income	37.20	50.82
Total Revenue	**4,125.36**	**4,388.74**
Expenses:		
Cost of Materials Consumed	3,343.61	2,727.20
Changes in Inventories of Work-in-Progress and Finished Goods	63.68	(69.55)
Employee Benefits Expense	61.62	58.29
Finance Costs	(2.16)	(2.45)
Depreciation and Amortization Expenses	59.19	53.14
Other Expenses	321.57	442.39
Total Expenses	**3,847.51**	**3,209.02**
Profit Before Exceptional items and Tax	**277.85**	**1,179.72**
Exceptional Items Expense	44.72	13.95
Profit Before Tax	**233.13**	**1,165.77**
Tax Expense:		
Current Tax	60.47	244.47
Deferred Tax	0.07	2.17
Profit for the Year	**172.59**	**919.13**
Group's Share of Profit for the Year	**57.53**	**306.38**
Dividend received from Joint Venture	**91.65**	**27.89**

The Group has no contingent liabilities or capital commitments relating to its interest in IMACID as at March 31, 2023 and March 31, 2022. The joint venture has no other contingent liabilities as at March 31, 2023 and March 31, 2022. The joint venture has capital commitment of Rs. 8.98 Crore as at March 31, 2023 (Previous Year : Rs. 5.68 Crore).

The consolidated financial statement includes group's share of net profit of joint venture.

(B) Non- Controlling Interest (NCI)

Financial information of a subsidiary company that has material non-controlling interest is provided below:

Proportion of equity interest held by Non-Controlling Interest:

Particulars	Country of Incorporation and Operations	As at March 31, 2023	As at March 31, 2022
CFCL Ventures Limited	Cayman Islands	27.73%	27.73%

Information regarding Non-Controlling Interest

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Accumulated balances of material Non-Controlling Interest		
CFCL Ventures Limited	(15.19)	(13.49)
Profit / (Loss) allocated to material Non-Controlling Interest:		
CFCL Ventures Limited	(0.43)	0.08

The summarised financial information of aforesaid subsidiary is provided below. This information is based on amounts before inter-company eliminations.

Summarised Statement of Profit and Loss:

(Rs. in Crore)

Particulars	For the Financial Year Ended March 31, 2023	For the Financial Year Ended March 31, 2022
Income		
Other Income	0.21	2.44
Total Revenue	**0.21**	**2.44**
Expenses:		
Employee Benefits Expense	0.99	0.87
Other Expenses	0.77	1.28
Total Expenses	**1.76**	**2.15**
Profit / (Loss) Before Tax	**(1.55)**	**0.29**
Tax Expense:		
Current Tax	-	-
Deferred Tax Charge	-	-
Income Tax Expense	-	-
Profit after tax	**(1.55)**	**0.29**
Other Comprehensive Income (Net of Income Tax)	**(0.41)**	**(0.20)**
Total Comprehensive Income	**(1.96)**	**0.09**
Profit allocated to Non-Controlling Interest	(0.43)	0.08
Other Comprehensive Income allocated to Non-Controlling Interest	(1.26)	(0.53)
Total comprehensive income allocated to Non-Controlling Interest	**(1.69)**	**(0.45)**

Summarised Balance Sheet:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Financial Assets and Other Current Assets (Current)	11.08	12.08
Other Non-Current Assets (Non-Current)	4.03	4.03
Borrowings, Trade and Other Payables (Current)	0.88	1.13
Interest-bearing Borrowings and Other Non-Current Liabilities (Non-Current)	877.12	809.03
Total Equity	**(862.89)**	**(794.05)**
Attributable to:		
Non-Controlling Interest	(15.19)	(13.49)

Summarised Cash Flow Information:

(Rs. in Crore)

Particulars	For the Financial Year Ended March 31, 2023	For the Financial Year Ended March 31, 2022
Operating Activities	(2.15)	7.61
Investing Activities	(0.38)	(0.04)
Financing Activities	-	-
Net (Decrease) / Increase in Cash and Cash Equivalents	**(2.53)**	**7.57**

38 Figures pertaining to the subsidiaries have been re-classified wherever considered necessary to bring them in line with the Parent Company's financial statements.

39 **Fair Values**

The management assessed that fair value of financial assets and liabilities approximates their carrying amount.

The fair value of the financial assets and liabilities is included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

(i) Derivative financial instruments - The fair value of foreign exchange forward contracts is determined using the foreign exchange spot and forward rates at the balance sheet date. The fair value of Interest rate swap contracts is determined using the Black Scholes Valuation Model. The derivatives are entered into with the banks / counterparties with investment grade credit ratings.

(ii) Long Term Security Deposits / Employee Loans - The fair value of security deposits / employee loans approximates the carrying value and hence, the valuation technique and inputs have not been given.

(iii) Floating Rate borrowings / Finance Lease Obligation / Lease Liabilities - The fair values of the Parent Company's interest bearing borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.

(iv) The carrying amount of bank deposits, trade receivables, cash and cash equivalents, investment at amortised cost, other current financial assets, trade payables, fixed rate borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

(v) The fair value of investments carried at fair value through profit and loss is determined using Income, Market Approach and Net Assets Value Method.

40 **Fair Value Measurements**

(i) Financial instruments by category

(Rs. in Crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets						
Investments						
-Equity Shares	0.02	-	-	0.02	-	-
-Mutual Funds	1,837.30	-	-	-	-	-
-Government Securities	-	-	0.00	-	-	0.00
Employee Loans	-	-	0.21	-	-	0.30
Security Deposits	-	-	5.62	-	-	8.64
Trade Receivables	-	-	1,760.48	-	-	2,151.30
Cash and Cash Equivalents	-	-	36.93	-	-	532.02
Bank Balances other than above	-	-	24.23	-	-	22.12
Derivative Financial Assets	-	-	-	1.42	-	-
Other Current Financial Assets	-	-	112.62	-	-	26.68
Total Financial Assets	**1,837.32**	**-**	**1,940.09**	**1.44**	**-**	**2,741.06**
Financial Liabilities						
Borrowings - Floating Rate	-	-	2,608.48	-	-	3,198.14
Borrowings - Fixed Rate	-	-	647.64	-	-	1,051.94
Redeemable Preference Shares	79.15	-	-	73.01	-	-
Trade Payables	-	-	1,211.54	-	-	1,499.83
Derivative Financial Liabilities	9.43	-	-	4.97	-	-
Lease Liabilities	-	-	23.13	-	-	13.77
Other Current Financial Liabilities	-	-	320.75	-	-	279.71
Total Financial Liabilities	**88.58**	**-**	**4,811.54**	**77.98**	**-**	**6,043.39**

(ii) Fair Value Hierarchy

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

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2023

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Investment in Equity Shares	31.03.2023	0.02			0.02
Investment in Mutual Funds	31.03.2023	1,837.30	1,837.30	-	-
Derivative Financial Assets	31.03.2023	-	-	-	-
Assets for which fair values are disclosed					
Employee Loans	31.03.2023	0.16	-	0.16	-
Security Deposits	31.03.2023	3.69	-	3.69	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Liabilities as at March 31, 2023

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value					
Derivative Financial Liabilities	31.03.2023	9.43	-	9.43	-
Liabilities for which fair values are disclosed					
Redeemable Preference Shares	31.03.2023	79.15	-	-	79.15
Warrants	31.03.2023	0.00	-	-	0.00
Borrowings - Floating Rate	31.03.2023	2,608.48	-	2,608.48	-
Lease Liabilities	31.03.2023	23.13	-	23.13	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2022: (Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Investment in Equity Shares	31.03.2022	0.02	-	-	0.02
Derivative Financial Assets	31.03.2022	1.42	-	1.42	-
Assets for which fair values are disclosed					
Employee Loans	31.03.2022	0.24	-	0.24	-
Security Deposits	31.03.2022	3.29	-	3.29	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Liabilities as at March 31, 2022:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Prices in Active Markets (Quoted for Equity Securities and NAV for Investment in Mutual Funds)	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value					
Derivative Financial Liabilities	31.03.2022	4.97	-	4.97	-
Liabilities for which fair values are disclosed					
Redeemable Preference Shares	31.03.2022	73.01	-	-	73.01
Warrants	31.03.2022	0.00	-	-	0.00
Borrowings - Floating Rate	31.03.2022	3,198.14	-	3,198.14	-
Lease Liabilities	31.03.2022	13.77	-	13.77	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

Fair Value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in level 3 items:

(Rs. in Crore)

Particulars	Investment in Equity Shares
As at April 01, 2021	0.02
-Additions	-
-Deletions	-
-Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	-
As at March 31, 2022	**0.02**
-Additions	-
-Deletions	-
-Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	-
As at March 31, 2023	**0.02**

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis are shown as below:

Particulars	Valuation techniques	Significant unobservable inputs	Range (Net assets value) (Rs. in Crore)	Sensitivity of the inputs to fair value
As at March 31, 2023				
Investment in Equity Shares	Net Assets value method	Net Assets Value	0.02	Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs.0.00 Crore) respectively.
As at March 31, 2022				
Investment in Equity Shares	Net Assets value method	Net Assets Value	0.02	Increase / (Decrease) in net assets value by 5% would result in Increase / (Decrease) in fair value by Rs.0.00 Crore and (Rs.0.00 Crore) respectively.

41 Income Tax Expense

The major components of Income Tax Expense are:

Profit or Loss Section

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current Income Tax:		
Current Income Tax Charge	208.87	320.17
Adjustments in respect of Current Income Tax of earlier years	0.00	16.79
Deferred Tax:		
Relating to origination and reversal of temporary differences	454.54	535.61
Less: Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(83.90)	(33.00)
Less: Minimum Alternate Tax (MAT) Credit Entitlement	(196.97)	(174.73)
Income Tax Expense reported in the Consolidated Statement of Profit and Loss	**382.54**	**664.84**

Other Comprehensive Income (OCI) Section

Tax related to items recognised in OCI:

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net (Gain) / Loss on re-measurement of Defined Benefit Plans	(0.16)	0.18
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Current Tax	37.58	21.12
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Deferred Tax	19.57	11.79
Net (Gain) on Effective Portion of Exchange Difference on Hedging Instruments - Deferred Tax	(91.85)	(45.69)
Income Tax (Credit) to OCI	**(34.86)**	**(12.60)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Accounting Profit Before Income Tax	**1,416.33**	**2,230.90**
At India's statutory Income Tax Rate of 34.944% (Previous Year : 34.944%)	494.92	779.57
Adjustments in respect of Current Income Tax of earlier years	0.00	16.79
	494.92	**796.36**
Tax effects of amount which are not deductible (taxable) in calculating taxable income-		
Corporate Social Responsibility Expenditure	11.99	9.78
Realisation of Short Term Capital Loss to reduce the Current Tax Expense	(14.90)	(2.83)
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(83.90)	(33.00)
Share of Net Profit of a Joint Venture accounted for using the Equity Method	(20.10)	(107.06)
Tax on Foreign subsidiary companies levied at different tax rates / no tax levied	0.53	(0.12)
Other Non-Deductible Items	(6.00)	1.71
At the effective income tax rate of 27.01% (Previous Year : 29.80%)	**382.54**	**664.84**
Income Tax Expense reported in the Consolidated Statement of Profit and Loss	382.54	664.84

Deferred Tax

Deferred Tax relates to the following:

(Rs. in Crore)

Particulars	Consolidated Balance Sheet		Consolidated Statement of Profit and Loss	
	As at March 31, 2023	As at March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Deferred Income Tax Liabilities				
Property, Plant and Equipment (including other intangible assets)	2,007.34	2,053.72	(46.38)	(53.06)
Right-of-Use Assets	1.33	1.42	(0.09)	(0.03)
Interest income from Income tax refund, Value Added Tax refund etc. accrued in the books, to be offered to tax in the year of realisation	-	-	-	(0.43)
Effects of expenditure allowed under Income Tax Act, 1961 but to be charged in the statement of profit and loss in subsequent year.	0.98	1.89	(0.91)	(3.09)
Total Deferred Income Tax Liabilities	**2,009.65**	**2,057.03**	**(47.38)**	**(56.61)**
Deferred Income Tax Assets				
Effects of expenditure debited to Statement of Profit and Loss in the current year/ earlier years but allowable in subsequent year	1.18	0.32	0.86	0.31
Allowance for Doubtful Debts and Advances	8.30	22.65	(14.35)	0.21
Mark to Market Gain on Interest Rate Swaps	-	-	-	(5.32)
Leave encashment	10.84	10.46	0.38	(1.81)
Gratuity	5.28	4.01	1.27	0.50
Carry Forward of Losses on account of Deduction under section 35AD of Income Tax Act, 1961	-	431.37	(431.37)	(556.90)
Deferred Tax on cash flow hedge	60.06	46.49	13.57	4.69
Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	37.01	37.01	-	-
Re-measurement (Gain) / Loss on Defined Benefit Plans	1.43	1.27	0.16	(0.18)
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	522.12	438.22	83.90	33.00
MAT Credit Entitlement	659.13	462.16	196.97	174.73
Deferred Tax Income			**(101.23)**	**(294.16)**
Total Deferred Income Tax Assets	**1,305.35**	**1,453.96**		
Net Deferred Tax Liabilities / (Assets)	**704.30**	**603.07**		

Reflected in the Balance Sheet as follows:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Liabilities	704.30	603.07
Net Deferred Tax Liabilities / (Assets)	**704.30**	**603.07**

Reconciliation of Deferred Tax Liabilities / Assets (Net):

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	**603.07**	**308.91**
Tax Expense during the year recognised in Consolidated Statement of Profit and Loss	454.54	535.61
Tax (Income) during the year recognised in OCI	(72.44)	(33.72)
Tax (Income) on Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(83.90)	(33.00)
MAT Credit Entitlement	(196.97)	(174.73)
Closing Balance	**704.30**	**603.07**

The Group has long term / short term capital losses, to the tune of Rs. 104.86 Crore (Previous Year: Rs. 461.43 Crore) that are available for offsetting for three to five years against future taxable profits (long term / short term) of the Parent Company. Deferred tax assets have not been recognised in respect of above losses in the financial year 2022-23 as there are no other tax planning opportunities or other evidence of recoverability in the near future.

In respect of ISGN Corporation, a step down subsidiary of the Parent Company, the Group has not recognised deferred tax asset as at year end due to significant tax losses. The management of the step down subsidiary is of the view that, considering the probability of taxable profit against which such unused tax losses or unused tax credits can be utilised, there is uncertainty that sufficient taxable profit will be available against which unused tax losses or unused tax credits can be utilised.

Non-Current / Current Tax Assets represents Advance Taxes / Tax Deductible at Source and are shown as net of provisions of Rs. 587.70 Crore (Previous Year: Rs. 888.36 Crore).

42 Financial Risk Management Objectives and Policies

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents which are derived from its operations. The Group also holds investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The senior management oversees the management of these risks. The management of these risks is carried out by the finance department under the approved policies of the Group. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The management reviews overall risks periodically.

(i) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, investments, other receivables, other payables and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

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

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations, provisions and other non-financial assets and liabilities of foreign operations.

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2023 and March 31, 2022.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As and when deemed appropriate, the Group enters into Interest rate swap contracts for converting floating rate into fixed rate.

Interest Rate Sensitivity

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

(Rs. in Crore)

Particulars	Increase + / Decrease - in basis points	Increase / (Decrease) in Profit before Tax
March 31, 2023		
USD Borrowings	+50	(15.87)
USD Borrowings	-50	15.87
March 31, 2022		
USD Borrowings	+50	(18.57)
USD Borrowings	-50	18.57

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

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The foreign exchange risk of the Parent Company arises mainly out of import of fertilisers and foreign currency borrowings.

The major part of the long term borrowings of the Parent Company comprises of External Commercial Borrowings/ Foreign Currency Term Loans availed in US Dollars for financing of Gadepan-III plant of the Parent Company. The repayment of these loans has started from financial year 2019-20. The revenue of the Parent Company from Gadepan-III Plant is linked to US Dollars in terms of New Investment Policy 2012. Accordingly, the Parent Company has natural cover against fluctuation of foreign exchange rates and did not enter into transactions to hedge foreign exchange risk in respect of aforesaid foreign currency borrowings.

In order to mitigate the foreign exchange risk in respect of imported fertilisers, the Parent Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk in this regard, to the extent considered necessary, through forward contracts and option structures.

The Group's exposure to foreign currency risk at the end of the reporting period expressed in Rupees are as follows:

As at March 31, 2023 (Rs. in Crore)

Currency	Assets			Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Receivable from Joint Venture	Other Receivables	Trade and Other Financial Liabilities	Borrowings	Derivative Financial Liabilities	Interest accrued but not due on Borrowings	
USD	-	0.20	13.45	444.72	3,270.37	9.43	4.33	(3,715.20)
EURO	-	-	-	1.74	-	-	-	(1.74)
JPY	-	-	-	2.26	-	-	-	(2.26)
GBP	-	-	-	0.10	-	-	-	(0.10)

As at March 31, 2022 (Rs. in Crore)

Currency	Assets			Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Receivable from Joint Venture	Other Receivables	Trade and Other Financial Liabilities	Borrowings	Derivative Financial Liabilities	Interest accrued but not due on Borrowings	
USD	1.42	-	20.46	607.73	3,381.03	4.97	0.38	(3,972.23)
EURO	-	-	-	0.66	-	-	-	(0.66)
JPY	-	-	-	0.16	-	-	-	(0.16)
GBP	-	-	-	-	-	-	-	-

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

(Rs. in Crore)

Particulars	Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2023	Increase/ (Decrease) in Profit Before Tax For the Year Ended March 31, 2022	Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2023	Increase/ (Decrease) in Other Comprehensive Income For the Year Ended March 31, 2022
USD Sensitivity				
Rs./USD increase by 5%	(53.68)	(37.30)	(131.14)	(160.95)
Rs./USD decrease by 5%	53.68	37.30	131.14	160.95
EURO Sensitivity				
Rs./EURO increase by 5%	(0.09)	(0.03)	-	-
Rs./EURO decrease by 5%	0.09	0.03	-	-
JPY Sensitivity				
Rs./JPY increase by 5%	(0.11)	(0.01)	-	-
Rs./JPY decrease by 5%	0.11	0.01	-	-
GBP Sensitivity				
Rs./GBP increase by 5%	(0.01)	-	-	-
Rs./GBP decrease by 5%	0.01	-	-	-

Impact of Hedging Activities

Disclosure of effects of hedge accounting on Financial Position and Financial Performance:

(a) Financial Position

As at March 31, 2023 (Rs. in Crore)

Type of Hedge & Risks	Nominal Value		Carrying amount of Hedging Instrument		Maturity Date	Hedge Ratio*	Weighted Average Strike Price/Rate	Changes in Fair value of Hedging Instrument	Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow Hedge									
Foreign Exchange Risk:									
Borrowings	-	2,608.48	-	2,608.48	30.09.2027	1:1	USD1:Rs. 66.27	859.00	(859.00)

As at March 31, 2022 (Rs. in Crore)

Type of Hedge & Risks	Nominal Value		Carrying amount of Hedging Instrument		Maturity Date	Hedge Ratio*	Weighted Average Strike Price/Rate	Changes in Fair value of Hedging Instrument	Change in the value of Hedged Item used as the basis for recognising Hedge Effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow Hedge									
Foreign Exchange Risk:									
Borrowings	-	3,198.14	-	3,198.14	30.09.2027	1:1	USD1:Rs. 66.27	596.14	(596.14)

* The entire amount of Borrowings taken for Gadepan-III Plant has been designated as hedging instrument against highly probable forecasted revenue being hedged item from Gadepan-III Plant, therefore the hedge ratio is 1:1.

(b) Financial Performance

For the Year Ended March 31, 2023 (Rs. in Crore)

Type of Hedge	Change in the value of the Hedging Instrument recognised in Other Comprehensive Income	Hedge ineffectiveness recognised in Profit or Loss	Amount reclassified from Cash Flow Hedging Reserve to Profit or Loss	Line item affected in Statement of Profit and Loss because of the re-classification
Cash Flow Hedge				
Foreign Exchange Risk	(262.86)	-	163.57	Revenue from Operations

For the Year Ended March 31, 2022 (Rs. in Crore)

Type of Hedge	Change in the value of the Hedging Instrument recognised in Other Comprehensive Income	Hedge ineffectiveness recognised in Profit or Loss	Amount reclassified from Cash Flow Hedging Reserve to Profit or Loss	Line item affected in Statement of Profit and Loss because of the re-classification
Cash Flow Hedge				
Foreign Exchange Risk	(130.74)	-	94.17	Revenue from Operations

Movements in Cash Flow Hedging Reserve (Rs. in Crore)

Risk Category	Foreign Currency Risk	
	Financial Year 2022-23	Financial Year 2021-22
Derivative Instruments		
Cash Flow Hedging Reserve		
Opening at the beginning of the Year	**(253.81)**	**(230.02)**
Add: Changes in Borrowings	(262.86)	(130.74)
Add: Amounts reclassified to profit or loss	163.57	94.17
Less: Current Tax relating to above	37.59	21.12
Less: Deferred Tax relating to above	(72.29)	(33.90)
Closing at the end of the Year	**(318.40)**	**(253.81)**

c) Commodity Price Risk

Commodity price risk of the Parent Company arises from the ongoing purchase of natural gas and imported fertilisers required for its operating activities.

(i) Natural gas is the major raw material for manufacture of Urea. The prices of Natural Gas are mostly linked to international crude oil prices which varies with the fluctuation in the prices of crude oil, demand supply pattern, etc. The part of the natural gas quantity required by the Parent Company has also been purchased at fixed price. The cost of natural gas is considered appropriately in line with the subsidy policies of Government of India for manufacture of Urea. As per the guidelines for pooling of gas in fertilizer (Urea) sector issued by the Government of India, the natural gas is available to the Urea manufacturer at uniform price. The Parent Company did not enter into any transaction for hedging the fluctuations in the prices of natural gas.

(ii) The Parent Company deals in imported fertilisers (i.e. DAP, MOP and NPK), which are imported by the Parent Company and sold in the domestic market. The prices of imported fertilisers may fluctuate due to demand -supply scenario, outage of plants, fluctuation in prices of raw materials, etc. The Parent Company takes following steps to mitigate the risk pertaining to fluctuation in prices:

a) Dynamic sourcing strategy and review of demand and supply on regular basis;

b) No long term commitments; and

c) Constant review of market condition including costing of competitors.

The Parent Company did not enter into any transactions to hedge the risk pertaining to fluctuation in prices.

(ii) Credit Risk

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

a) Trade Receivables

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

b) Financial Instruments and Cash Deposits

In respect of Parent Company, Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department. Credit risk arising from investment in mutual funds, bonds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised institutions with good credit ratings assigned by the credit rating agencies.

In respect of a subsidiary company, credit risk on cash and cash equivalents is limited as the subsidiary company keeps deposits in banks with good credit ratings assigned by international and domestic credit rating agencies.

Refer below table for Movement in allowances for Debts & Advances. (Rs. in Crore)

Particulars	Other Non Current Assets	Trade Receivables	Other Current Assets	Other Current Financial Assets
Allowance as at April 01, 2021	**3.09**	**16.51**	**44.64**	**3.03**
Allowance made during the financial year 2021-22	-	0.35	3.89	-
Allowance written off / (written back) during the financial year 2021-22	(1.01)	(0.17)	(1.82)	(3.05)
Foreign Currency Translation Difference	0.10	-	-	0.02
Allowance as at March 31, 2022	**2.18**	**16.69**	**46.71**	**-**
Allowance made during the financial year 2022-23	-	0.14	-	-
Allowance written off / (written back) during the financial year 2022-23	(0.13)	(0.25)	(40.94)	-
Foreign Currency Translation Difference	0.18	-	-	-
Allowance as at March 31, 2023	**2.23**	**16.58**	**5.77**	**-**

(iii) Liquidity Risk

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

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

(Rs. in Crore)

Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 Years	> 5 Years	Total
As at March 31, 2023						
Borrowings	1,514.86	698.83	665.15	391.53	-	3,270.37
Redeemable Preference Shares	-	-	-	-	79.15	79.15
Lease Liabilities	4.67	4.48	4.70	7.32	1.96	23.13
Other Financial Liabilities	301.20	-	-	-	-	301.20
Trade and Other Payables	1,240.52	-	-	-	-	1,240.52
Total	**3,061.25**	**703.31**	**669.85**	**398.85**	**81.11**	**4,914.37**
As at March 31, 2022						
Borrowings	1,851.85	799.91	644.59	854.30	120.38	4,271.03
Redeemable Preference Shares	-	-	-	-	73.01	73.01
Lease Liabilities	5.25	4.94	2.64	0.60	0.34	13.77
Other Financial Liabilities	271.09	-	-	-	-	271.09
Trade and Other Payables	1,513.42	-	-	-	-	1,513.42
Total	**3,641.61**	**804.85**	**647.23**	**854.90**	**193.73**	**6,142.32**

43 Capital Management

The Group's objective while managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefit for other stakeholders. The Group will maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return the capital to shareholders, issue new shares or sell assets to reduce debt.

The Capital Structure of the Group is as follows:

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Share Capital	416.21	416.21
Other Equity	6,651.90	5,983.37
Debts (Long Term and Short Term both (including Current Maturities))*	3,335.27	4,323.09
Total	**10,403.38**	**10,722.67**

*The above debt includes Rs. 2,608.48 Crore (Previous Year: Rs. 3,198.14 Crore) towards the Gadepan-III Plant, which had commenced commercial production from January 01, 2019. The balance debt is towards working capital requirements.

Under the terms of the borrowing facilities pertaining to Gadepan-III Plant, the Parent Company is required to comply with certain financial covenants as detailed below:

S. No.	Debt Covenants	Required - Financial Year 2022-23	Achieved - Financial Year 2022-23	Required - Financial Year 2021-22	Achieved - Financial Year 2021-22
1	Total outstanding Liabilities to Tangible Net worth	Ratio should be ≤ 2.50:1	0.81:1	Ratio should be ≤ 2.50:1	1.08:1
2	Total Debts to EBITDA	Ratio should be ≤ 3.50:1	1.63:1	Ratio should be ≤ 4.00:1	1.64:1
3	Fixed Assets Cover Ratio	Ratio should be ≥ 1.25:1	1.90:1	Ratio should be ≥ 1.25:1	1.50:1
4	Debt Service Coverage Ratio	Ratio should be ≥ 1.20:1	1.57:1	Ratio should be ≥ 1.20:1	2.55:1

44 Distribution Made and Proposed

(Rs. in Crore)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Cash Dividend on Equity Shares Declared and Paid:		
Dividend (during the year ended on March 31, 2023: at the rate of Rs. 3.00 per equity share and March 31, 2022: at the rate of Rs. 4.50 per equity share)	124.87	187.29
Interim Dividend (during the year ended on March 31, 2023 at the rate of Rs. 4.50 per equity share and March 31, 2022 at the rate of Rs. 4.50 per equity share)	187.29	187.29
Total	**312.16**	**374.58**
Proposed Dividend on Equity Shares:		
Final Dividend (for the year ended on March 31, 2023: at the rate of Rs. 3.00 per equity share, for the year ended on March 31, 2022: at the rate of Rs. 3.00 per equity share)	124.86	124.86
Total	**124.86**	**124.86**

45 Assets classified as Held for Sale

(Rs. in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Property, Plant and Equipment classified as Held for Sale :		
- Plant and Equipment	1.20	0.36
- Factory Equipment	-	0.01
- Vehicles	0.00	0.00
Total	**1.20**	**0.37**

46 Additional information pursuant to Schedule III of Companies Act, 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2022-23 and 2021-22

Financial Year 2022-23									
S. No.	Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount (Rs. in Crore)	As % of Consolidated Profit or Loss	Amount (Rs. in Crore)	As % of Consolidated OCI	Amount (Rs. in Crore)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in Crore)
	Parent Company								
	Chambal Fertilisers and Chemicals Limited	93.20	6,573.61	94.57	977.64	90.36	(50.16)	94.81	927.48
	Indian Subsidiaries								
1	Chambal Infrastructure Ventures Limited	0.06	4.45	0.02	0.16	-	-	0.02	0.16
2	ISG Novasoft Technologies Limited	0.09	5.86	(0.12)	(1.27)	-	-	(0.13)	(1.27)
	Foreign Subsidiaries								
1	CFCL Ventures Limited	(0.79)	(55.79)	0.03	0.29	7.37	(4.09)	(0.39)	(3.80)
2	ISGN Corporation	0.00	0.21	(0.02)	(0.13)	-	-	(0.01)	(0.13)
	Non-Controlling Interests in Subsidiary								
	CFCL Ventures Limited	(0.21)	(15.19)	(0.04)	(0.43)	2.27	(1.26)	(0.18)	(1.69)
	Interests in Joint Venture (as per Equity Method)								
	Indo Maroc Phosphore S.A - IMACID	7.65	539.77	5.56	57.53	-	-	5.88	57.53
	Total	**100.00**	**7,052.92**	**100.00**	**1,033.79**	**100.00**	**(55.51)**	**100.00**	**978.28**

Financial Year 2021-22										
S. No.	Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit / (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income		
		As % of Consolidated Net Assets	Amount (Rs. in Crore)	As % of Consolidated Profit or Loss	Amount (Rs. in Crore)	As % of Consolidated OCI	Amount (Rs. in Crore)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in Crore)	
	Parent Company									
	Chambal Fertilisers and Chemicals Limited	92.08	5,880.67	80.41	1,259.24	94.80	(41.08)	80.00	1,218.16	
	Indian Subsidiaries									
1	Chambal Infrastructure Ventures Limited	0.06	4.29	0.01	0.15	-	-	0.01	0.15	
2	ISG Novasoft Technologies Limited	0.09	5.47	(0.01)	(0.23)	-	-	(0.01)	(0.23)	
	Foreign Subsidiaries									
1	CFCL Ventures Limited	(0.93)	(59.49)	(0.02)	(0.28)	3.97	(1.72)	(0.13)	(2.00)	
2	ISGN Corporation	0.15	9.47	0.04	0.72	-	-	0.04	0.72	
	Non-Controlling Interests in Subsidiary									
	CFCL Ventures Limited	(0.21)	(13.49)	0.01	0.08	1.23	(0.53)	(0.03)	(0.45)	
	Interests in Joint Venture (as per Equity Method)									
	Indo Maroc Phosphore S.A - IMACID	8.76	559.17	19.56	306.38	-	-	20.12	306.38	
	Total	**100.00**	**6,386.09**	**100.00**	**1,566.06**	**100.00**	**(43.33)**	**100.00**	**1,522.73**	

Note: Above figures for net assets and share in profit or (loss) of entities are after elimination of all intra group transactions.

47 The Parent Company will continue to assess the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir and Others Vs the Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. CI/1(33)2019/ Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. As per the said assessment and the legal advice obtained by the Parent Company, the aforesaid matter is not likely to have any significant impact and accordingly, no provision has been made in these Financial Statements.

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

The Parent Company and all its Indian Subsidiaries have not given any loans, made investments or given guarantees or provided security during the financial year ended March 31, 2023 under section 186 (4) of the Companies Act, 2013.

49 Changes in Financial Liabilities arising from Financing Activities for Financial Year 2022-23 (Rs. in Crore)

Particulars	As at March 31, 2022	Receipt	Repayment	Foreign Exchange Variation (Net)	Foreign Currency Translation	Transaction Cost and Others *	As at March 31, 2023
Long Term Borrowings	3,198.14	-	(859.22)	262.86	-	6.70	2,608.48
Short Term Borrowings	890.00	7,965.81	(8,855.81)	-	-	-	-
Supplier's Credit	161.94	2,803.74	(2,289.71)	(28.33)	-	-	647.64
Redeemable Preference Shares	73.01	-	-	-	6.14	-	79.15
Lease Liabilities *	13.77	-	(5.88)	-	-	15.24	23.13
Total	**4,336.86**	**10,769.55**	**(12,010.62)**	**234.53**	**6.14**	**21.94**	**3,358.40**

Changes in Financial Liabilities arising from Financing Activities for Financial Year 2021-22 (Rs. in Crore)

Particulars	As at March 31, 2021	Receipt	Repayment	Foreign Exchange Variation (Net)	Foreign Currency Translation	Transaction Cost and Others *	As at March 31, 2022
Long Term Borrowings	3,847.99	-	(788.42)	130.74	-	7.83	3,198.14
Short Term Borrowings	-	2,682.76	(1,792.76)	-	-	-	890.00
Supplier's Credit	-	355.83	(196.81)	2.92	-	-	161.94
Redeemable Preference Shares	70.42	-	-	-	2.59	-	73.01
Lease Liabilities *	17.75	-	(6.46)	-	-	2.48	13.77
Total	**3,936.16**	**3,038.59**	**(2,784.45)**	**133.66**	**2.59**	**10.31**	**4,336.86**

* Represents movement in Lease Liabilities on account of addition and interest expenses.

50 Disclosure as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

In accordance with the requirements of Listing Regulations, the details of transaction of the Parent Company with any person or entity belonging to the promoter / promoter group holding 10% or more shareholding in the Parent Company are as under:

(Rs. in Crore)

Name of the Shareholder	Nature of Transaction	% Shareholding as at March 31, 2023	Amount of Transaction for the Year Ended March 31, 2023	Outstanding Balance Receivable as at March 31, 2023	% Shareholding as at March 31, 2022	Amount of Transaction for the Year Ended March 31, 2022	Outstanding Balance Receivable as at March 31, 2022
The Hindustan Times Limited	Rent and Maintenance Expenses and Security Deposit	14.26	0.11	-	14.26	0.27	0.06

51 During the financial year ended March 31, 2020, ISGN Corporation and ISG Novasoft Technologies Limited, subsidiaries of CFCL Ventures Limited had sold / transferred certain assets / liabilities to the respective buyers. As part of the aforesaid transactions, the Parent Company executed keepwell agreements with the respective buyers and the concerned subsidiaries. As per the terms of the aforesaid keepwell agreements, the Parent Company has to ensure that the concerned subsidiary has sufficient funds to enable it to make payments against indemnity obligations of the subsidiary under the agreements executed for sale / transfer of assets / liabilities. The aggregate indemnity obligations of the subsidiaries under the aforesaid agreements shall not exceed Rs.130.38 Crore (Previous Year: Rs. 123.01 Crore).

52 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami Property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowings secured against current assets

The Parent Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts. Below is the disclosure of quarterly statements filed for the Financial Year 2022-23 and Previous Year 2021-22.

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
April 2022 to June 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	4,173.91	4,173.91	-	-
July 2022 to September 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	3,860.69	3,860.69	-	-

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
October 2022 to December 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	1,077.97	1,077.97	-	-
January 2023 to March 2023	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	1,263.53	1,263.53	-	-

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
April 2021 to June 2021	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	2,354.04	2,354.04	-	-
July 2021 to September 2021	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	2,301.00	2,301.00	-	-

(Rs. in Crore)

Quarter	Name of Bank	Particulars of Security Provided	Amount of Net Current Assets as per books of account	Amount of Net Current Assets as reported in the quarterly return	Amount of Difference	Reasons of Material Discrepancies
October 2021 to December 2021	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	2,373.36	2,373.36	-	-
January 2022 to March 2022	Bank of Baroda (Lead Bank) State Bank of India HDFC Bank Limited Kotak Mahindra Bank Limited Axis Bank Limited The Bank of Nova Scotia The Federal Bank Limited ICICI Bank Limited	Loan is secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present and future. These loans are further secured by second charge on the immovable properties of the Parent Company.	3,479.58	3,479.58	-	-

(iii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Loans or advances to specified persons

The Group have not granted loans or advances to promoters, directors, key management personnel and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: a) repayable on demand or (b) without specifying any terms or period of repayment.

(ix) **Valuation of Property, Plant and Equipment, intangible assets and investment property**

The Parent Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) **Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

53 Significant Accounting Judgements, Estimates and Assumptions

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

a) **Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. 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 Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) **Income Taxes**

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

The Parent Company is having brought forward losses on account of claim under section 35AD of Income Tax Act, 1961 that will be used to offset future taxable income. The Parent Company has profitable operations that supports the recognition of deferred taxes on these losses. On this basis, the Parent Company has determined that it can recognise deferred tax assets on the tax losses carried forward.

The Group has Rs. 104.56 Crore (Previous Year: Rs. 461.63 Crore) of carried forward tax losses on account of long term / short term capital losses. These losses mainly relate to the loss on voluntary liquidation of a subsidiary of the Parent Company and merger of a subsidiary of the Parent Company with its subsidiary and will expire in three to five years and may be used to offset taxable long term/short term capital gains in the future. On this basis, the Group has determined that it cannot recognise deferred tax assets on these tax losses (long term/short term capital losses) carried forward. If the Group would have been able to recognise all unrecognised deferred tax assets, profit and equity would have increased by Rs. 36.49 Crore (Previous Year: Rs.124.53 Crore). Further details on taxes are disclosed in note 41 to the financial statements.

The Government of India has introduced the Taxation Laws (Amendment) Act, 2019 and has given the option of lower tax rate subject to certain conditions. As the Parent Company has carried forward tax losses and Minimum Alternate Tax ("MAT") credit mainly due to addition of New Urea Plant in the past and it is expected that the Parent Company will remain under MAT for some more years, the management has carried out an assessment according to which the Parent Company shall continue under the existing tax regime and move to lower tax rate after certain years. In view of above, the Parent Company has re-assessed the deferred tax liability as per Ind AS 12 'Income Taxes' and resultant impact has been recognised during the year. Accordingly, the 'Deferred Tax' for the financial year ended March 31, 2023 includes a credit of Rs. 83.90 Crore (Previous Year: Rs. 33.00 Crore).

c) **Defined Benefit Plans**

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for defined benefit plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on the expected future inflation rates. Further details about the defined benefit plans are given in note 31 to the financial statements.

d) Revenue

The Parent Company's revenue includes subsidy claims, part of which are pending notification / final implementation by 'Fertiliser Industry Coordination Committee' (FICC), Government of India. As per management estimates, there is reasonable certainty based on Government of India policy and past experience that claims will be notified in due course. On issuance of notification by FICC, Government of India, the adjustments, if any , to revenue are not expected to be significant.

e) 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 including discounted cash flow method. The inputs to these models are taken from observable markets wherever possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The 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. Further disclosures in this regard are given in note 40.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016

Abhishek Rara
Partner
Membership No. : 077779

Place : New Delhi
Date : May 26, 2023

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Anand Agarwal
Chief Financial Officer

Anuj Jain
Company Secretary

Place : New Delhi
Date : May 26, 2023

Form - AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of Subsidiaries/Joint Venture

Part A : Subsidiaries

(Rs. in Crore)

Sl. No.	Name of the Subsidiary	The date since when subsidiary was acquired	Reporting Currency	Exchange Rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Invest-ments	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	Extent of share-holding (in percentage)
1	Chambal Infrastructure Ventures Limited	02.01.2007	INR	-	9.40	(4.95)	4.45	0.00 *	-	0.22	0.22	0.06	0.16	-	100.00
2	CFCL Ventures Limited	19.03.2007	USD	1 USD = INR 82.18	0.00 *	(868.96)	8.20	877.15	-	5.51	5.36	-	5.36	-	72.27
3	ISGN Corporation(1)	04.09.2007	USD	1 USD = INR 82.18	0.70	(60.73)	0.54	60.57	-	0.11	(1.77)	-	(1.77)	-	72.27
4	ISG Novasoft Technologies Limited (1)	25.11.2003	INR	-	36.23	(30.37)	6.37	0.51	-	1.74	0.36	-	0.36	-	72.27

* The amount is less than Rs. 50,000.

Notes:

(1) Wholly owned subsidiaries of CFCL Ventures Limited.

(2) Investments exclude investments in subsidiaries. Profit / (Loss) after taxation does not include Other Comprehensive Income.

Part B: Joint Venture

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

Name of Joint Venture	Latest Audited Balance Sheet Date	Date on which the Joint Venture was acquired	Shares of Joint Venture held by the Company on the year end			Description of how there is significant influence	Reason why the Joint Venture is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet (Rs. in Crore)	Profit for the Year (Rs. in Crore)	
			No. of shares	Amount of Investment in Joint Venture (Rs. in Crore)	Extent of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
Indo Maroc Phosphore S.A.- IMACID	31.03.2023	20.11.1997	206666	85.13 *	33.33	Holding more than 20% shares and joint control	Not Applicable	539.77	57.53	115.06

* The fair value of investment in the books of accounts of the Company as on March 31, 2023 is Rs. 285.87 Crore.

For and on behalf of the Board of Directors of

Chambal Fertilisers and Chemicals Limited

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Director
DIN: 00064714

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Managing Director
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