CHAMBAL FERTILISERS AND CHEMICALS LIMITED

TOWARDS A PROSPEROUS FUTURE

ANNUAL REPORT 2021-22

CONTENTS

DIRECTORS

Saroj Kumar Poddar
Chairman

Shyam Sunder Bhartia
Co-Chairman

Gaurav Mathur
Managing Director

Pradeep Jyoti Banerjee

Rita Menon

Vivek Mehra

Chandra Shekhar Nopany

Radha Singh

Marco Philippus Ardeshir Wadia

SECRETARY
Rajveer Singh

LEADERSHIP TEAM

Abhay Baijal
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
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BOARD'S REPORT

Dear Members,

Your Board of Directors have pleasure in presenting the 37th Annual Report on the business and operations of the Company together with audited financial statements for the Financial Year ended March 31, 2022.

1. Standalone Financial Results

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

Particulars	Financial Year	
	2021-22	2020-21
Revenue from Operations	**16068.83**	12719.01
Other Income	**95.56**	69.91
Total Income	**16164.39**	12788.92
Total Expenses	**14212.48**	10829.98
Profit before Tax	**1951.91**	1958.94
Total Tax Expenses	**664.79**	611.90
Profit for the Year	**1287.12**	1347.04
Other Comprehensive Income for the Year (Net of Tax)	**(23.45)**	151.57
Total Comprehensive Income for the Year	**1263.67**	1498.61
Retained Earnings - Opening Balance	**4426.15**	3254.12
Add:		
Profit for the Year	**1287.12**	1347.04
Any Other Change	**0.29**	0.19
Re-measurement Gain on Defined Benefit Plans	**0.34**	-
Less:		
Cash Dividend	**374.58**	124.86
Transfer to General Reserve	**50.00**	50.00
Re-measurement Loss on Defined Benefit Plans	**-**	0.34
Retained Earnings - Closing Balance	**5289.32**	4426.15

2. Operations

The Company is engaged in manufacture of Urea and it has three plants located at Gadepan, District Kota, Rajasthan (i.e. Gadepan-I, Gadepan-II and Gadepan-III) with aggregate annual production capacity of around 3.4 million Metric Tons ("MT") of Urea. Apart from manufacture of Urea, the Company markets other fertilisers such as Di-Ammonium Phosphate ("DAP"), Muriate of Potash ("MOP"), NPK fertilisers, Specialty Plant Nutrients and Crop Protection Chemicals.

The Financial Year 2021-22 started with the onset of new variant of Novel Corona Virus ("COVID-19") which once again disrupted life in India and some other countries. The new wave of COVID-19 infections came when the country was recovering from the impact of COVID-19 pandemic and it turned out to be more lethal with high number of fatalities. While the world was grappling with the COVID-19 pandemic, other challenges like increase in prices of feedstock / raw material and port restrictions & congestions also emerged on the horizon. The prices of fertilisers had started moving upward around the end of the previous financial year and this trend accelerated during the Financial Year 2021-22. The cost of inputs such as natural gas, ammonia, phosphoric acid and potash continuously rose which led to increase in prices of all grades of fertilisers. The increase in prices and change in trade flows due to higher demand mainly in Latin America and United States of America coupled with restrictions on imports from China had impacted the availability of fertilisers for Indian market. In view of these factors, there was substantial reduction in sales volumes of major fertilisers like DAP and MOP in India during the Financial Year 2021-22 in comparison to the previous year. The geo-political situation arising due to Russia-Ukraine conflict had added to the challenges of the business and industry across the globe.

The Company was not untouched by the volatility in the prices and demand supply mismatches in the international market which had impacted Company's sales volumes of DAP and MOP during the Financial Year 2021-22. In the face of challenges in DAP and MOP market, the Company used the opportunities available in other products and it was able to increase the sales volumes of NPK fertilisers during the year under review. The Company continued its focus on specialty plant nutrients and crop protection chemicals and achieved best ever revenue and profitability from these products thereby partly compensating for lower sales of DAP and MOP. The higher product prices also resulted into higher working capital deployment. However, regular payment of subsidy by the Government of India and healthy market collections had supported the Company in keeping its working capital under control.

During the year under review, the Urea production of the Company was marginally lower in comparison to the previous year due to short interruptions in the plants which were caused due to technical reasons. The Company continued to take appropriate measures to maintain the reliability of the plants in the long run. The Government of India had allowed the Company to make additional production of Urea from Gadepan-III plant of the Company during the Financial Year 2021-22. In view of this, Gadepan –III plant achieved the highest ever annual production during the Financial Year 2021-22.

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. As there was strong demand due to global supply disruptions, the Company had achieved highest ever sales of ammonia during the year under review.

The Company has evaluated options to better utilize the ammonia instead of selling it in the market and decided to set up a plant for manufacture of Technical Ammonium Nitrate ("TAN Project") at the existing site of its plants at Gadepan, District Kota, Rajasthan, with a capacity of approximately 2,20,000 MT per annum and estimated cost of approximately Rs. 1170 Crore. The TAN Project will also include a plant to manufacture approximately 1,80,000 MT per annum of weak nitric acid which is an intermediate and will largely be utilized for manufacture of Technical Ammonium Nitrate. TAN Project is estimated to be completed within 36 months and implementation thereof is subject to necessary statutory and other approvals.

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 Company was able to continue its operations at normal levels.

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. 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. 3 per equity share @ 30%) during the Financial Year ended March 31, 2022. Further, the Board of Directors recommended final dividend of Rs. 3 per equity share of Rs. 10 each @ 30% (Previous Year – Rs. 4.50 per equity share @ 45%) for the Financial Year 2021-22 which shall be paid after approval of shareholders at the ensuing Annual General Meeting of the Company. The total dividend for the Financial Year 2021-22 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: http://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.

4. 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.

5. Corporate Governance Report and Code of Conduct

Your Directors are committed to maintain the high standards of transparency and Corporate Governance which are always given high priority by the Company. The Corporate Governance Report for the Financial Year 2021-22 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.

6. Subsidiaries and Joint Venture

The details of the subsidiaries and joint venture are given below:

(a) Subsidiaries

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

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.

Inuva Info Management Private Limited ("Inuva") was a subsidiary of ISGN, India. The National Company Law Tribunal, Kolkata Bench, vide its order dated May 03, 2021, had approved dissolution of Inuva upon voluntary liquidation. Accordingly, Inuva stands dissolved from May 03, 2021 and ceased to be a subsidiary of ISGN, India, CVL and the Company.

(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 in the joint venture (33.33% each). IMACID is engaged in the manufacture of phosphoric acid in Morocco.

The performance of IMACID is summarized below:

Particulars	April 01, 2021 to March 31, 2022	April 01, 2020 to March 31, 2021
Productionof Phosphoric Acid (MT)	5,00,367	4,68,987
Sales of Phosphoric Acid (MT)	4,57,266	3,97,670
Revenue	Moroccan Dirham 5342.27 Million (Rs. 4337.92 Crore)	Moroccan Dirham 2638.01 Million (Rs. 2097.22 Crore)
Profit after Tax	Moroccan Dirham 1131.94 Million (Rs. 919.13 Crore)	Moroccan Dirham 337.56 Million (Rs. 268.36 Crore)

The prices of phosphoric acid continuously rose during the year under review. The overall improvement in demand and high prices of phosphoric acid in international market augured well for IMACID. The plant of IMACID has performed well to achieve much higher production in comparison to the previous year. The higher production and buoyancy in international market with better margins enabled IMACID to achieve highest ever annual sales, revenue and profit after tax.

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. 48 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.

Except as mentioned above, no subsidiary, associate or joint venture has been acquired or ceased/ sold / liquidated during the Financial Year 2021-22.

7. Health, Safety, Quality and Environment Protection

Your Company is committed towards maintaining high standards of Health, Safety, Security, Environment Protection and Quality of products & processes while conducting its business operations. In order to fulfil this commitment, the Company had implemented Health, Safety, Security, Environment & Quality Policy. The Company has also established an Integrated Management System based on ISO-45001:2018, ISO-14001:2015 and ISO- 9001:2015.

The brief details of the initiatives of the Company in this regard are as under:

(a) Health & Hygiene

Your Company has strong focus on the health assessment and occupational disease monitoring of employees and contractor work force which is carried out through periodic medical examinations and hygiene monitoring at work place.

A well-equipped 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. 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. The health center at Gadepan also geared up to provide oxygen support to employees and their family members in severe cases of COVID-19 infection.

The Company has been taking all the preventive measures for protection against COVID-19 pandemic. The awareness sessions on preventive measures of COVID-19 pandemic like social distancing, wearing mask, hand sanitization, hygiene, etc. were regularly organized amongst employees, contractor workforce and residents of township at Gadepan. Almost all the employees, their eligible family members and contractor workers have been vaccinated against COVID-19.

(b) Safety Management

In order to ensure the highest levels of health and safety of the employees and contractor workforce, there is a well-defined health and safety management system in place in your Company. A strong process safety management system is also in place to take care of safety in operation of plants and maintenance of equipment and machinery.

Award for Excellence in Safety 2021 has been conferred on the Company by The Fertiliser Association of India.

In order to take care of safety aspects, a cross functional team reviews the maintenance jobs on daily basis at its plants at Gadepan and ensures that all recommended actions are taken to prevent hazards in execution of maintenance work. In order to maintain and strengthen the safety systems and promote a safe working environment, trainings and drills are conducted on regular basis by internal and external experts and "Near-Miss" and "Make-to-Good" reporting schemes are in place. 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. The dedicated fire tenders of the Company at Gadepan are available round-the-clock which are also provided to the neighboring villages in case of any fire emergency. As a step towards raising the safety standard, your Company had engaged an external expert to conduct the safety diagnostic survey at the plant site and actions are being taken in the identified areas.

(c) Environment Protection

Your Company gives utmost importance to the protection of environment and conservation of natural resources. There is a strong focus on optimization of resource consumption (including raw materials, fuels and water) and reduction of waste generation and emissions to the atmosphere. Your Company has a robust mechanism in place to ensure that all the environmental parameters are maintained within the permissible limits.

The Company is fully conscious of its responsibility towards environmental sustainability. As a step towards use of renewable energy, the Company is in the process of installing roof top solar units in Gadepan complex having capacity of approximately 1000 Kilo Watt peak power. This will enable the Company to replace around 13.7% of grid power being utilized by the Company in its Gadepan complex.

Environment Protection Award 2021 for a Nitrogenous Fertilizer Plant (Runner Up) has been conferred on the Company by The Fertiliser Association of India.

The Company has developed and maintained a dense green belt at Gadepan campus which also comprises variety of fruit trees. It provides a soothing environment to the employees and their families and also helps in maintaining the ecological balance in the area. The green belt is maintained with lot of care and augmented through regular plantation. Only treated waste water 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. Effluent from Gadepan-III plant is 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.

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 facility of guest house at Gadepan complex.

(d) Quality Management

The Company always focused on providing quality products to its customers and continuously work 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 customer feedback is collected through targeted surveys as well as other forms of customer engagements and given due importance by the Company in its business decisions related to quality of products and processes.

8. Corporate Social Responsibility

The Company has always been conscious of its responsibility towards society and its Corporate Social Responsibility ("CSR") projects and programmes have made a positive impact on the society through holistic and sustainable interventions over the years. The Company continue to extend its support to improve quality of life of the people in rural areas.

The CSR projects and programmes of the Company cover 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 highlights of the CSR projects and programmes of the Company are as under:

a) Project Akshar - Pre-Primary & School Education

Your Company is making consistent efforts to improve standard of education in Government schools through integration of technology into regular curriculum, development of quality infrastructure, promotion of co-curricular activities and enhancing community participation. During the Financial Year 2021-22, additional 9 Government schools and 6 Aanganwadi centers were adopted by the Company, taking the total to 53 Government schools and 47 Government Aanganwadi centers adopted by the Company in Kota and Baran districts of Rajasthan. Your Company has also extended its support to 34 Government schools in Punjab, Haryana and Madhya Pradesh. During the Financial Year 2021-22, large number of students and Aanganwadi children in the states of Rajasthan, Madhya Pradesh, Haryana and Punjab had benefitted from the Company's CSR initiative.

The Company had been focusing on promotion of science curriculum in schools in recent years. Accordingly, 4 mini science centers and 4 science laboratories were developed in adopted Government schools.

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

b) Project Saksham - Technical and Vocational Education

The Company strives to equip rural youth with technical skills required in various sectors through quality training, infrastructure development, industry exposure, etc. Your Company is supporting 5 Industrial Training Institutes and one Government Polytechnic College near its plants at Gadepan. The second phase of planned infrastructure development in Government Polytechnic College, Baran was successfully completed during the Financial Year 2021-22.

After reduction in cases of COVID-19 infection, the institutes had started focusing on regular classroom contact programme, practical sessions and on campus placement drives to provide job opportunities to students.

Short term vocational training courses were offered to rural youth through vocational training centers in nearby villages. These centers are offering short term courses on motor driving, tie & dye techniques, embroidery training, solar panel assembling & maintenance, beauty services, soft toys making, jewellery making, block printing, food processing and advance tailoring, to rural youth.

c) **Project Saakar - Rural Development**

Your Company has undertaken several initiatives to improve basic amenities in villages in the vicinity of its plants at Gadepan to improve standard of living of the community members. The Company has undertaken development of rural infrastructure facilities including construction of cement concrete roads, interlocking tiles pathways, community halls, crematoriums, etc. and installation of street lights. These initiatives have brought ease and convenience in the day to day life of villagers and improved their standard of living.

d) **Project Arogya - Health care and Sanitation**

Your Company aims to improve healthcare facilities and access of medical services in rural areas. The Company had adopted 3 Government Primary Health Centers at Gadepan, Simliya and Kundanpur of Kota district and renovated these adopted centers during the Financial Year 2021-22. Additional healthcare facilities like pathological test facilities, X-ray machines, new born child care machines, etc. were provided in these health centers.

The Company had also organised general and specialized health checkup camps and awareness sessions in villages in the vicinity of its plants at Gadepan and 12 villages of the states of Punjab, Haryana and Madhya Pradesh during the Financial Year 2021-22. Various healthcare awareness sessions organized by the Company have brought a positive change in the attitude and behavior of the community members. The healthcare facilities were also extended in the remote villages of Dehradun and Tehri districts in Uttarakhand.

e) **Project Pragati - Employability and Empowerment**

With the objective of socio-economic empowerment of community members, especially women and youths in rural areas, the Company has supported various entrepreneurial activities through women self-help groups which enable them to earn a decent income from various activities. Your Company has also supported rural women in their livelihood earning initiatives of making of school uniforms, school bags, reusable carry bags, etc.

Your Company is also facilitating small and marginalized farmers to adopt modern agriculture practices and optimize farm input cost to improve the farm income.

The Company is continuously assisting the community to avail the benefits of various social security schemes like pension scheme, affordable housing, employment cards, pradhan mantri ujjwala yojana, etc.

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

The Company continues to provide its support to farming community, especially small and marginalized farmers through its agriculture development laboratory. The laboratory provides soil testing reports to farmers for balanced usage of fertilizers and also provides advisory services to optimize farm inputs.

During the Financial Year 2021-22, crop residue management work was successfully completed in 75 selected villages in the states of Punjab and Haryana, with the objective of preventing crop stubble burning and adopting alternate methods for crop residue management and the farmers were sensitized to adopt alternative methods of crop residue management.

g) **Disaster Management**

During the second wave of COVID-19 pandemic, the country had seen unprecedented shortage of medical oxygen. In order to ensure availability of medical oxygen in nearby community health centers, your Company had provided 10 pressure swing adsorption oxygen plants in Kota and Baran districts of Rajasthan and also made available oxygen concentrators. Apart from this, medical equipment, face masks and other items were also provided to the community health workers and community members to fight against COVID-19 pandemic. Intensive information, education and communication activities were undertaken to sensitize community members in nearby villages towards COVID-19 vaccination.

h) **Promotion of Sports**

During the Financial Year 2021-22, the Company had taken initiative for the development of sports stadium in the Sangod Block of Kota District. This shall create sports ecosystem and nurture rural youth to increase their 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 2021-22 (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. 27.90 Crore. As against this, the Company had spent Rs. 27.997 Crore on CSR projects / programmes during the Financial Year 2021-22.

9. **Directors and Key Managerial Personnel**

The Board of Directors of the Company was having nine directors as on March 31, 2022 with eight Non-Executive Directors including five Independent Directors and a Managing Director.

The members of the Company at the Annual General Meeting held on September 16, 2021 had approved the appointment of Mr. Gaurav Mathur (DIN: 07610237) as Managing Director of the Company for the period from April 16, 2021 to January 05, 2025.

Mr. Anil Kapoor (DIN: 00032299) completed his tenure as Managing Director of the Company on April 15, 2021 and ceased to be the Managing Director and Director of the Company with effect from April 16, 2021.

The second consecutive term of Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357) and Ms. Radha Singh (DIN: 02227854), Independent Directors shall expire on September 14, 2022. Accordingly, they are not eligible for re-appointment as Independent Directors of the Company in terms of Section 149 (11) of the Companies Act, 2013. The Board of Directors expresses its sincere gratitude and appreciation of the contributions made by Mr. Marco Philippus Ardeshir Wadia and Ms. Radha Singh as Independent Directors of the Company.

There was no change in Chief Financial Officer and Company Secretary of the Company during the year under review.

Mr. Shyam Sunder Bhartia (DIN: 00010484) 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 2021-22, Mr. Anil Kapoor and Mr. Gaurav Mathur had not received any commission or remuneration from any subsidiary of the Company.

Five meetings of the Board of Directors were held during the Financial Year 2021-22.

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.

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

11. 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 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.

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

a) Your Company has not issued any shares during the Financial Year 2021-22.

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 2021-22, 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 2021-22, 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 2021-22 and the date of this Report.

13. 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, 2022 and of the profit and loss of the Company for the year ended March 31, 2022;

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.

14. 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.

M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/ N500016) shall retire at the ensuing Annual General Meeting of the Company and, being eligible, has offered themselves for re-appointment as Auditor of the Company. On the recommendations of the Audit Committee, the Board of Directors recommends re-appointment of M/s. Price Waterhouse Chartered Accountants LLP as Auditor of the Company to hold office for a 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 audit of cost records of the Company, as applicable, for the Financial Year ending March 31, 2023. 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.

15. Secretarial Audit

The Board of Directors of the Company had appointed M/s. RMG & Associates, Company Secretaries for conducting secretarial audit of the Company for the Financial Year 2021-22. 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.

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

The conservation of energy can be achieved by using the energy more efficiently or by reducing the usage of energy. The Company continuously makes efforts to conserve energy in its manufacturing facilities and allied operations and look for avenues to use alternate sources of energy, to reduce its carbon footprint. 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.

17. Risk Management

Your Company has developed and implemented a 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.

18. Deposits

During the year, 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 2021-22.

19. Particulars of Employees

Your Company always gives utmost importance to the well-being and development of its human resource, which is a strong factor in the success and growth of the Company. Your Company maintains a cordial work environment 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.

20. 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 would be 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 2021-22. 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 3,27,000 equity shares of the Company as on March 31, 2022 (5,81,000 equity shares as on March 31, 2021), being 0.08 % 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 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 2021-22.

The disclosures required to be made under ESOP Regulations are given on the website of the Company at the weblink: http://chambalfertilisers.com/pdf/ESOP-Disclosure-2021-22.pdf. The disclosures in respect of ESOS 2010 are also given in the Notes to the Financial Statements.

21. Business Responsibility Report

In pursuance of the provisions of the Listing Regulations, the Business Responsibility Report for the Financial Year 2021-22, describing the initiatives taken by the Company from environmental, social and governance perspective, forms part of the Annual Report.

22. 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 satisfaction including reminders to investors about 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 2022-23.

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

23. Acknowledgements

The Board of Directors wishes to place on record its appreciation of the support 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

Place : New Delhi
Date : May 19, 2022

Rita Menon
Director

Gaurav Mathur
Managing Director

Annexure "A" to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company is engaged in manufacture of Urea and marketing of other products such as Di-Ammonium Phosphate ("DAP"), Muriate of Potash ("MOP"), NPK fertilisers, Specialty Plant Nutrients and Crop Protection Chemicals. The Company has three manufacturing plants located at Gadepan, District Kota, Rajasthan, India with annual production capacity of around 3.4 million MT of Urea. The Company sources other products marketed by it from reputed manufacturers in India and abroad.

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

1. Industry Structure and Developments

A) Urea

The consumption of Urea is highest among all the fertilisers in India and the demand of Urea is met through indigenous production and imports. The Urea industry comprises of manufacturers from public, co-operative and private sector. The import of Urea is carried out by the entities nominated by the Government of India. The price of Urea is regulated by the Government of India which pays subsidy on Urea sold for agriculture use.

Most of the 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 imported re-gasified liquefied natural gas ("R-LNG"). In view of the dwindling supplies of domestic natural gas over the years, the major part of natural gas requirement of Urea manufacturing units is met through R-LNG. There was lot of volatility in the prices of natural gas during the Financial Year 2021-22 which have crossed the highest levels of the recent past. The cost of natural gas is considered appropriately by the Government of India in determination of subsidy payable to Urea units. However, the increase in prices of natural gas results into increase in working capital requirement and interest cost of the Urea units.

During the period between the years 1990 to 2000, substantial Urea manufacturing capacity was added in India which helped in bridging the demand-supply gap. There was marginal increase in capacities through de-bottlenecking of some of the existing Urea plants thereafter. This has led to huge gap in demand and supply of Urea in India over the years and import dependence has kept on increasing. The notification of New Investment Policy - 2012 by the Government of India gave impetus to indigenous Urea manufacturing. Apart from the third Urea plant of the Company which commenced commercial production from January 1, 2019, three more Urea plants have commenced production subsequently and three more Urea plants are under implementation in India. After commissioning of Urea plants which are under implementation, the dependence of India on imports of Urea is likely to reduce substantially.

During the Financial Year 2021-22, like many other commodities, there was upsurge in the prices of Urea in international market. The increase in the prices of natural gas has impacted the prices of ammonia which in turn affected the prices of Urea. The higher demand in few markets in the world has created short term supply constraints which also led to the price rally in Urea. The production cost of indigenous Urea has also gone up due to increase in prices of natural gas. However, the Government of India has not increased the sale price of Urea to the farmers which resulted into higher subsidy outgo for the Government of India.

Urea production in the country during the Financial Year 2021-22 was 25.07 million MT against 24.60 million MT during the previous year. During the Financial Year 2021-22, total 9.14 million MT of Urea was imported in the country in comparison to 9.83 million MT of Urea imported during the previous year. The Urea sales in the country during the Financial Year 2021-22 were 34.18 million MT against the Urea sales of 35.04 million MT during the previous year.

The price of imported Urea was around USD 380 per MT at the beginning of the Financial Year 2021-22 which has touched the level of USD 998 per MT before climbing down to USD 596 per MT at the close of Financial Year 2021-22.

B) Other Products

DAP is the second most used fertilizer in the country after Urea and the consumption in northern and central India is higher in comparison to other parts of the country. DAP and NPK fertilisers are manufactured in the country as well as imported by various players. 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.

Over the years, the Company has developed reliable supply channels for import of DAP, MOP and NPK fertilisers which are sourced from reputed suppliers in international market. These fertilisers are governed by the Nutrient Based Subsidy ("NBS") policy of the Government of India which pays subsidy on these products under NBS, to manufactures and importers, based on the different plant nutrients in these fertilisers.

The fertiliser markets across the world have faced major challenges during the Financial Year 2021-22 including rising feedstock costs, Novel Corona Virus ("COVID-19") outbreaks, port restrictions & congestions and higher shipping freight.

The consecutive good monsoon has kept the demand momentum high for all the fertilisers in India. The Government of India has kept the prices of fertilisers low which also fueled the demand. The higher demand in Latin America and United States of America has resulted in shortage of phosphatic and potassic fertilisers in other markets including India and restrictions imposed by Chinese government on export of fertilisers has worsened the situation. The export restrictions and custom inspections mandated by China in October 2021 has resulted into tightness in supplies and uncertainty about phosphatic fertilisers in India and southeast Asia, which are main export markets for China. All these factors coupled with high product prices have impacted availability of DAP, MOP and

NPK fertilisers in India. The pipeline inventory had also reached to precariously low levels by end of the calendar year 2021. However, supply position in the world market eased to some extent by end of calendar year 2021 and Indian buyers have been able to source substantial quantity of DAP during the last quarter of the Financial Year 2021-22 which will help the country in meeting demand of upcoming kharif season. The Russia – Ukraine conflict and continued restrictions in China has been impacting the supply flows and prices of products, creating uncertainty in the market regarding availability of DAP, MOP and NPK fertilisers.

DAP sales in the country during the Financial Year 2021-22 were 9.27 million MT in comparison to 11.91 million MT during the Financial Year 2020-21 registering reduction of about 22.17%. Total 4.22 million MT of DAP was manufactured in the country during the Financial Year 2021-22 as against 3.77 million MT manufactured during the previous year. Further, 5.46 million MT of DAP was imported in the country during the Financial Year 2021-22 as against 4.88 million MT of DAP imported during the previous year. The large quantities of DAP were imported during the last quarter of the Financial Year 2021-22, which shall be available for sale during the Financial Year 2022-23.

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 2021-22 were 2.46 million MT as against 4.23 million MT during the Financial Year 2020-21. MOP sales for direct application during the Financial Year 2021-22 were 2.45 million MT against the sales of 3.42 million MT in the previous year.

The marked decline in sales volumes of DAP and MOP was attributed mainly to supply constraints.

The prices of these products started moving upwards at the beginning of the Financial Year 2021-22 and the prices continued to move upwards throughout the year.

The prices of DAP were in the range of USD 540 - 547 per MT (CFR India) in April 2021 which moved in the range of USD 920-927 per MT (CFR India) by end of the Financial Year 2021-22.

The prices of MOP were USD 247 per MT (CFR India) at the beginning of the Financial Year 2021-22 which increased gradually upto USD 445 per MT (CFR India) by end of December 2021. The prices of MOP increased to USD 590 per MT (CFR India) during the quarter ended March 31, 2022.

The Company procures specialty plant nutrients from manufacturers of repute in India and abroad and these products are marketed under the brand names of the Company. The Company is gradually strengthening its supply channels and building up volumes for sustainable growth of this niche product segment. The focus of the Company is to make the quality products available to the farmers at reasonable price. The upsurge in prices of various commodities has also impacted the availability and prices of specialty plant nutrients during the Financial Year 2021-22. Despite all the challenges, the Company has been able to maintain its growth momentum in these products.

The crop protection chemicals business in India is dominated by large multinational organizations and domestic manufacturers who manufacture technical grade agrochemicals as well as formulated products such as insecticides, fungicides, herbicides, etc. for agriculture use. The Company procures crop protection chemicals from reputed formulators which are sold under its own brands. The consecutive good monsoon has also supported the demand growth in crop protection chemicals. The upsurge in commodity prices have impacted the prices of crop protection chemicals during the Financial Year 2021-22. However, the Company is largely able to pass on the price increase to customers.

2. Opportunities and Threats

The Company is a large manufacturer of Urea and it has sizeable market share in bulk fertilisers such as DAP and MOP. The reliable supply channels, established marketing network, financial strength and strong brand of the Company offers an opportunity to grow the volumes of bulk fertilisers, crop protection chemicals and specialty plant nutrients. The Company is focused to achieve growth in its existing marketing territory as well as geographical expansion of its marketing network. Apart from this, the Company also has an opportunity to achieve growth through addition of new products especially in the crop protection chemicals and specialty plant nutrients business. During the Financial Year 2021-22, the Company has expanded its marketing territory in new geographies in eastern, western and southern part of India. The new territories have sizeable demand of NPK fertilisers, crop protection chemicals and specialty plant nutrients which gives an opportunity to the Company to achieve growth in these products. The Company is likely to face tough competition from large players in the new territories but focus of the Company on quality of the products and high level of customer satisfaction is likely to help the Company to sustain.

The new Urea plants which will be operational in India in coming years shall reduce the demand-supply gap in the country. However, these plants are located in eastern and southern part of India whereas the Company supplies major part of Urea in northern and central part of India. The additional supply of Urea from the new plants of other companies would mainly replace the imported Urea. Further, the Urea manufactured by the Company is preferred by the customers due to consistent good product quality and strong brand image of the Company. Hence, the Company does not foresee much impact on its business due to the capacity addition by new players in Urea Industry. The Company may face competition from new players in DAP, MOP and NPK fertilisers but it is confident of maintaining the leadership position in its core marketing territory. 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

The fertiliser industry is subject to regulations and dependent upon policies of the Government of India. The third Urea plant of the Company is under New Investment Policy - 2012 which is effective for 8 years from the start of production. The changes in policies of the Government of India may sometimes adversely affect the Company. The increasing prices of marketed fertilisers and supply constraints in international market may affect the sales volumes and profit margins of the Company to some extent. The high prices of natural gas and marketed fertilisers shall impact the inventory carrying cost of the Company.

The outbreak of COVID-19 pandemic is a concern area across the world. The Company is operating its plants with utmost care for health and safety of its employees and other stakeholders. Despite the challenges caused due to COVID-19 pandemic, the Company has been able to operate its plants at normal levels.

4. Outlook

The strong demand of its products in the market coupled with robust market collection and timely release of subsidy by the Government of India gives leg room for growth of the Company. The Company has decided to diversify its business by setting up a plant for manufacture of Technical Ammonium Nitrate which shall not only add to the topline and bottom-line of the Company but it shall also diversify the risks and returns in the business of the Company. Consistent performance of Urea business of the Company shall continue to give stability to the business of the Company and non-urea fertilisers, crop protection chemicals and specialty plant nutrients are engines of growth for the Company. The expansion in new geographies and sustained focus on existing marketing territory shall enable the Company to achieve sustainable growth in non-urea fertilisers, crop protection chemicals and specialty plant nutrients.

5. Operational and Financial Performance

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

Particulars	Financial Year	
	2021-22	**2020-21**
Urea Production (MT in Lakhs)	**33.13**	33.47
Urea Sales (MT in Lakhs)	**33.14**	33.79
Sales including other Agri-inputs (Rs. in Crore)	**16067.49**	12717.55
Profit before Interest, Depreciation and Tax (Rs. in Crore)	**2357.58**	2536.20

The revenue from branded marketed products was Rs. 5141.94 Crore during the Financial Year 2021-22 in comparison to Rs. 5367.18 Crore in the previous year.

The sales of various marketed products were as under:

Product	Financial Year	
	2021-22	**2020-21**
DAP (MT in Lakhs)	**6.87**	12.80
MOP (MT in Lakhs)	**1.28**	2.93
NPK Fertilisers (MT in Lakhs)	**1.59**	0.68
Crop Protection Chemicals and Specialty Plant Nutrients – (Rs. in Crore)	**472.09**	308.71

The sales of DAP and MOP were impacted due to availability constraints mainly attributable to increase in prices in international market which led to change in trade flows. There was marginal decline in sales of Urea due to lower production. However, geographical expansion have helped the Company in achieving higher sales volumes of NPK fertilisers. The focused approach on marketing of crop protection chemicals and specialty plant nutrients have enabled the Company to achieve stellar growth 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 2021-22	Financial Year 2020-21
1.	Debtors Turnover	9.66	3.78
2.	Inventory Turnover	7.07	10.73
3.	Interest Coverage Ratio	19.43	7.80
4.	Current Ratio	1.59	2.06
5.	Debt Equity Ratio	0.69	0.73
6.	Operating Profit Margin (%)	12.81	17.67
7.	Net Profit Margin (%)	8.01	10.59

There was significant change in Debtors Turnover Ratio (155.55%), Inventory Turnover Ratio (34.11%), Interest Coverage Ratio (149.10%) and Operating Profit Margin (27.50%) in comparison to the previous financial year. The reasons for such changes are as under:

(i) Change in Debtors Turnover Ratio

The subsidy payable by the Government of India is major portion of outstanding debtors of the Company. The outstanding subsidy payable to the Company by the Government of India was very high as on March 31, 2020 which was released during the Financial Year 2020-21. Hence, the outstanding subsidy as on March 31, 2021 was very low and the Government of India was regular in payment of subsidy during the Financial Year 2021-22. In view of this, the average debtors of the Company for the Financial Year 2021-22 were much lower in comparison to the previous year which was main reason for improvement in Debtors Turnover Ratio.

(ii) Change in Inventory Turnover Ratio

The inventory of fertilisers as on March 31, 2022 was 1.71 times in volume terms and 4.47 times in value terms, in comparison to the previous year end. The main reason behind increase in inventory was higher imports of DAP and MOP during last quarter of the Financial Year 2021-22 and higher value of inventory due to high cost of the DAP, MOP and Urea. The impact of higher inventory was partly off-set by increase in cost of goods sold by the Company mainly due to higher prices of natural gas during the Financial Year 2021-22. The change in inventory turnover ratio is mainly combined result of the above factors.

(iii) Change in Interest Coverage Ratio

The Government of India has released subsidy arrears of the Company during the Financial Year 2020-21. Hence, the outstanding subsidy as on March 31, 2021 was very low and the Company was having surplus funds as on that date. Further, the Government of India has been regular in releasing subsidy to the Company. In view of this, the average working capital borrowings of the Company during the Financial Year 2021-22 were much lower in comparison to the previous year. Further, the long term borrowings of the Company have also reduced due to repayment of scheduled installments during the year and interest rates were also lower in comparison to the previous year. These factors have enabled the Company to reduce its finance cost and improvement in interest coverage ratio.

(iv) Operating Profit Margin

The turnover of the Company for the Financial Year 2021-22 has increased mainly on account of prices of natural gas which has gone up substantially during the year under review. However, the profit of the Company did not increase commensurate with the increase in cost of production as sale price of Urea is regulated by the Government of India. Further, the profit margin percentage on bulk fertilisers marketed by the Company was also low in comparison to the previous year. The lower operating profit margin in comparison to 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 2021-22 was 21.50% in comparison to 29.26% during the Financial Year 2020-21.

The standalone profit after tax of the Company during the Financial Year 2021-22 was lower in comparison to the previous financial year which was mainly attributable to lower sales of DAP and MOP fertilisers with lower profit margin and higher tax liability which was offset to a large extent by lower finance cost and higher other income. On the other hand, average net worth for the Financial Year 2021-22 was higher in comparison to the previous year. These factors have mainly impacted the return on net worth during the Financial Year 2021-22 in comparison to the previous year.

8. Material Developments in Human Resources/ Industrial Relations

The efficient and safe operation of manufacturing plants and efficient & agile logistics, marketing and support functions are vital to the sustainability and growth of the Company. The Company is conscious of the fact that the motivated workforce with sense of belongingness is key to achieve its goals. The Company has a team of highly qualified and experienced personnel with very low attrition rate. The appropriate recruitment, retention and training plans are in place to maintain the Company's talent pool.

The Company has an appropriate system for induction and training of employees. The 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 appropriate trainings are imparted through internal and external faculties. The Company had organized various training programmes during the year mainly through virtual mode keeping in view the COVID-19 pandemic. These trainings have helped the employees to keep them updated and also enhanced their skill sets.

The permanent employee strength of the Company was 1035 as on March 31, 2022. 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

Place : New Delhi	**Rita Menon**	**Gaurav Mathur**
Date : May 19, 2022	Director	Managing Director

Annexure "B" to Board's Report

CORPORATE GOVERNANCE REPORT

(1) Company's Philosophy on Code of Governance

The Company is committed to maintain high standards of corporate governance and conducting its business with responsibility, integrity, fairness and transparency. The Company has always focused on creating a corporate culture which has high ethical standards and follows good corporate governance practices taking into account the interests of all the stakeholders. The Company respects the rights of all stakeholders and endeavors long term value creation for shareholders without compromising on ethical standards.

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 individuals, the Company and society at large.

The Company works towards leveraging 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 of all shareholders. It recognizes the rights of its stakeholders and encourages co-operation between the Company and the stakeholders and ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

(2) Board of Directors

As on March 31, 2022, the Board of Directors of the Company comprised of nine directors including a Managing Director.

Out of the eight Non-Executive Directors, five are Independent Directors including two Independent Woman Directors. 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 thereby ensuring that the management follows the high standards of ethics, transparency and disclosures.

The Non-Executive Directors bring objective and independent perspective in the decision making process of the Board of Directors as they have a wider view of external factors affecting the Company and its business. The Independent Directors have understanding of 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.

Mr. Anil Kapoor (DIN: 00032299) completed his tenure as Managing Director of the Company on April 15, 2021 and ceased to be Managing Director and Director of the Company with effect from April 16, 2021. The shareholders of the Company, at the Annual General Meeting held on September 16, 2021, approved the appointment of Mr. Gaurav Mathur (DIN: 07610237) as Managing Director of the Company for the period from April 16, 2021 to January 05, 2025, not liable to retire by rotation.

During the Financial Year 2021-22, no Independent Director had 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. Shyam Sunder Bhartia (DIN: 00010484), Director is retiring by rotation at the forthcoming Annual General Meeting scheduled to be held on Tuesday, September 13, 2022 and being eligible has offered himself for re-appointment.

The brief resume and other requisite details of the Director 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 and sector 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. Gaurav Mathur	√		√	√
Mr. Vivek Mehra	√	√	√	

Name of Director	Skills/ Expertise / Competencies			
	Corporate Governance	Accounting and Finance	Leadership and General Management	Industry Experience
Mrs. Rita Menon	√	√	√	
Mr. Chandra Shekhar Nopany	√	√	√	√
Ms. Radha Singh	√		√	
Mr. Marco Philippus Ardeshir Wadia	√		√	

(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 2021-22, five Board meetings were held on April 16, 2021, May 10, 2021, August 04, 2021, November 01, 2021 and January 28, 2022. 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 16, 2021 and meetings of the Board of Directors of the Company held during the Financial Year 2021-22 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, 2022, 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	5	6	1	5
Mr. Shyam Sunder Bhartia	NED/PG	Yes	5	15	0	2
Mr. Gaurav Mathur	MD	Yes	5	2	0	0
Mr. Vivek Mehra	NED/ID	Yes	5	11	3	3
Mrs. Rita Menon	NED/ID	Yes	5	2	0	3
Mr. Chandra Shekhar Nopany	NED/PG	Yes	4	8	1	0
Ms. Radha Singh	NED/ID	Yes	5	0	0	0
Mr. Marco Philippus Ardeshir Wadia	NED/ID	Yes	5	13	2	3

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, 2022, are as follows:

S. No.	Name of the Company	Category of Directorship
Mr. Saroj Kumar Poddar		
1.	Texmaco Infrastructure & Holdings Limited	Non-Executive Chairman
2.	Texmaco Rail & Engineering Limited	Executive Chairman
3.	Zuari Agro Chemicals Limited	Non-Executive Chairman
4.	Zuari Global Limited	Non-Executive Chairman

Mr. Pradeep Jyoti Banerjee		
1.	Gabriel India Limited	Independent - Non-Executive
2.	Jubilant Ingrevia Limited	Independent - Non-Executive
3.	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. 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. Marco Philippus Ardeshir Wadia		
1.	Gobind Sugar Mills Limited	Independent - Non-Executive
2.	Josts Engineering Company Limited	Independent - Non-Executive
3.	Stovec Industries Limited	Independent - Non-Executive
4.	Zuari Agro Chemicals Limited	Independent - Non-Executive
5.	Zuari Global Limited	Independent - Non-Executive

Mr. Gaurav Mathur and Ms. Radha Singh are not holding 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 terms of reference and composition of these Committees is 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 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, with the management, performance of statutory and internal auditors and adequacy of the internal control systems; reviewing the adequacy of internal audit function; formulation, in consultation with the internal auditor, the scope, functioning, periodicity and methodology for conducting the internal audit; 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 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 a 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, 2022, the Audit Committee comprised of four Independent Directors. All members of the Audit Committee are financially literate and 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 2021-22 on May 10, 2021, August 03, 2021, November 01, 2021 and January 27, 2022 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	4
Mr. Vivek Mehra	Member	Independent Director	4
Mrs. Rita Menon*	Member	Independent Director	3
Ms. Radha Singh	Member	Independent Director	4

*Appointed as Member of the Audit Committee with effect from May 11, 2021.

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 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, 2022, the Corporate Social Responsibility Committee comprised of three Directors. The Committee met twice during the Financial Year 2021-22 on May 08, 2021 and January 27, 2022 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	2

*Appointed as Member of the Corporate Social Responsibility Committee with effect from April 16, 2021.

Mr. Anil Kapoor ceased to be member of the Corporate Social Responsibility Committee with effect from April 16, 2021.

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:

The Nomination and Remuneration Committee comprises of three Directors. The Committee met three times during the Financial Year 2021-22 on April 16, 2021, May 08, 2021 and January 27, 2022 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	3
Mr. Chandra Shekhar Nopany	Member	Non-Executive Director	3
Mr. Marco Philippus Ardeshir Wadia	Member	Independent Director	3

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, 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.

In order 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, 2022, 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 2021-22 on May 08, 2021, August 03, 2021, November 01, 2021 and January 24, 2022 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	4
Mr. Gaurav Mathur*	Member	Managing Director	4
Mr. Marco Philippus Ardeshir Wadia	Member	Independent Director	4

*Appointed as Member of the Stakeholders Relationship Committee with effect from April 16, 2021.

Mr. Anil Kapoor ceased to be member of the Stakeholders Relationship Committee with effect from April 16, 2021.

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

Mr. Rajveer Singh
Vice President - Legal & 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 2,08,963 shareholders as on March 31, 2022. During the Financial Year 2021-22, the status of investor complaints was as follows:

No. of Investor Complaints			
Opening Balance as on April 01, 2021	Received	Solved to the satisfaction of investors	Pending as on March 31, 2022
1	405	402	4*

*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, 2022, the Risk Management Committee comprised of three Directors. The Committee met two times during the Financial Year 2021-22 on July 30, 2021 and January 17, 2022 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

Mr. Anil Kapoor ceased to be member of the Risk Management Committee with effect from April 16, 2021.

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, 2022, the Banking and Finance Committee comprised of four Directors. The Committee met once during the Financial Year 2021-22 on February 03, 2022 and the attendance of members at the meeting was as follows:

Name of the Member	Status	Category	Meeting attended
Mr. Shyam Sunder Bhartia	Chairman	Non-Executive Director	No
Mr. Gaurav Mathur*	Member	Managing Director	Yes
Mr. Vivek Mehra	Member	Independent Director	Yes
Mr. Chandra Shekhar Nopany	Member	Non-Executive Director	Yes

*Appointed as Member of the Banking and Finance Committee with effect from April 16, 2021.

Mr. Anil Kapoor ceased to be member of the Banking and Finance Committee with effect from April 16, 2021.

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 Ammonium Nitrate Project.

(ii) **Composition:**

As on March 31, 2022, the Project Monitoring Committee comprised of three Directors. No meeting of the Project Monitoring Committee was held during the Financial Year 2021-22. The composition of the Committee as on March 31, 2022 was as follows:

Name of the Member	Status	Category
Mr. Chandra Shekhar Nopany	Chairman	Non-Executive Director
Mr. Gaurav Mathur*	Member	Managing Director
Ms. Radha Singh	Member	Independent Director

*Appointed as Member of the Project Monitoring Committee with effect from April 16, 2021.

Mr. Anil Kapoor ceased to be member of the Project Monitoring Committee with effect from April 16, 2021.

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, 2022, the Strategy Committee comprised of five Directors. The Committee met two times during the Financial Year 2021-22 on December 01, 2021 and January 28, 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	2
Mr. Marco Philippus Ardeshir Wadia$	Member	Independent Director	2

* Designated as Chairman of the Strategy Committee with effect from November 01, 2021.

** Appointed as Member of the Strategy Committee with effect from November 01, 2021.

*** Appointed as Member of the Strategy Committee with effect from April 16, 2021.

$ Re-designated as Member of the Strategy Committee with effect from November 01, 2021.

Mr. Anil Kapoor ceased to be member of the Strategy Committee with effect from April 16, 2021.

(6) Details of remuneration paid to Directors during the Financial Year 2021-22

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. Anil Kapoor	Managing Director [Note (i)]	16,17,246	3,00,00,000	4,22,826	3,91,14,771
Mr. Gaurav Mathur	Managing Director [Note (ii)]	3,07,88,000	1,20,00,000	17,74,000	19,07,913*

* 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) Mr. Anil Kapoor completed his tenure as Managing Director of the Company on April 15, 2021. Accordingly, he ceased to be the Managing Director and Director of the Company with effect from April 16, 2021.

(ii) 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 three months' written notice to other party.

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

(iv) The performance bonus payable/paid by the Company to Managing Director / Wholetime 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 2021-22 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 2021-22 (Rs.)
1.	Mr. Saroj Kumar Poddar	2,00,000	10,00,000
2.	Mr. Pradeep Jyoti Banerjee	3,10,000	10,00,000
3.	Mr. Vivek Mehra	4,95,000	10,00,000
4.	Mrs. Rita Menon	4,00,000	10,00,000
5.	Mr. Chandra Shekhar Nopany	3,20,000	10,00,000
6.	Ms. Radha Singh	5,85,000	10,00,000
7.	Mr. Marco Philippus Ardeshir Wadia	5,85,000	10,00,000

Mr. Shyam Sunder Bhartia 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 2021-22. 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 2021-22. 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 2021-22, 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 2021-22 to M/s. Price Waterhouse Chartered Accountants LLP, Auditors 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	0.20
Out of pocket expenses	0.03
Total	**1.00**

* 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 fees was paid/payable by the Company's subsidiaries to M/s. Price Waterhouse Chartered Accountants LLP, Auditors 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 2021-22.

(12) Credit Ratings

The details of the Credit Ratings assigned to the Company as on March 31, 2022 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 upgraded the Long Term Rating for the Bank Loan Facilities of the Company from CRISIL AA /Positive to CRISIL AA+/ Stable vide its letter dated April 14, 2021.

(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; and

(b) 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 2021-22

a. Total exposure of the Company to aforesaid commodities - Rs. 13,264.99 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	4,923.26	9,31,438 MT	NIL	NIL	NIL	NIL	NIL
Natural Gas	8,341.73	2111.89 Million Standard Cubic Meters	NIL	NIL	NIL	NIL	NIL

(iii) Commodity Risks faced by the Company during the Financial Year 2021-22 and how they have been managed

Di-Ammonium Phosphate ("DAP") is a fertiliser imported by the Company for supply in its marketing territory. The prices of DAP 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:

(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.

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, 2022, 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, 2022

Name	Number of Shares held
Mr. Saroj Kumar Poddar	7,06,128
Mr. Pradeep Jyoti Banerjee	NIL
Mr. Shyam Sunder Bhartia	NIL
Mr. Gaurav Mathur	NIL
Mr. Vivek Mehra	NIL
Mrs. Rita Menon	NIL
Mr. Chandra Shekhar Nopany*	2,90,275
Ms. Radha Singh	NIL
Mr. Marco Philippus Ardeshir Wadia	6,000

* 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, 2022.

(15) General Body Meetings

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

Financial Year	Date	Time	Location
2020-21	16.09.2021	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
2019-20	10.09.2020	1030 Hours	
2018-19	28.09.2019	1030 Hours	Registered Office of the Company at Gadepan, District Kota, Rajasthan, PIN-325 208

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 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.

Shareholders' approval by way of special resolution was not sought for any matter in the Annual General Meeting held on September 28, 2019.

15.3 Shareholders' approval through postal ballot was not sought for any matter during the Financial Year 2021-22.

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: http://chambalfertilisers.com/pdf/Familiarization-Prog-Indep-Directors-2021-22.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 2021-22 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, 2022. Further, no complaint was pending with the Company as at the beginning and end of the Financial Year 2021-22 under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(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 Mint, 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.

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.

17.3 The transcripts 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.

17.4 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 2021-22 is enclosed as **Annexure "C"** to Board's Report.

(19) General Shareholders' Information

19.1 **37th Annual General Meeting**

Venue	:	37th Annual General Meeting of the Company will be held at the Registered Office of the Company at Gadepan, District Kota, Rajasthan, PIN – 325 208 or through VC or OAVM as may be permitted by the concerned government/ regulatory authorities
Time	:	10.30 A.M. Indian Standard Time
Day & Date	:	Tuesday, September 13, 2022

19.2 **Financial Year** : April to March

19.3 **Tentative** Financial Calendar :

Event	Date
Audited Annual Results (Financial Year 2021-22)	May 19, 2022
Mailing of Annual Report*	August 2022
First Quarter Results	Early August 2022
Half Yearly Results	Early November 2022
Third Quarter Results	Early February 2023
Audited Annual Results (Financial Year 2022-23)	May 2023

* In compliance with the Circular no. 20/2020 dated May 05, 2020 read with Circular no. 14/2020 dated April 08, 2020, Circular no. 17/2020 dated April 13, 2020 and Circular no. 02/2021 dated January 13, 2021 and Circular no. 02/2022 dated May 05, 2022 issued by Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, the Annual Report for the Financial Year 2021-22 and notice of 37th 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 23, 2022 to Wednesday, August 24, 2022 (both days inclusive) for the purpose of payment of final dividend on equity shares for the Financial Year 2021-22, 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 2021-22, which was paid on February 21, 2022. 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 2021-22, which, if declared by the shareholders, shall be paid on September 19, 2022.

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 2022-23 to BSE and NSE.

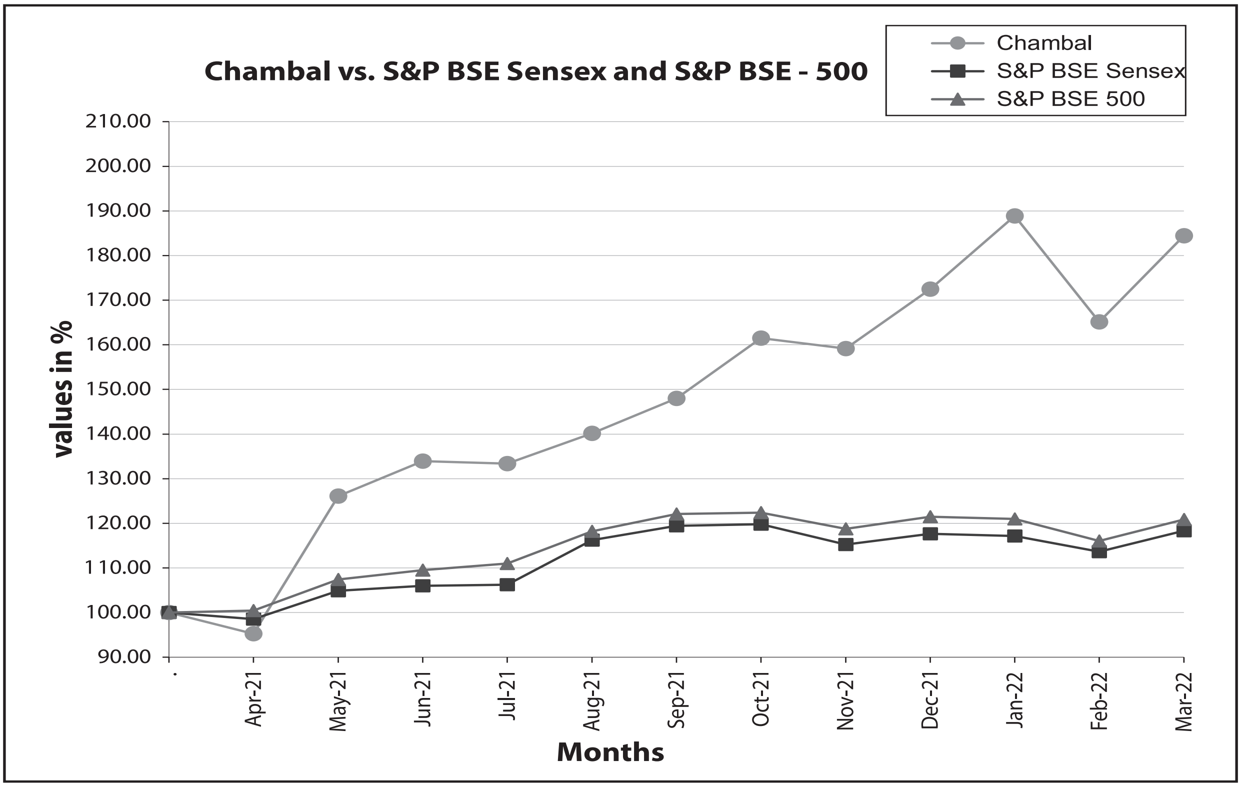
19.7 **Market Price Data**

High and low of market prices of the Company's equity shares traded on BSE and NSE during the Financial Year 2021-22 were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April, 2021	239.45	209.65	239.40	209.80
May, 2021	310.00	212.00	310.45	212.40
June, 2021	320.80	280.00	321.00	279.05
July, 2021	321.85	293.25	321.95	293.00
August, 2021	348.40	307.40	348.90	307.10
September, 2021	357.60	302.50	358.70	302.15
October, 2021	451.00	315.05	451.00	315.20
November, 2021	403.80	344.40	403.95	344.25
December, 2021	423.70	353.90	424.10	353.75
January, 2022	485.00	392.55	484.95	392.00
February, 2022	442.65	348.85	442.90	348.75
March, 2022	441.05	369.00	441.00	373.00

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, 2021.

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 has been discontinued and transmission or transposition of securities is being 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, 2022, about 96.75% 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, 2022 (in Rs.)	Due date for transfer to Investor Education and Protection Fund ("IEPF")
2014-2015	1,79,63,009.24	18.10.2022
2015-2016	1,80,28,972.24	25.10.2023
2016-2017	1,92,73,596.18	15.10.2024
2017-2018	1,37,02,445.59	21.10.2025
2018-2019	1,31,70,597.16	28.10.2026
2019-2020 (Interim Dividend)	2,93,77,948.41	07.04.2027
2020-2021 (Interim Dividend)	1,70,76,761.14	06.12.2027
2020-2021 (Final Dividend)	2,27,20,014.49	18.10.2028
2021-2022 (Interim Dividend)	2,24,98,845.13	02.03.2029

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, 2022, the Company has transferred unpaid dividend of Rs. 1,68,80,399 for the Financial Year 2013-14 to IEPF and also transferred 4,34,191 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 53,65,353 equity shares of the Company were lying in the demat Account of IEPF Authority as on March 31, 2022.

19.13 Transfer of shares in Unclaimed Suspense Account

The Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed shares are as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2021	7	5,500
Number of shareholders who approached Company for transfer of shares from Unclaimed Suspense Account during the Financial Year 2021-22	1	1,000
Number of shareholders to whom shares were transferred from Unclaimed Suspense Account during the Financial Year 2021-22	1	1,000
Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2022	6	4,500

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, 2022 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	1,93,952	92.82	1,83,50,387	4.41
2	501 to 1000	8,657	4.14	74,06,402	1.78
3	1001 to 5000	5,175	2.48	1,11,76,525	2.69
4	5001 to 10000	568	0.27	42,07,090	1.01
5	10001 to 100000	461	0.22	1,34,95,422	3.24
6	100001 to 500000	83	0.04	1,86,62,703	4.48
7	500001 & above	67	0.03	34,29,09,323	82.39
	Total	**2,08,963**	**100.00**	**41,62,07,852**	**100.00**

Shareholding Pattern as on March 31, 2022 was as under:

S. No.	Category	No. of shares held	Shareholding (%)
1	Promoters and Promoter Group	25,16,56,305	60.46
2	Institutions	10,29,74,764	24.74
3	Non Institutions	6,12,49,783	14.72
4	Non-Promoter- Non Public	3,27,000	0.08
	Total	**41,62,07,852**	**100.00**

The details of top ten shareholders of the Company as on March 31, 2022 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 Global Limited	5,90,15,360	14.18
3	SIL Investments Limited	3,37,33,455	8.10
4	DSP Small Cap Fund and its Associate Funds	1,71,39,349	4.12
5	HDFC Small Cap Fund and its Associate Funds	1,56,30,146	3.76
6	Earthstone Holding (Two) Private Limited	1,47,95,077	3.55
7	Chandra Shekhar Nopany (Shekhar Family Trust)	1,40,01,000	3.36
8	Earthstone Investment & Finance Limited	84,24,515	2.02
9	Yashovardhan Investment & Trading Co. Ltd.	78,89,500	1.90
10	Ronson Traders Limited	70,94,000	1.70

* 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

Place : New Delhi
Date : May 19, 2022

Rita Menon
Director

Gaurav Mathur
Managing Director

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 2021-22.

Place : New Delhi
Date : May 19, 2022

Gaurav Mathur
Managing Director

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 ("the Company"), for the year ended March 31, 2022, as stipulated in relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (hereinafter 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 and on behalf of
Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No: 099903
UDIN:22099903AJFNXJ9579

Place : New Delhi
Date : May 19, 2022

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, 2022, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

S. No.	Name of the Director	Director Identification Number (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. Anil Kapoor*	00032299	16/02/2007
5.	Mr. Chandra Shekhar Nopany	00014587	16/09/2008
6.	Ms. Radha Singh	02227854	21/10/2009
7.	Mr. Vivek Mehra	00101328	18/09/2018
8.	Mr. Pradeep Jyoti Banerjee	02985965	01/12/2019
9.	Mr. Gaurav Mathur	07610237	06/01/2020
10.	Mrs. Rita Menon	00064714	10/09/2020

*Mr. Anil Kapoor ceased to be Managing Director and Director of the Company with effect from April 16, 2021.

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: F005123D000343109

Place: New Delhi
Date: 19-05-2022

Annexure“F” to Board’s Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

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	2

Note: Mr. Anil Kapoor ceased to be the member of the Corporate Social Responsibility Committee with effect from April 16, 2021 and Mr. Gaurav Mathur was appointed as member of the Corporate Social Responsibility Committee from the said date.

3.	**Provide the web-link 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 details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy), Rules, 2014, if applicable (attach the report).**	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 2021-22: i) Project Akshar - Pre-primary and School Education; ii) Project Saksham - Technical and Vocational Education; iii) Project Arogya - Health care and Sanitation Initiatives; iv) Project Saakar - Rural Development Initiatives; and v) 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. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl.No.	Financial year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
NIL			

6.	**Average net profit of the company as per section 135(5).**	Rs. 1395.06 crore
7.	**(a) Two percent of average net profit of the company as per section 135(5)**	Rs. 27.90 crore
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
	(c) Amount required to be set off for the financial year, if any	NIL
	(d) Total CSR obligation for the financial year (7a+7b-7c).	Rs. 27.90 crore

8. (a) 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 section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 27.997 crore	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Imple-mentation - Direct (Yes / No).	Mode of Implementation – Thorough Implementing Agency	
				State	District						Name	CSR Registration number.
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs. crore).	Mode of implement-tation – Direct (Yes / No).	Mode of implementation – Through implementing agency.	
				State.	District.			Name	CSR registration number.
1.	a) Pre – primary & School Education (Project Akshar)	Promoting education including special education and employment enhancing vocational skills	Yes	Rajasthan	Kota and Baran	5.025	No	K K Birla Memorial Society	CSR00003240
			No	Uttarakhand	Dehradun	0.025	No		
			No	Haryana	Rohtak and Jhajjar	0.079	No		
			No	Punjab	Bathinda and Patiala	0.080	No		
			No	Madhya Pradesh	Ujjain and Khargone	0.110	No		
			Yes	Rajasthan	Kota	0.714	No	Dayanand Anglo Vedic College Trust & Management Society	CSR00006044
	b) Technical and Vocational Education (Project Saksham)		Yes	Rajasthan	Kota, Baran and Jhalawar	2.420	No	K K Birla Memorial Society	CSR00003240
2.	Rural Development Initiatives (Project Saakar)	Rural Development Projects	Yes	Rajasthan	Kota, Baran and Bundi	7.424	No	KK Birla Memorial Society	CSR00003240
3.	Healthcare and Sanitation Initiatives (Project Arogya)	Promoting health care including preventive health care and sanitation and making available safe drinking water	Yes	Rajasthan	Kota and Baran	2.641	No	KK Birla Memorial Society	CSR00003240
			No	Uttarakhand	Dehradun and Tehri	0.300	No		
			No	Haryana	Rohtak and Jhajjar	0.081	No		
			No	Punjab	Bathinda and Patiala	0.051	No		
			No	Madhya Pradesh	Ujjain and Khargone	0.049	No		

4.	Employability and Empowerment (Project Pragati)	Empowering Women and measures for reducing inequality faced by socially and economically backward groups	Yes	Rajasthan	Kota and Baran	0.646	No	KK Birla Memorial Society	CSR00003240
5.	Environmental Sustainability, Animal Welfare, and Soil Health Initiative (Project Bhoomi)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry and maintaining quality of soil, air and water	Yes	Rajasthan	Kota and Baran	0.203	Yes	-	-
			Yes	Rajasthan	Kota, Baran and Sawai Madhopur	0.340	No	KK Birla Memorial Society	CSR00003240
			No	Haryana	Jind, Fatehabad, Hisar	0.079	No		
			No	Punjab	Ludhiana	0.068	No		
6.	Disaster Management	Disaster management, including relief, rehabilitation and reconstruction activities	Yes	Rajasthan	Kota, Baran, Jodhpur and Jaisalmer	5.887	No	KK Birla Memorial Society	CSR00003240
7.	Promotion of sports	Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports	Yes	Rajasthan	Kota	0.900	No	KK Birla Memorial Society	CSR00003240
	TOTAL					**27.122**			

(d)	**Amount spent in Administrative Overheads**	Rs. 0.807 crore
(e)	**Amount spent on Impact Assessment, if applicable**	Rs. 0.068 crore
(f)	**Total amount spent for the Financial Year (8b+8c+8d+8e)**	Rs. 27.997 crore
(g)	**Excess amount for set off, if any**	

Sl. No.	**Particular**	**Amount (in Rs. crore)**
(i)	**Two percent of average net profit of the company as per section 135(5)**	27.90
(ii)	**Total amount spent for the Financial Year**	27.997
(iii)	**Excess amount spent for the financial year [(ii)-(i)]**	0.097
(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)]**	0.097

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.)**	**Amount transferred to any fund specified under Schedule VII as per section 135 (6), if any.**			**Amount remaining to be spent in succeeding financial years. (in Rs.)**
				Name of the Fund	**Amount (in Rs.).**	**Date of transfer.**	
1.	Financial Year 2020-21	Nil	Nil	-	Nil	-	Nil
2.	Financial Year 2019-20	Nil	Nil	-	Nil	-	Nil
3.	Financial Year 2018-19	Nil	Nil	-	Nil	-	Nil
	TOTAL	Nil	Nil	-	Nil	-	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**	**(9)**
Sl. No.	**Project ID.**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in Rs.)**	**Amount spent on the project in the reporting Financial Year (in Rs.)**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**Status of the project – Completed / Ongoing.**
Not Applicable								

10.	**In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset – wise details).**		
	(a)	**Date of creation or acquisition of the capital asset(s)**	July 09, 2021
	(b)	**Amount of CSR spent for creation or acquisition of capital asset**	Rs. 6,05,487.00 including Goods and Service Tax and Road Tax
	(c)	**Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.**	K K Birla Memorial Society C/O CFCL Gadepan District Kota, Rajasthan PIN 325208
	(d)	**Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)**	Maruti Suzuki EECO TOUR 5 Seater CNG Motor Car K K Birla Memorial Society C/O CFCL Gadepan District Kota, Rajasthan PIN 325208
11.	**Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).**		Not Applicable

Date: May 19, 2022

Gaurav Mathur
Managing Director

Chandra Shekhar Nopany
Chairman - Corporate Social Responsibility Committee

Executive Summary of Impact Assessment Report

May 18, 2022

Chambal Fertilisers and Chemicals Limited
Gadepan, District Kota
Rajasthan, PIN-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") 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 Chambal Fertilisers and Chemicals Limited.

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

STUDY AREA

We have assessed impact of CSR projects and programmes amongst the stakeholders' of CFCL in the core and peripheral areas of Kota, Baran and Jhalawar districts in Rajasthan. 5 CSR projects of CFCL are eligible for conducting impact assessment study. These projects are **Project Akshar –** Pre-primary and School Education, **Project Saksham –** Technical and Vocational Education, **Project Arogya –** Healthcare and Sanitation, **Project Saakar** – Rural Development and **Project Bhoomi** – Environment Sustainability, Animal Welfare and Soil Health. Exploring the efficacy of these projects has provided a coherent and clear image of the operational, processes and behavioral impact.

METHODOLOGY

The study adopted a descriptive research design and relied on both quantitative and qualitative data. It followed a four-step strategy, comprising desk review and design of tools; field work; data entry; cleaning & analysis and report writing.

SAMPLE SELECTION

CFCL has undertaken various CSR projects and programmes mainly in Kota, Baran and Jhalawar districts and samples were selected for Impact assessment study from these areas. The sampling was done under the COVID limitations in February - March 2022, which has thus hampered the selection of the far-flung areas of the intervention and beneficiaries.

IMPACT OF PROJECT AKSHAR – PRE-PRIMARY AND SCHOOL EDUCATION

'Project Akshar' aims to strengthen the quality of education and upgrade infrastructures of Aanganwadi Centres and the Rural Government Schools (Primary, Upper Primary, Secondary and Senior Secondary Schools) of Kota and Baran Districts of Rajasthan. The salient findings are as under:

- The project helped in augmenting Aanganwadi Centres and Government Schools' infrastructures by renovating and constructing classrooms, compound walls, building toilet blocks with water taps, drinking water stations with overhead water tanks, kitchens and providing furniture.

- Aanganwadi Workers' of the study areas were aware of the Integrated Child Development Services (ICDS) schemes and they frequently undergo trainings from the ICDS department.
- For quality elementary education, a systematic approach has been adopted to focus each adopted schools to enhance learning outcome of students from grade 1 to 12. Trained teachers are engaged to achieve this objective with the support of in-school teachers.
- Due to the augmentation of infrastructure and pedagogic support, enrolment has significantly increased in the selected schools and aanganwadi centers.
- Meritorious students were provided with tables, chairs, solar lamps and tablets. This initiative has impacted a number of students over the years and played critical role in enabling students' access to higher education.
- Emphasis is given on delivering academic support for students' critical board exams, special classes for grade 10 to 12, remedial classes for weaker students and aspirants of Jawahar Navodaya Vidyalaya entrance examination.
- Through a structured curriculum, Information and Communication Technology ("ICT") enabled education was introduced by deploying computer teachers in all the adopted schools. All schools are equipped with smart boards, projectors and computers. Additionally, science labs, sports and other activities were introduced to develop mental strength and increase the power of reasoning among students. Principals and teachers conveyed that the smart classes have positively impacted learning outcome amongst students.
- Promotion of extra- curricular activities through Annual Day of institutions 'Samvartika' which is a unique platform curated by CFCL for students to showcase their talent, interact and to enhance their confidence level. This initiative has allowed students to perform better in school, build their confidence and nurture their talent.
- Access to separate toilets for boys and girls, provision for clean drinking water in schools, installation of incinerators and construction of boundary walls created safe space for students specifically for girl students. Due to holistic outlook and approach of this initiative, the enrollment of students has significantly increased particularly for girl students.
- Major shifts in parents' attitudes towards education observed.
- School Management Committees were re-grouped and strengthened. Members were found to be fully aware of their duties and proactive in fulfilling these.

CFCL's educational intervention and the impact in schools is highly appreciated & also awarded by Central Government, Government of Rajasthan and various independent agencies.

IMPACT OF PROJECT SAKSHAM – TECHNICAL AND VOCATIONAL EDUCATION

Project Saksham is the finest initiative of CFCL for technical skill development of rural youth in Rajasthan. Through project Saksham, development, renovation and upgrading of Industrial Training Institutes (ITIs) has provided exceptional support to the young people from the vulnerable communities to be economically empowered. The program outcomes are as under -

- CFCL adopted 5 ITIs located at Sangod, Sultanpur, Baran, Jhalawar, and Khanpur.
- These ITIs are completely transformed and upgraded into an advance technical institution. The classrooms, staff rooms, halls, corridors, workshops, etc. were fully restored and repaired to create suitable ecosystem for training.
- Library rooms were constructed and computer education was introduced in these institutions.
- Separate girls' common room were developed in each ITI for recreational activities.
- With holistic up-gradation and eventually high rate of placement, the enrollment of girls in these ITIs were continuously increasing. They were aware of technical and hands-on training is the road to realize their dream of economic independence. Girl students were very satisfied with the courses offered, placement and in-campus security.
- Placement rate per year is around 80% and opportunity for students has been increasing in reputed companies. With new equipment and well-trained faculty in place, the ITIs were able to place students in renowned companies.

IMPACT OF PROJECT AROGYA – HEALTHCARE AND SANITATION

CFCL planned the Project Arogya in a holistic manner to deliver healthcare services to 26 villages, including 41 Aanganwadi, 44 schools and 5 ITIs through regular Health Check-ups Camps, Personal Health and Hygiene Sessions and mobile van services. The intervention has resulted in creating a healthcare system and resulted in behavioral changes amongst the community members. Some of the program highlights are -

- High level awareness on water borne diseases and seasonal diseases was observed among the beneficiaries.
- Improvement of drainage system and fogging has led to decrease in the number of dengue and malaria cases in the villages.
- Health and hygiene awareness amongst students were high as they were aware about correct hand washing techniques, use of toilet and importance of personal hygiene.
- Mobile ambulance are accessible for the beneficiaries during medical emergencies and beneficiaries have been availing this service.

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

Under Project Bhoomi, CFCL initiated sustainable agriculture practices, farmers outreach programmes, soil health management and empowering the farmer community. The project deliverables helped in achieving following key objectives -

- Through Soil Testing Programme, farmers receive the services at their doorsteps and a soil health card is given to farmers. The soil card provided a detailed analysis of the deficiency of major nutrients such as potassium, nitrogen, phosphorus and micronutrients such as iron, manganese, zinc, copper and chlorine. The report also states the pH value of soil and its electrical conductivity.

- Farmers have been able to diversify their crops based on the soil health and adoption of intercropping method which helped in increase in their income. The farmers were also able to put up usage of inorganic fertilisers as per recommendation resulting in saving in input cost.
- The laboratories are fully equipped with modern scientific equipment's to measure various parameters. The equipment's such as pH meter, Electrical conductivity meter, spectrophotometer, flame photometer etc. were well placed and are found functional.

IMPACT OF PROJECT SAAKAR - RURAL DEVELOPMENT

Project Saakar is the most significant component of the overall development of the rural areas. The project aims to provide accessibility to the remotest villages by connecting with roads and basic infrastructure. This has resulted in transforming village infrastructure facilities. Some of the notable highlights are as under -

- Village Internal Road were developed using cement concrete which is highly durable.
- Water bodies like ponds were restored by de-silting & deepening.
- Construction of Crematoriums facilitated community for proper last rites at the village level and the community was appreciative and grateful for it.
- Boundary wall, culverts, road pathways, community halls, street lights, etc. are provided in various villages to improve quality of life of rural folks.

Quality of life of the beneficiaries have significantly improved in project area due to continuous investment in rural infrastructure up-gradation.

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, 2022

[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, 2022**, 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, 2022** 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;

(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) Regulations, 2014 and 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 Debt Securities) Regulations, 2008 and 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 debt securities/non-convertible securities during the financial year under review]**;

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 **[Not applicable as the Company has not issued any Non-Convertible and Redeemable Preference Shares during the financial year under review]**;

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

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

(i) 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 Nos. 14/2020, 17/2020, 20/2020 and 02/2021 dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 issued by the Ministry of Corporate Affairs and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P /2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India to hold Extra-Ordinary General Meetings/ Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).
4. Notification No. G.S.R 186 (E) dated March 19, 2020 read with G.S.R 806 (E) dated December 30, 2020 issued by the Ministry of Corporate Affairs to conduct the Meetings of the Board or its Committees through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

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 Directors. 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. Anil Kapoor (DIN: 00032299) as Managing Director and Director of the Company with effect from April 16, 2021;
2. The shareholders of the Company at the Annual General Meeting held on September 16, 2021 appointed Mr. Gaurav Mathur (DIN: 07610237) as Managing Director of the Company for the period from April 16, 2021 to January 05, 2025; and
3. The Company has declared final dividend of Rs. 4.50/- (i.e. 45%) per equity share of Rs. 10/- each of the Company for the Financial Year 2020-21. Further the Board of Directors of the Company at its meeting held on January 28, 2022, 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 2021-22.

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

Place : New Delhi
Date : 19-05-2022
UDIN : F005123D000343351

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, 2022 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 : 19-05-2022
UDIN : F005123D000343351

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 combustion air preheater in Ammonia-II plant.

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

The Company is in the process of installing roof top solar panels in Gadepan campus having capacity of 1000 kilo watt peak power as a step towards use of renewable energy.

(iii) The capital investment on energy conservation equipments

The total capital investment on the above mentioned energy conservation scheme was Rs. 14.73 Crore during the Financial Year 2021-22.

(B) Technology Absorption:

(i) The efforts made towards technology absorption

None

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

None

(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
The Company had commenced commercial production from New Urea Plant at Gadepan, District Kota, Rajasthan ("Gadepan-III Plant") with effect from January 1, 2019. Gadepan-III Plant is more energy efficient and consumes less natural resources. Gadepan-III Plant is based on imported technology which mainly includes Purifier Ammonia Process of KBR, Inc., USA, CO^2 Removal Process of BASF SE, Germany and Urea Synthesis Process of Toyo Engineering Corporation, Japan.	The construction of Gadepan-III Plant commenced during the Financial Year 2016-17 and it was commissioned during the Financial Year 2018-19.	Yes	Not Applicable
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 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. 30.77 Crore

Foreign Exchange outgo : Rs. 5427.15 Crore

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

Place : New Delhi
Date : May 19, 2022

Rita Menon
Director

Gaurav Mathur
Managing Director

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 2021-22 and the percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the Financial Year 2021-22:

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	0.98	(4.00)
Mr. Pradeep Jyoti Banerjee	Independent Director	1.07	2.34
Mr. Shyam Sunder Bhartia	Non-Executive Director	-	-
Mr. Anil Kapoor	Managing Director	57.96	(8.28)
Mr. Gaurav Mathur	Managing Director	37.85	11.06
Mr. Vivek Mehra	Independent Director	1.22	1.01
Mrs. Rita Menon	Independent Director	1.14	113.36
Mr. Chandra Shekhar Nopany	Non-Executive Director	1.08	(0.38)
Ms. Radha Singh	Independent Director	1.29	0.00
Mr. Marco Philippus Ardeshir Wadia	Independent Director	1.29	1.93
Mr. Abhay Baijal	Chief Financial Officer	Not Applicable	(17.17)
Mr. Rajveer Singh	Company Secretary	Not Applicable	3.07

Notes:

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

(b) Mr. Anil Kapoor completed his tenure as Managing Director of the Company on April 15, 2021 and ceased to be the Managing Director and Director of the Company with effect from April 16, 2021. Accordingly, the remuneration paid to Mr. Anil Kapoor as Managing Director is for the period April 01, 2021 to April 15, 2021 and includes retirement benefits, hence not comparable with the remuneration paid/ payable during the Financial Year 2020-21.

(c) Mr. Gaurav Mathur was Joint Managing Director of the Company from January 06, 2020 to April 15, 2021 and he was appointed as Managing Director of the Company with effect from April 16, 2021.

(d) Mrs. Rita Menon was appointed as an Independent Director with effect from September 10, 2020. Accordingly, the sitting fee / commission paid to Mrs. Rita Menon during the Financial Year 2020-21 pertains to part of the year, hence not comparable with the sitting fee/ commission paid/ payable during the Financial Year 2021-22.

(e) Remuneration of Mr. Abhay Baijal for the Financial Years 2020-21 and 2021-22 includes Rs. 87,30,400 and Rs. 23,58,950, respectively, 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 14.85%.

(f) Remuneration of Mr. Rajveer Singh for the Financial Year 2020-21 includes Rs. 14,12,100 towards perquisite value of employee stock options exercised and leave encashment and his remuneration for the Financial Year 2021-22 includes Rs.6,01,280 towards leave encashment. The increase in remuneration without considering such perquisite value of employee stock options exercised and leave encashment works out to 13.18%.

ii) The percentage increase in the median remuneration of employees in the Financial Year 2021-22: **10.12%**

iii) The number of permanent employees on the rolls of the Company: **1035**

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 2021-22 was 14.80%. The details of percentage increase in the remuneration of managerial personnel is given above. Average increase in the remuneration of employees other than managerial personnel during the Financial Year 2021-22 includes the perquisite value of stock options exercised by some of the employees and leave encashment. 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. Details of the top ten employees in terms of remuneration drawn for the Financial Year 2021-22:

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	Anil Kapoor**	Managing Director/ Advisor$	B. Tech. (Chemical Engineering), M.S.	68	42	11.12.2000	9,87,12,430	Cabot India Limited	Vice President-Technical
2	Gaurav Mathur*	Managing Director#	B. Tech. (Chemical Engineering)	53	32	06.01.2020	4,64,69,913	TEVA API India Private Limited	Managing Director
3	Abhay Baijal*	Chief Financial Officer	B.E. (Mechanical), P.G.D.M.	61	37	01.11.2003	1,98,35,970	Birla Home Finance Limited	Vice President-Operations
4	Virendra Kumar Gupta**	Vice President - Marketing	B. Tech (Agricultural Engineering), P.G.D.M.	64	39	24.09.1991	1,39,90,235	J K B M Limited	Zonal Manager
5	Virendra Kishore Kapoor*	General Manager-Marketing	M.Sc. (Agriculture)	60	35	01.04.1992	1,15,75,766	Zuari Agro Chemicals Limited	Senior Marketing Officer
6	Narinder Goyal*	Assistant Vice President - Production	B.E. (Chemical), M.B.A. - Finance	52	31	01.02.1992	1,06,55,313	Punjab Alkalies and Chemicals Limited	Chemical Trainee Engineer
7	Anuj Jain*	Assistant Vice President- Finance	FCA, ACS	58	36	10.09.2001	1,05,09,002	Birla Home Finance Limited	General Manager
8	Rajveer Singh	Vice President - Legal & Secretary	M.A., L.L.B., FCS	53	29	10.02.2003	1,01,56,678	MCS Limited	Whole-time Director
9	Jagdeep Singh Sodhi**	Assistant Vice President-Materials	M.B.A.	62	37	12.06.1991	99,34,177	Escorts Limited	Assistant Manager (Materials)
10	Rajnish Chaba	General Manager - Technical Services & Engineering	B.E. (Chemical)	49	28	17.12.1997	92,98,711	Oswal Chemicals and Fertlisers Limited	Engineer (Urea)

* These employees were employed throughout the Financial Year 2021-22 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 2021-22 and were in receipt of remuneration in the aggregate of not less than Rs. 8,50,000 per month.

$ Ceased to be Managing Director and Director of the Company with effect from April 16, 2021 and appointed as Advisor with effect from April 26, 2021. The remuneration of Mr. Anil Kapoor includes Rs. 711,54,843 as Managing Director of the Company.

Appointed as Managing Director of the Company with effect from April 16, 2021.

II. Employees who were employed for a part of the Financial Year 2021-22 and were in receipt of remuneration in the 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	V. Sambasiva Rao	Manager – Information Technology	Diploma (Mechanical Engineering)	60	39	12.10.1998	31,62,366	Instrumentation Limited	Junior Engineer
2	Ved Prakash Sharma	Specialist	ITI-Electrician, Diploma (Electrical Engineering)	61	38	01.06.1992	22,17,767	DCM Shriram Consolidated Limited	Craftsman
3	Vijay Kumar	Senior Officer - Accounts	M.Com.	53	31	01.09.1995	14,14,420	Punj Lloyd Limited	Assistant Accountant
4	Raj Kumar Verma	Deputy Manager - Marketing	B. Sc. (Agriculture), M. Sc. (Agriculture)	39	15	19.06.2006	13,39,517	First Employment	
5	Rakesh Kumar Rathore	Senior Shift Officer - Offsites & Utilities	Diploma (Mechanical Engineering), B. Tech. (Mechanical Engineering)	36	16	18.12.2006	6,61,397	Auto Gear (India)	Maintenance Supervisor
6	Tapeshwar Lal	Craftsman - I (Crane Operator)	ITI - Fitter	56	32	21.06.2012	2,85,000	Liberty Phosphate Limited	EOT Crane Operator
7	Sanjay Singh	Technical Assistant	Diploma Chemical Technology (Rubber & Plastic)	27	5	05.07.2016	2,40,044	First Employment	
8	Nikita Chakrawarti	Assistant Shift Manager -Ammonia	B. Tech. (Chemical Engineering)	26	4	01.07.2017	2,19,834	First Employment	
9	Atul Kumar Singh	Technical Assistant	Diploma Chemical Technology (Fertilizer Technology)	26	5	10.11.2016	1,58,870	First Employment	
10	Narendra Kumar Prajapati	Technical Assistant	B. Sc.	28	6	06.09.2016	1,57,601	Atul Limited	Production Associate

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

Gaurav Mathur
Managing Director

Place : New Delhi
Date : May 19, 2022

BUSINESS RESPONSIBILITY REPORT

Introduction

Chambal Fertilisers and Chemicals Limited ("Company") strives to incorporate economic, social and environmental aspects into the core of its processes and follow sustainable practices and processes that are safe, efficient and environment friendly to the society.

The Company is committed to build a sustainable enterprise for the benefit of its present and future generations of stakeholders. The Company conducts its business with responsibility, integrity, fairness, transparency and honesty.

In pursuit of the above, the Company seeks to:

a) Build a sustainable enterprise that effectively balances financial strengths with social and environmental responsibilities;

b) Deliver sustainable top-line and bottom-line growth while maintaining the high corporate governance standards;

c) Reduce its environmental footprint by investing in eco-friendly and reliable technologies and practices;

d) Increase efficiency by optimum utilization of resources and technology;

e) Promote sustainable consumption of resources including balanced use of agri-inputs to achieve optimal farm productivity;

f) Work towards improving the quality of life by making the communities self-reliant in areas within which it operates;

g) Build lasting social capital through interventions in social initiatives for the benefit of the community residing in the vicinity of its plants and other places in India;

h) Provide and maintain equal opportunity at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation;

i) Ensure non-deployment of child labour, forced labour or any form of involuntary labour, paid or unpaid in any of its plants and offices;

j) Provide a workplace environment that is safe, hygienic, humane and which upholds the dignity of the employees; and

k) Ensure that its products and services comply with all laws and regulations as may be applicable.

The details of the initiatives taken by the Company from an environmental, social and governance perspective are as under:

Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L24124RJ1985PLC003293
2.	Name of the Company	Chambal Fertilisers and Chemicals Limited
3.	Registered address	Gadepan, District Kota, Rajasthan, PIN - 325208, India
4.	Website	www.chambalfertilisers.com
5.	E-mail id	corporate@chambal.in
6.	Financial Year reported	April 01, 2021 to March 31, 2022
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	**Name of the Sector** / **Code** Manufacture of Urea / 20121 Marketing of fertilizers and agrochemical products / 46692
8.	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Manufacture of Urea and Marketing of Di-ammonium Phosphate (DAP), Muriate of Potash (MOP) and other Fertilisers & Agri-inputs.
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	 (a) On a standalone basis, the Company does not have any manufacturing facility outside India. (b) 21 (Twenty One)
10.	Markets served by the Company – Local/State/National/ International	The Company serves 14 states and 1 union territory in the national market.

Section B: Financial Details of the Company as on March 31, 2022

1.	Paid up capital (INR in Crore)	416.21
2.	Total Turnover (INR in Crore)	16,068.83
3.	Total profit after taxes (INR in Crore)	1,287.12
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The Company has spent Rs. 27.997 Crore on CSR during the Financial Year 2021-22 which works out to 2% of the average net profit of the Company for last three financial years.

5	List of activities in which expenditure in 4 above has been incurred:	The Company has been engaged in Corporate Social Responsibility ("CSR") activities in 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. Further details are given in the Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2021-22 attached as **Annexure "F"** to the Board's Report.

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies?	Yes. The Company had 4 subsidiaries as on March 31, 2022. The details of subsidiaries are given in Form AOC–1 forming part of the Annual Report.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No. The Company does not mandate suppliers / service providers to participate in the BR initiatives of the Company. However, they are encouraged to adopt the Company's policies in this regard to the extent practicable.

Section D: BR Information

1.	**Details of Director/Directors responsible for BR**	
(a)	Details of the Director responsible for implementation of the BR policies	
(i)	DIN Number	00032299 (Mr. Anil Kapoor) and 07610237 (Mr. Gaurav Mathur)
(ii)	Name	Mr. Anil Kapoor (upto April 15, 2021) and Mr. Gaurav Mathur (with effect from April 16, 2021)
(iii)	Designation	Mr. Anil Kapoor was Managing Director of the Company till April 15, 2021 and Mr. Gaurav Mathur was appointed as Managing Director of the Company with effect from April 16, 2021.
(b)	Details of the BR head	
(i)	DIN Number (if applicable)	Not Applicable
(ii)	Name	Mr. Vishal Mathur
(iii)	Designation	Assistant Vice President - Human Resources & Administration
(iv)	Telephone number	0744-2782900
(v)	E-mail ID	vishal.mathur@chambal.in

2. Principle-wise (as per NVGs) BR Policy/policies

Principle Index

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the wellbeing of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a)	Details of compliance (Reply in Y/N)									
No.	**Questions**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y (Note 1)	Y (Note 2)	Y (Note 3)	Y (Note 4)	Y (Note 3)	Y (Note 2)	Not Applicable	Y (Note 4)	Y (Note 2)
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	The policies are available on the website of the Company i.e. www.chambalfertilisers.com. Refer Note 5 below for the links of the policies.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N
(b)	If answer to the question at serial number 1 against any principle, is 'No', please explain why: **Not Applicable**									

3. Governance related to BR		
(a)	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Within 3-6 months.
(b)	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Business Responsibility Report is published annually. The Business Responsibility Report for the Financial Year 2020-21 was part of the Annual Report which is available at the website of the Company at the weblink - http://www.chambalfertilisers.com/pdf/Annual-Report-for-the-Financial-Year-2020-2021.pdf

Note 1 : The Code of Conduct and Ethics and Whistle Blower Policy of the Company conforms to the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, as applicable.

Note 2 : The concerned policies are in conformity to ISO-14001:2015, ISO-9001:2015 and ISO-45001:2018 standards.

Note 3 : The concerned policies conform to the applicable labour and employment laws.

Note 4 : Corporate Social Responsibility Policy of the Company conforms to the requirements of the Companies Act, 2013 and rules framed thereunder.

Note 5 : The policies are available on the website of the Company at the following links:

http://www.chambalfertilisers.com/brrpolicies

http://www.chambalfertilisers.com/policiescodes

Section E: Principle-wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability		
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?	Yes The Code of Conduct and Ethics of the Company is applicable to all the Directors and Employees of the Company. The Whistle Blower Policy, *inter-alia*, provides a mechanism to the Directors and Employees to report their genuine concerns and grievances including those related to unethical behaviour, 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 also enables the other stakeholders i.e. employees of other agencies deployed for the Company's activities, 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 same is normally shared with the concerned suppliers/service providers.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	There was no complaint received during the year under the Whistle Blower Policy of the Company.
Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company manufactures Urea which is a major plant nutrient and ensures food security in the country. The Urea manufactured by the Company is neem coated which results into slow release of nitrogen in the soil thereby reducing the overall carbon footprint. The Company makes continuous efforts to increase the energy efficiency of the manufacturing plants and processes involved in the manufacture of Urea and follows the concept of Reduce, Re-use and Re-cycle of the waste management. The Gadepan-III plant of the Company commissioned during the Financial Year 2018-19 is more energy efficient in comparison to existing plants resulting into saving of natural resources.
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):	
	(a) Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?	(a) The Company is having three hi-tech Urea plants (Gadepan - I, Gadepan - II and Gadepan - III) at Gadepan, District Kota, Rajasthan. Natural Gas is used as feedstock for manufacture of Urea and its consumption can be reduced through efficient plant operations and improving energy efficiency in the plants. Gadepan – III plant uses the latest process technology, thereby resulting in less consumption of energy and other natural resources. The overall specific energy consumption for the Financial Year 2021-22 was 5.210 Gcal/MT of Urea as against 5.190 Gcal/MT of Urea during the previous financial year. The energy consumption has increased slightly by 0.38% on account of plant outages. The Company uses only harvested rainwater for its operations, drawn through anicuts constructed on river Kalisindh and Parvan in Kota and Baran districts of Rajasthan. Almost 70% of the waste water is re-cycled back into the system and the balance is used in the irrigation network within the complex. The Company discharges the treated water in the river only during monsoon period. The overall water consumption during the Financial Year 2021-22 in the plants was 4.34 M3/ MT of Urea as against 4.30 M3/ MT of Urea during the previous financial year. The water consumption has increased slightly by 0.93% on account of plant outages.
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year	(b) The Company has not developed mechanisms to track resource usage at the consumer end. The Company's products are mainly consumed by farmers and the Company engages with them to create awareness on sustainable agriculture and optimum use of fertilisers.

3.	Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Yes. The Company endeavours to embed the principles of sustainability, as far as practicable, into the various stages of product life-cycle. Suppliers' Code of Conduct and Policies on Product Responsibility and Sustainability provide further details on the Company's approach in respect to sustainable sourcing. The suppliers of natural gas source major part of natural gas through imports and a small quantity comes from domestic production. The Company has long term supply arrangements with large suppliers in the country to source major part of its natural gas requirements. The fertiliser plants of the Company are connected to a dedicated natural gas pipeline to ensure un-interrupted supply. Natural gas is used as feedstock for manufacture of Urea and its consumption can be reduced through efficient plant operations and improving energy efficiency in the plants. The Company ensures the reliability of the plants through periodic maintenance and replacement / overhauling of equipment to ensure uninterrupted operation of plants to achieve better energy efficiency. The Company also markets fertilisers and other agri inputs. The products being marketed by the Company are sourced from national and international manufacturers of repute in order to ensure quality of the products and consistency in supplies.
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes. The Company has been promoting local contractors and service providers and provided them work opportunities. The Company also encourages business partners and suppliers to use services of local vendors wherever possible. As part of its CSR initiatives, the Company has also facilitated skill development and vocational training to the rural youth in the vicinity of its plants.
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	Yes. (i) The Company has adopted best practices to manage waste disposal through a comprehensive waste management system under the Health, Safety, Security, Environment & Quality Policy. (ii) Hazardous waste generated out of the operations is disposed-off through authorized recyclers and co-processor and non-hazardous waste is disposed-off either by way of composting or through re-cyclers or processors. (iii) Total 5000 MT of sludge is generated from Effluent Treatment Plant ("ETP") and reverse-osmosis plants which is major contributor to total waste generated in the plants at Gadepan. The Company had made arrangement with nearby cement plant for processing of sludge and total 1093 MT of sludge was processed through such cement plant during the Financial Year 2021-22. (iv) In order to meet Extended Producer Responsibility obligation of collecting and disposing the plastic waste generated due to product`s packaging, the Company has set up a system to collect and recycle plastic waste through four waste management entities. Around 3912 MT of plastic waste (around 35% of total plastic waste generated due to packaging of the products of the Company) was collected and recycled during the Financial Year 2021-22. (v) Almost 100% of condensate generated in the Urea manufacturing process is recycled back to the system. Further, the effluents generated from Demineralization Plant regenerations, cooling tower blow downs and oil separator are diverted to the ETP where they are mixed together and stored in large holding ponds for irrigation of green belt. The Company has also set up a sewage treatment plant which treats sanitary wastewater from the township and plants. The Company discharges the treated industrial wastewater in the river only during monsoon period to avoid over watering that may lead to mortality of trees and other vegetation. (vi) Stripping unit with hydrolyser is operational in Gadepan - III plant to treat the Urea contaminated effluent of complex. (vii) The Bio-Methanation plant in township at Gadepan recycles the kitchen waste of plant canteens and residential colony.

Principle 3: Businesses should promote the wellbeing of all employees		
1.	Please indicate the total number of employees.	As on March 31, 2022, there were 1035 permanent employees in the Company.
2.	Please indicate the total number of employees hired on temporary/contractual/ casual basis.	As on March 31, 2022, there were 2485 employees hired on temporary / contractual / casual basis out of which 768 employees were hired temporarily for planned shutdown of the plants at Gadepan.
3.	Please indicate the Number of permanent women employees.	21
4.	Please indicate the Number of permanent employees with disabilities	NIL
5.	Do you have an employee association that is recognized by management.	There was no employee association in the Company as on March 31, 2022.
6.	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable
7.	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment, discriminatory employment in the last financial year and pending, as on the end of the financial year.	NIL
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	see table below
Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.		
1.	Has the company mapped its internal and external stakeholders? Yes/No	Yes. The key stakeholders of the Company are Employees, Farmers, Dealers / Distributors, Investors/ Shareholders, Banks / Financial Institutions, Local Community, Contractors / Vendors, Industry Associations and the State and Central Government.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Yes. The local community residing in nearby areas of the plant premises including women, children and small and marginalized farmers are identified as disadvantaged, vulnerable and marginalized stakeholders of the Company. The Company is prioritizing the needs of these stakeholders and taking up CSR projects to cater to their needs.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	Yes. The systematically planned CSR projects 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 Company had adopted 53 Government Schools, 47 Aanganwadi centres, 5 Industrial Training Institutes, one Government Polytechnic College and 3 Primary Health Centres of villages located near its plants at Gadepan. With a view of expansion of CSR activities in other states, selected schools and villages of Punjab, Haryana and Madhya Pradesh were supported by the Company under its Education, Health care and Environmental Sustainability initiatives during the Financial Year 2021-22. The key beneficiaries of these CSR projects / programmes are students, women and small and marginalized farmers of rural communities. During the unprecedented second wave of COVID-19 pandemic, 10 oxygen plants, oxygen concentrators and other medical equipment were made available to Government hospitals and health workers to meet the medical needs of the community members. The Company had also distributed relief material to underprivileged community members of nearby areas. Through Employability and Empowerment initiative, alternate livelihood activities were promoted in 10 villages.

Category	Percentage received training
Permanent Employees	76.42
Permanent Women Employees	52.38
Casual/Temporary/Contractual Employees	100.00
Employees with Disabilities	Not Applicable

Principle 5: Businesses should respect and promote human rights		
1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?	The policy covers only the Company. The Company has formulated "Suppliers' 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 major portion of supplies is sourced from large companies who also have their own policies in this regard.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The Company has not received any complaint involving issues related to human rights violation during the Financial Year 2021-22.
Principle 6: Business should respect, protect, and make efforts to restore the environment		
1.	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others.	"Health, Safety, Security, Environment & Quality Policy" covers the Company including the contractor workforce working in its plants. In addition to this, the "Suppliers' Code of Conduct" includes the environment and sustainability aspects which the Company expects its suppliers and service providers to adhere.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes. The "Sustainability Policy" and "Health, Safety, Security, Environment & Quality Policy" of the Company cover the aspects related to environment and sustainable resource use. The Company operates its plants according to the applicable operational norms. Its commitment to sustainability has also led to technological and operational improvements with a clear emphasis on environment sustainability. The Company understands the impact of its operations on environment and therefore strives to minimize it through optimum consumption of resources, curbing green house and other air emissions, responsibly managing effluents, spills and waste disposal and preserving the biodiversity profile of the area around its plants. These policies are available under the Sustainability section at the website of the Company – www.chambalfertilisers.com.
3.	Does the company identify and assess potential environmental risks? Y/N	Yes. The Company has a process for identification and assessment of potential environmental risks at each level. The identified risks are assessed, relevant action plans are prepared for the mitigation of risks and periodical reviews are carried out to ensure mitigation of risk. The Company has adopted ISO 14001:2015 and aspect-impact analysis pertaining to environmental risks is reviewed periodically.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	The Company did not have any project related to Clean Development Mechanism during the Financial Year 2021-22.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes. The Company has replaced combustion air preheater in Ammonia-II plant for conservation of energy during the Financial Year 2021-22. In addition to the above, the Company is in the process of installing roof top solar plant within Gadepan campus having capacity of 1000 kilo watt peak load which is likely to be completed during the Financial Year 2022-23. After implementation, it is likely to replace around 13.7 % grid power requirement in Gadepan complex.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes. Ambient air quality, stack emissions and water analysis have been carried out periodically by a laboratory approved by the Ministry of Environment and Forests, Government of India and reports have been submitted to the State Pollution Control Board. Emissions/ Waste generated by the Company during the Financial Year 2021-22 were well within the limits prescribed by Central Pollution Control Board/State Pollution Control Board.

7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil
Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner		
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Yes. The Company is member of The Fertiliser Association of India ("FAI"), Federation of Indian Chambers of Commerce and Industry and International Fertilizer Association.
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes. The Company engages in policy advocacy through industry associations. The Company also submits comments / suggestions on matters related to laws and regulations including changes / amendments proposed therein. The Company participates in debates and discussions related to public policies of fertilizer industry at the FAI and other forums.
Principle 8: Businesses should support inclusive growth and equitable development		
1.	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes. The Company considers social development as an important aspect of its activities and pro-actively takes initiatives for welfare of the society. The Corporate Social Responsibility Policy of the Company details out the CSR projects and programmes undertaken by the Company. The thrust areas of CSR initiatives of the Company are Pre-primary & School Education (Project Akshar), Technical and Vocational Education (Project Saksham), Rural Development (Project Saakar), Health care and Sanitation (Project Arogya), Employability and Empowerment (Project Pragati), Environmental Sustainability, Animal Welfare and Soil Health (Project Bhoomi), Disaster Management and Promotion of Sports. The Corporate Social Responsibility Policy of the Company is available on the website of the Company at- http://www.chambalfertilisers.com/pdf/Chambal-CSR-Policy.pdf. Further details in this regard are given in the Board's Report which forms part of the Annual Report.
2.	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?	The Company's CSR projects are implemented directly by the Company as well as through implementing entities including K K Birla Memorial Society. Further details are given in the Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2021-22 attached as **Annexure "F"** to the Board's Report.
3.	Have you done any impact assessment of your initiative?	Yes Impact Assessment for five CSR projects namely Project Akshar, Project Saksham, Project Arogya, Project Bhoomi and Project Saakar, was carried out by Federation of Indian Chambers of Commerce and Industry ("FICCI"). The executive summary of Impact Assessment carried out by FICCI forms part of the Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year 2021-22 attached as **Annexure "F"** to the Board's Report and the detailed report of FICCI is available on the website of the Company.
4.	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	CSR expenditure of the Company for the Financial Year 2021-22 was Rs. 27.997 Crore. The details in this regard are given in the Annual Report on Corporate Social Responsibility (CSR) Activities attached as **Annexure "F"** to the Board's Report.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Yes. The relevant CSR projects / programmes are structured and designed in consultation with community and respective stakeholders to ensure their participation in successful implementation thereof. The Company makes efforts in the form of awareness campaigns, involvement in implementation, etc. to ensure that the community development initiatives of the Company are adopted by the community, wherever relevant.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner		
1.	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	25% Some of the complaints / cases are pending before consumer disputes redressal forums and disposal thereof takes longer time.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A. /Remarks (additional information)	No.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	3 cases / complaints filed by dealers and 2 cases filed by the suppliers in the courts during last five years, mainly related to commercial disputes, were pending as on March 31, 2022. Further, 3 complaints filed by the customers during last five years before District Consumer Disputes Redressal Forums, regarding quality of the products supplied by the Company, were pending as on March 31, 2022. The Company has been contesting these cases / complaints at appropriate forum
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes. Consumer/ customer satisfaction survey was carried out during the Financial Year 2021-22. The Company also engages with its customers for their feedback through retailer / dealer meetings, telephone helpline and farmers meets.

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

Place : New Delhi
Date : May 19, 2022

Rita Menon
Director

Gaurav Mathur
Managing Director

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 Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ("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, 2022, 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 Ind AS Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 53(d) of the Standalone Ind AS Financial Statements.] During the year, the Company has recognised subsidy revenue amounting to Rs. 11,338.78 Crore and the aggregate amount of subsidy receivable as at March 31, 2022 is Rs. 2,102.54 Crore. The amount of subsidy revenue and the subsidy receivable are significant to the Standalone Ind AS 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 receivable. • 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 the 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 Ind AS Financial Statements. Based on the above procedures performed, the management's assessment of the implications of government notifications/ policies on recognition of subsidy revenue and its recoverability was 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 Ind AS Financial Statements and our auditor's report thereon.

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

   In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Ind AS Financial Statements

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

9. 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 Standalone Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - 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 Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS 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 Ind AS 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Standalone Ind AS 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

    (g) 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 Standalone Ind AS Financial Statements – Refer Note 25 to the Standalone Ind AS Financial Statements;

        ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. 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 Ind AS 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 ended March 31, 2022.

        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 Ind AS 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 or paid during the year by the Company is in compliance with Section 123 of the Act.

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
Chartered Accountants

Pramit Agrawal
Partner
Membership Number: 099903
UDIN: 22099903AJFOUR6558

Place of the Signature : New Delhi
Date : May 19, 2022

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, 2022

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 of the Company 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 & 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 financial statements, are held in the name of the Company, except for the following:

(Amount in Rs. crores)

Description of property	Gross carrying value	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 property	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 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 crores, 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 accounts. Also refer Note 52(ii) to the standalone financial statements.

iii. The Company has, during the year, not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

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 Act, 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 within the meaning of 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 generally regular in depositing undisputed statutory dues in respect of income tax and goods and services tax, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, professional tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 47 to the standalone Ind AS 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 dues of provident fund, employees' state insurance, sales-tax, duty of customs, value added tax, goods and services 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, 2022 which have not been deposited on account of a dispute, are as follows:

Name of Statute	Nature of the dues	Amount (Rs. crore)*	Period to which the amount relates	Forum where 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)
Central Excise Act, 1944	Wrong availment of proportionate cenvat credit on input services	1.03	August 2014 to March 2015	CESTAT, New Delhi
Central Excise Act, 1944	Wrong availment of proportionate cenvat credit on input services	0.93	FY 2016-17	CESTAT, New Delhi
Central Excise Act, 1944	Wrong availment of proportionate cenvat credit on input services	0.70	April 2017 to June 2017	CESTAT, New Delhi
Income Tax Act, 1961	Income tax on non-allowance of special survey and dry lock expenditure	20.55	FY 1997-98	High Court, Kolkata
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	59.02	FY 2011-12 to 2013-14	Income Tax Appellate Tribunal, Jaipur
Income tax Act,1961	Disallowances for various expenses	22.93	FY 2009-10 to 2011-12, FY 2013-14 and FY 2015-16 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
Rajasthan Entry tax Act, 1999	Demand raised by authorities for levy of entry tax**	-	FY 2006-07 to FY 2014-15	Rajasthan Tax Board
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.

** Demand of Rs. 49.72 crore has been fully deposited by the Company.

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 associates 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, was not required to be filed. 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. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

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 related party transactions have been disclosed in the standalone Ind AS 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 provision 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 52 (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
Chartered Accountants

Pramit Agrawal
Partner
Membership Number: 099903
UDIN: 22099903AJFOUR6558

Place of the Signature : New Delhi
Date : May 19, 2022

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, 2022

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, 2022 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Pramit Agrawal
Partner
Membership Number: 099903
UDIN : 22099903AJFOUR6558

Place of the Signature : New Delhi
Date : May 19, 2022

BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Crore)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	6,343.26	6,461.68
Capital Work-in-Progress	27 & 3	156.56	160.52
Right-of-Use Assets	3	12.47	16.57
Other Intangible Assets	4A	1.94	1.59
Intangible Assets under Development	4B	0.34	0.27
Financial Assets	5		
i. Investments	5A	302.93	302.93
ii. Loans	5B	0.24	0.37
iii. Other Financial Assets	5C	3.32	3.32
Non-Current Tax Assets (Net)	37	104.04	118.33
Other Non-Current Assets	6	28.25	29.46
Total Non-Current Assets		**6,953.35**	**7,095.04**
Current Assets			
Inventories	7	3,123.21	789.14
Financial Assets	8		
i. Investments	8A	-	-
ii. Trade Receivables	8B	2,151.30	1,174.59
iii. Cash and Cash Equivalents	8C	521.41	885.89
iv. Bank Balances other than (iii) above	8D	17.38	15.00
v. Loans	8E	0.06	0.10
vi. Other Financial Assets	8F	32.44	152.70
Other Current Assets	9	212.81	114.28
Assets Classified as Held for Sale	43	0.37	0.23
Total Current Assets		**6,058.98**	**3,131.93**
Total Assets		**13,012.33**	**10,226.97**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	416.21	416.21
Other Equity	10A	5,767.38	4,876.10
Total Equity		**6,183.59**	**5,292.31**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities	11		
i. Borrowings	11A	2,398.23	3,076.39
ii. Lease Liabilities	32	8.52	12.60
Provisions	12	15.00	13.94
Deferred Tax Liabilities (Net)	37	603.07	308.91
Other Non-Current Liabilities	13	3.28	3.20
Total Non-Current Liabilities		**3,028.10**	**3,415.04**
Current Liabilities			
Financial Liabilities	14		
i. Borrowings	14A	1,851.85	771.60
ii. Lease Liabilities	32	5.25	5.15
iii. Trade Payables	14B		
a) total outstanding dues of micro enterprises and small enterprises; and		11.52	12.68
b) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,487.31	375.27
iv. Other Financial Liabilities	14C	284.68	271.29
Other Current Liabilities	15	125.58	44.16
Provisions	16	34.45	39.47
Total Current Liabilities		**3,800.64**	**1,519.62**
Total Liabilities		**6,828.74**	**4,934.66**
Total Equity and Liabilities		**13,012.33**	**10,226.97**

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from Operations	**17**	16,068.83	12,719.01
Other Income	**18**	95.56	69.91
Total Income		**16,164.39**	**12,788.92**
Expenses			
Cost of Materials Consumed	**19**	5,368.53	2,924.19
Purchases of Stock-in-Trade		6,561.77	4,060.16
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	**20**	(2,326.99)	353.86
Employee Benefits Expense	**21**	179.80	175.32
Finance Costs	**22**	105.93	288.04
Depreciation and Amortization Expenses	**3 & 4A**	299.74	289.22
Other Expenses	**23**	4,023.70	2,739.19
Total Expenses		**14,212.48**	**10,829.98**
Profit Before Tax		**1,951.91**	**1,958.94**
Tax Expense:			
(1) Current Tax	**37**	320.12	324.00
(2) Tax Related to Earlier Years	**37**	16.79	5.64
(3) Deferred Tax	**37**	327.88	282.26
Total Tax Expense		**664.79**	**611.90**
Profit for the Year		**1,287.12**	**1,347.04**
Other Comprehensive Income (OCI)			
A. Items that will not be re-classified to Profit or Loss:			
(i) Re-measurement Gain / (Loss) on Defined Benefit Plans	**30**	0.52	(0.53)
(ii) Income Tax (Charge) / Credit relating to items that will not be re-classified to Profit or Loss	**37**	(0.18)	0.19
B. Items that will be re-classified to Profit or Loss:			
(i) Effective Portion of Exchange Difference Gain / (Loss) on Hedging Instruments	**40**	(130.74)	156.56
(ii) Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	**40**	94.17	76.95
(iii) Income Tax Credit / (Charge) relating to items that will be re-classified to Profit or Loss	**37**	12.78	(81.60)
OCI for the Year (Net of Tax)		**(23.45)**	**151.57**
Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)		**1,263.67**	**1,498.61**
Earnings per Equity Share: Basic and Diluted (in Rs.)	**24**	30.92	32.36

The accompanying notes form an integral part of the Standalone Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
A.	**Cash Flow from Operating Activities :**			
	Profit Before Tax		**1,951.91**	**1,958.94**
	Adjustments for :			
	Depreciation and Amortization Expenses	3 & 4A	299.74	289.22
	(Gain) on Sale of Current Investments	18	(8.11)	(1.13)
	Mark to Market (Gain) / Loss on Derivative Transactions	22 & 23	(11.68)	22.40
	Un-realised Foreign Exchange Variation Loss		4.02	0.39
	Realised Foreign Exchange Variation (Gain)		(0.05)	(59.99)
	Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	40	94.17	76.95
	Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss		-	1.77
	(Gain) / Loss on Disposal of Property, Plant and Equipment (Net)	18 & 23	(4.92)	4.75
	Allowance for Doubtful Debts and Advances (Net)		2.36	(0.23)
	Liabilities no longer required Written Back		(4.55)	(0.16)
	Catalyst Charges Written Off	23	8.52	7.38
	Irrecoverable Balances Written Off		0.04	0.02
	Interest Expense		103.65	261.19
	Interest (Income)		(9.02)	(13.47)
	Dividend (Income) on Investment in Subsidiary Companies / Joint Venture	18	(27.89)	(25.48)
	Dividend (Income) on Non Current Investment	18	(0.00)	(0.00)
	Operating Profit before Working Capital Changes		**2,398.19**	**2,522.55**
	Working Capital Adjustments:			
	(Increase) / Decrease in Inventories		(2,346.12)	345.42
	(Increase) / Decrease in Trade Receivables		(976.78)	4,388.28
	Decrease in Other Financial Assets - Non-Current		0.13	0.09
	Decrease in Other Financial Assets - Current		120.18	167.86
	Decrease in Other Assets - Non-Current		1.07	1.31
	(Increase) / Decrease in Other Assets - Current		(100.77)	13.86
	Increase / (Decrease) in Trade Payables		1,112.97	(152.00)
	Increase / (Decrease) in Other Financial Liabilities - Current		23.10	(60.85)
	Increase / (Decrease) in Other Liabilities - Non-Current		0.07	(0.13)
	Increase in Other Liabilities - Current		81.89	63.66
	Increase in Provisions - Non Current		1.58	1.85
	(Decrease) / Increase in Provisions - Current		(5.02)	2.16
	Cash generated from Operations		**310.49**	**7,294.06**
	Income Tax Paid (Net of Refunds)		(343.01)	(343.50)
	Net Cash Flow generated (used in) / from Operating Activities		**(32.52)**	**6,950.56**
B.	**Cash Flow from Investing Activities**			
	Purchase of Property, Plant and Equipment		(177.13)	(234.74)
	Purchase of Intangible Assets		(1.42)	(0.73)
	Purchase of Intangible Assets under Development		(0.07)	(0.27)
	Purchase of Investment		-	(58.83)
	Proceeds from Sale of Property, Plant and Equipment		15.08	0.48
	Proceeds from Sale of Current Investments		8.11	1.13
	Interest Received		8.39	12.67
	Dividend Received		27.89	25.48
	Fixed Deposits matured / placed (having original maturity of more than three months)		(0.01)	0.05
	Net Cash Flow (used in) Investing Activities		**(119.16)**	**(254.76)**

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
C.	**Cash Flow from Financing Activities**			
	Repayment of Long Term Borrowings	**46**	(788.42)	(684.44)
	Availment of Supplier's Credit	**46**	355.83	3,407.88
	Repayment of Supplier's Credit	**46**	(196.81)	(4,357.36)
	Net Proceeds / (Repayment) from / of Short Term Borrowings	**46**	890.00	(3,924.16)
	Repayment of Lease Liabilities	**46**	(6.46)	(6.34)
	Receipt of amount from CFCL Employees Welfare Trust		1.89	2.48
	Interest Paid		(94.54)	(256.63)
	Dividend Paid		(374.29)	(124.66)
	Net Cash Flow (used in) Financing Activities		**(212.80)**	**(5,943.23)**
	Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)		**(364.48)**	**752.57**
	Cash and Cash Equivalents at the beginning of the Year		885.89	133.32
	Cash and Cash Equivalents at the end of the Year		**521.41**	**885.89**
	Components of Cash and Cash Equivalents :			
	Balances with banks :			
	- on Current accounts		0.06	0.06
	- on Cash Credit Accounts		171.34	10.80
	- Deposits with original maturity of less than three months		350.00	875.00
	Cash on hand		0.01	0.03
	Total Cash and Cash Equivalents	8C	**521.41**	**885.89**

Note: Cash Flow from operating activities for the year ended on March 31, 2022 is after considering corporate social responsibility expenditure of Rs. 28.00 Crore (Previous Year : Rs.19.65 Crore).

The accompanying notes form an integral part of the Standalone Financial Statements.
This is the Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

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, 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**

(Rs. in Crore)

As at March 31, 2021	Balance as at April 01, 2020	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, 2021
	416.21	-	-	-	**416.21**

B : Other Equity

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 42)	-	-	-	-	-	-	-	-	-	(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**

For the Year Ended March 31, 2021

(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, 2020	(7.75)	(1.30)	0.21	6.42	0.25	584.26	0.50	42.25	2.64	3,254.12	(381.93)	3,499.67
Profit for the Year	-	-	-	-	-	-	-	-	-	1,347.04	-	1,347.04
Other Comprehensive Income (Net of Tax):												
- Re-measurement (Loss) on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(0.34)	-	(0.34)
- Effective Portion of Exchange Difference on Hedging Instruments	-	-	-	-	-	-	-	-	-	-	151.91	151.91
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,346.70**	**151.91**	**1,498.61**
Cash Dividends (refer note 42)	-	-	-	-	-	-	-	-	-	(124.86)	-	(124.86)
Exercise of Share Options	2.85	(0.36)	-	-	-	-	-	-	-	-	-	2.49
Transfer to General Reserve	-	-	-	-	-	50.00	-	-	-	(50.00)	-	-
Any Other Change {refer note below}	-	-	-	-	-	-	-	-	-	0.19	-	0.19
Balance as at March 31, 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**

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 Statement of Changes in Equity referred in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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 19, 2022.

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. Also refer note 51.

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 Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures and Ind AS 116, Leases.

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

New amendments issued but not effective

The Ministry of Corporate Affairs through its notification dated March 23, 2022, notified Companies (Indian Accounting Standards) Amendment Rules, 2022, amends certain accounting standards, effective from April 01, 2022.

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.
- 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.

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 into 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 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 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	At depreciated cost on the basis of amortization over their estimated useful lives ranging from two to fifteen years as technically assessed.
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 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.

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, 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 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 & service 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.

Subsidy on City Compost, if any, is recognized based on rates, as notified by the Government of India.

(b) Interest Income and Guarantee Commission

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).

Guarantee Commission is as per the terms of arrangement in the normal course of business and to be settled through receipt/payment.

(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) Retirement benefit in the form of Provident Fund 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. The difference between the actuarial valuation of the provident fund of employees at the year-end and the balance of own managed fund is provided for as liability in the books. Any excess of plan asset over projected benefit obligation is ignored as such surplus is distributed to the beneficiaries of the trust.

During the financial year, Provident fund 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 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.

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.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2022

(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													
Deemed Cost													
As at April 01, 2020	1.20	4.30	763.52	0.47	1.08	8.15	6,434.29	19.37	23.17	5.06	17.24	7,277.85	25.80
Additions	4.55	-	1.83	-	-	-	54.43	3.47	3.12	0.26	3.52	71.18	1.43
Deletions	-	-	(4.23)	-	-	-	(2.80)	(0.19)	(0.89)	(0.02)	(1.83)	(9.96)	(0.84)
As at March 31, 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**
Depreciation and Impairment													
As at April 01, 2020	-	0.26	45.90	0.26	0.93	1.17	518.27	5.17	13.52	1.87	11.93	599.28	5.35
Charge for the Year	-	0.06	25.62	0.05	-	0.32	250.22	1.56	2.87	0.44	1.62	282.76	5.31
Deletions	-	-	(0.27)	-	-	-	(1.86)	(0.09)	(0.88)	(0.02)	(1.53)	(4.65)	(0.84)
As at March 31, 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**
Net Book Value													
As at March 31, 2021	**5.75**	**3.98**	**689.87**	**0.16**	**0.15**	**6.66**	**5,719.29**	**16.01**	**9.89**	**3.01**	**6.91**	**6,461.68**	**16.57**
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**

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. 0.31 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. 1.71 Crore (Previous Year: Rs. 2.43 Crore), Factory Equipment having gross block of Rs. 0.10 Crore (Previous Year: Nil), Office Equipment includes Equipment having gross block of Nil (Previous Year: Rs. 0.00 Crore) and Vehicles having gross block of Rs. 0.00 Crore (Previous Year: Nil) and Accumulated Depreciation of Plant and Equipment of Rs. 1.45 Crore (Previous Year : Rs. 1.79 Crore), Factory Equipment of Rs. 0.09 Crore (Previous Year: Nil), Office Equipment of Nil (Previous Year: Rs. 0.00 Crore) and Vehicles of Rs. 0.00 Crore (Previous Year: Nil) transferred to 'Assets held for sale' (refer note 43).
4. Leasehold Improvements (on Finance Lease) had been fully depreciated in earlier years carried at residual value.
5. Capital Work-in-Progress of Rs.156.56 Crore (Previous Year : Rs. 160.52 Crore) primarily represents capital expenditure in respect of Plant and Machinery & Buildings.

   Capital Work-in-Progress ("CWIP")

   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**
Projects temporarily suspended	-	-	-	-	**-**

(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, 2021

(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	129.87	29.63	1.02	-	**160.52**
Projects temporarily suspended	-	-	-	-	-

(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	-	-	-	-	-

(Rs. in Crore)

Particulars	Software	Total
Note 4A : Other Intangible Assets		
Deemed Cost		
As at April 01, 2020	8.98	8.98
Additions	0.73	0.73
Deletions	(1.48)	(1.48)
As at March 31, 2021	**8.23**	**8.23**
Additions	1.42	1.42
Deletions	(0.25)	(0.25)
As at March 31, 2022	**9.40**	**9.40**
Amortization and Impairment		
As at April 01, 2020	6.97	6.97
Charge for the Year	1.15	1.15
Deletions	(1.48)	(1.48)
As at March 31, 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**
Net Book Value		
As at March 31, 2021	**1.59**	**1.59**
As at March 31, 2022	**1.94**	**1.94**

Note 4B : Intangible Assets Under Development

Intangible assets under development of Rs. 0.34 Crore represents New Health / Safety Software and Server Upgradation (Previous Year: Rs.0.27 Crore represents majorly New Warehouse Management System).

Intangible assets under development ageing schedule

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
Projects temporarily suspended	-	-	-	-	-
Total	**0.32**	**0.02**	**-**	**-**	**0.34**

As at March 31, 2021

(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	0.21	0.06	-	-	0.27
Projects temporarily suspended	-	-	-	-	-
Total	**0.21**	**0.06**	**-**	**-**	**0.27**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 5 : Financial Assets		
Note 5A : Non-Current Investments		
A. Investment Carried at Deemed Cost		
Equity Instruments (Unquoted)		
Subsidiary Companies		
- Nil (Previous Year: Nil) equity shares of Singapore $ 1 each fully paid up in India Steamship Pte. Limited, Singapore #	-	-
- Nil (Previous Year : Nil) equity shares of Rs.10 each fully paid up in India Steamship Limited ##	-	-
- 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

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
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) (refer note 29)	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	-	1.77

Part of the amount of investment in said subsidiary had been returned to the Company before March 31, 2020 on account of closure of bank account as part of the dissolution process and remaining investment had been impaired. The Subsidiary had been dissolved on April 06, 2020.

Dissolved on February 09, 2021

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.123.01 Crore (Previous Year Rs. 119.92 Crore).

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 5B : Non Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.19	0.25
(b) Loans Receivables Considered Good - Unsecured	0.05	0.12
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables credit impaired	-	-
	0.24	**0.37**
Note 5C : Other Non Current Financial Assets		
(Unsecured, Considered Good)		
Security Deposits	3.29	3.30
Deposit with Banks having maturity more than 12 months (refer note 8D)	0.03	0.02
	3.32	**3.32**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 6 : Other Non-Current Assets		
(Unsecured, Considered Good)		
Capital Advances	7.51	11.17
Catalysts in use (valued based on life technically assessed)	17.09	13.57
Prepaid Expenses	3.65	4.72
	28.25	**29.46**
Note 7 : Inventories		
Raw Materials	2.00	1.53
Work-in-Progress	16.71	6.99
Finished Goods {including in transit- Rs. 65.31 Crore (Previous Year: Rs. 20.19 Crore)} *	348.66	221.48
Traded Goods {including in transit- Rs. 283.92 Crore (Previous Year: Rs. 60.87 Crore)} *	2,637.35	447.26
Stores and Spares {including in transit- Nil (Previous Year: Rs. 1.03 Crore)} *	101.79	94.90
Loose Tools	0.15	0.22
Catalysts in use (valued based on life technically assessed)	8.33	6.35
Packing Materials	8.22	10.41
	3,123.21	**789.14**
*Inventory valuing Nil (Previous Year: Rs. 0.04 Crore) has been written off.		
Note 8 : Current Financial Assets		
Note 8A : Current Investments		
Investment carried at Fair Value through Profit or Loss		
Unquoted		
Investment in Bonds		
320 (Previous Year: 320), 9.45% Corporate Bonds of Rs.10,00,000 each in IL&FS Transportation Networks Limited #	-	-
	-	-
Aggregate amount of Unquoted Investments		
Less: Fair Value Loss on Investment measured at Fair Value through Profit or Loss	-	-
Total Current Investments	-	-
# Fair Value Loss had been recognised for entire value during the earlier years.		
Note 8B : Trade Receivables		
Trade Receivables Considered Good - Secured	25.88	23.39
Trade Receivables Considered Good - Unsecured (including subsidy receivable from Government of India- Rs. 2,102.24 Crore (Previous Year: Rs. 1,103.28 Crore))	2,125.42	1,151.20
Trade Receivables Considered Doubtful - Unsecured (including subsidy receivable from Government of India- Rs. 0.30 Crore (Previous Year : Rs. 0.26 Crore))	16.69	16.51
	2,167.99	**1,191.10**
Less: Allowance for Doubtful Debts	16.69	16.51
Total Trade Receivables (Net of Allowances)	**2,151.30**	**1,174.59**
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired	-	-
	2,151.30	**1,174.59**

Trade Receivables Ageing Schedule

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**

As at March 31, 2021

(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	15.95	6.69	0.01	-	0.10	0.64	**23.39**
(ii)	Undisputed Trade receivables – considered good - Unsecured	927.33	209.27	0.03	4.14	5.27	5.16	**1,151.20**
(iii)	Undisputed Trade receivables – considered doubtful	0.26	-	-	-	-	-	**0.26**
(iv)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables–considered doubtful	-	0.20	0.01	-	1.04	15.00	**16.25**
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**943.54**	**216.16**	**0.05**	**4.14**	**6.41**	**20.80**	**1,191.10**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 8C : Cash and Cash Equivalents		
Balances with Banks :		
On Current Accounts	0.06	0.06
On Cash Credit Accounts	171.34	10.80
Deposits with original maturity of less than three months	350.00	875.00
Cash on hand	0.01	0.03
	521.41	**885.89**
There is no repatriation restrictions on cash and cash equivalents.		
Note 8D : Bank Balances other than 8C above		
On Unpaid Dividend Accounts	17.38	15.00
Deposits with remaining maturity for more than 12 months *	0.03	0.02
	17.41	**15.02**
Less: Deposits with remaining maturity of more than 12 months disclosed under 'other non current financial assets' (refer note 5C)	0.03	0.02
	17.38	**15.00**
* Fixed Deposit receipts of Rs.0.03 Crore (Previous Year : Rs.0.02 Crore) are pledged with Sales Tax Authorities.		
Note 8E : Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.05	0.08
(b) Loans Receivables Considered Good - Unsecured	0.01	0.02
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables credit impaired	-	-
	0.06	**0.10**
Note 8F : Other Current Financial Assets		
(Unsecured and Considered Good, except to the extent stated)		
Derivatives:		
- Derivative Financial Assets	1.42	-
Security Deposits	4.35	4.74
Others:		
Receivable from Gas Pool Operator	-	125.42
Insurance and Other Claims Receivable (Considered Doubtful: Nil (Previous Year: Rs.1.65 Crore))	-	4.20
Interest Receivable on Deposits	0.00	0.09
Rebates and Other General Receivables	26.67	19.90
	32.44	**154.35**
Less: Allowance for Doubtful Advances	-	1.65
	32.44	**152.70**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 9 : Other Current Assets		
(Unsecured and Considered Good, except to the extent stated)		
Advances to Suppliers	18.42	13.07
(Considered Doubtful Rs. 0.33 Crore (Previous Year : Rs. 0.48 Crore))		
Balances with Statutory / Government Authorities	219.45	125.85
(Considered Doubtful Rs. 46.38 Crore (Previous Year: Rs. 44.16 Crore))		
Interest Receivable - Others	0.33	0.33
Prepaid Expenses	20.88	18.82
Other General Receivables	0.44	0.85
	259.52	**158.92**
Less: Allowance for Doubtful Advances	46.71	44.64
	212.81	**114.28**
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, 2022			As at March 31, 2021		
	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	0.02	43,36,866	1.04	0.04
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.	19,46,200	0.47	-	19,46,200	0.47	-
SCM Investment & Trading Co. Ltd.	5,61,200	0.13	-	5,61,200	0.13	-
SIL Investments Limited	3,37,33,455	8.10	0.09	3,33,43,455	8.01	-
The Hindustan Times Limited	5,93,71,221	14.26	-	5,93,71,221	14.26	0.53
Zuari Global Limited	5,90,15,360	14.18	-	5,90,15,360	14.18	-
Sub Total (A)	**16,24,61,899**	**39.03**		**16,20,03,765**	**38.92**	

Name	As at March 31, 2022			As at March 31, 2021		
	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	0.19	2,65,407	0.06	-
Adventz Securities Enterprises Limited	1,70,022	0.04	0.04	20,022	0.00	-
Akshay Poddar	23,25,025	0.56	-	23,25,025	0.56	0.01
Arhant Vikram Nopany *	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	(0.01)	3,23,775	0.08	-
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	0.01
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	19,66,795	0.47	0.30	7,04,160	0.17	-
Gobind Sugar Mills Limited	1,947	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	(0.08)	34,25,000	0.82	-
Manbhawani Investment Ltd.	44,57,006	1.07	(0.08)	48,00,000	1.15	-
Master Exchange & Finance Limited	16,01,600	0.38	-	16,01,600	0.38	-
New India Retailing and Investment Ltd.	5,81,163	0.14	-	5,81,163	0.14	-
Nilgiri Plantations Limited	42,91,740	1.03	0.03	41,81,740	1.00	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	-
Ricon Commerce Ltd.	-	-	(0.04)	1,50,200	0.04	-
Ronson Traders Limited	70,94,000	1.70	0.04	69,29,000	1.66	-
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	0.05	1,06,864	0.03	-
Texmaco Rail & Engineering Ltd.	10,000	0.00	(0.24)	10,00,000	0.24	-
Uttam Commercial Ltd.	69,67,100	1.67	0.03	68,57,100	1.65	-
Uttar Pradesh Trading Co. Ltd	-	-	(0.30)	12,62,635	0.30	-
Yashovardhan Investment & Trading Co. Ltd.	78,89,500	1.90	0.04	77,24,500	1.86	-
Zuari Investments Limited	4,02,840	0.10	-	4,02,840	0.10	-
Sub Total (B)	**8,91,94,406**	**21.43**		**8,93,13,900**	**21.46**	
Total (A) + (B)	**25,16,56,305**	**60.46**		**25,13,17,665**	**60.38**	

* Arhant Vikram Nopany was holding 13,500 shares of the Company but he was not part of Promoter Group, as at March 31, 2021.

d) Details of Shareholders holding more than 5% shares in the Company

Name	As at March 31, 2022		As at March 31, 2021	
	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 Global Limited	5,90,15,360	14.18	5,90,15,360	14.18
SIL Investments Limited	3,37,33,455	8.10	3,33,43,455	8.01
HDFC Small Cap Fund and its Associate Funds	1,56,30,146	3.76	2,67,08,128	6.42

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, 2022	As at March 31, 2021
Note 10A : Other Equity *		
Reserves and Surplus:		
(a) Securities Premium	6.42	6.42
(b) Retained Earnings	5,289.32	4,426.15
(c) General Reserve	684.26	634.26
(d) Treasury Shares	(2.76)	(4.90)
(e) Loss on Treasury Shares Acquired	(1.90)	(1.66)
(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	**6,021.19**	**5,106.12**
Other Comprehensive Income:		
(k) Cash Flow Hedging Reserve	(253.81)	(230.02)
Total	**(253.81)**	**(230.02)**
Other Equity	**5,767.38**	**4,876.10**

* For movement during the year, refer 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. Utilisation of reserve will be as per the provisions of the relevant statute.

(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, 2022	As at March 31, 2021
Note 11 : Financial Liabilities		
Note 11A: Non Current Borrowings		
Secured Loans:		
Term Loans:		
- External Commercial Borrowings	2,297.71	2,822.38
- Foreign Currency Loans from Financial Institution	900.43	1,025.61
	3,198.14	**3,847.99**
Less : Current maturities of Long Term Borrowings shown under "Current Borrowings" (refer note 14A)	799.91	771.60
Non-Current Borrowings (as per Balance Sheet)	**2,398.23**	**3,076.39**
(a) Details of Borrowings and Transaction Costs		
(i) External Commercial Borrowings		
External Commercial Borrowings (refer (b) i below)	2,311.76	2,842.43
Less: Transaction Costs	14.05	20.05
Carrying Value of External Commercial Borrowings	**2,297.71**	**2,822.38**
(ii) Foreign Currency Loans from Financial Institution		
Foreign Currency Loans from Financial Institution (refer (b) ii below)	907.33	1,034.34
Less: Transaction Costs	6.90	8.73
Carrying Value of Foreign Currency Loans from Financial Institution	**900.43**	**1,025.61**

(b) Nature of Security, Terms and Repayment Schedule:

i External Commercial Borrowings ("ECB") from banks of USD 30.50 Crore (Rs. 2,311.76 Crore including current maturity of Rs. 634.94 Crore) (Previous Year: Rs. 2,842.43 Crore including current maturity of Rs. 612.47 Crore) carry interest in the range of 3 months LIBOR plus 1.35% - 2.30% per annum. ECB amounting to USD 25.00 Crore (Rs. 1,894.88 Crore including current maturity of Rs.559.14 Crore) are repayable in 14 quarterly instalments starting from June 30, 2022. ECB amounting to USD 5.50 Crore (Rs. 416.88 Crore including current maturity of Rs. 75.80 Crore) are repayable in 22 equal quarterly instalments starting from June 30, 2022. 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 11.97 Crore (Rs.907.33 Crore including current maturity of Rs.164.97 Crore) (Previous Year: Rs.1,034.34 Crore including current maturity of Rs.159.13 Crore) carry interest in the range of 3 months LIBOR plus 1.55% - 2.30% per annum. These term loans are repayable in 22 equal quarterly instalments starting from June 30, 2022. 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, 2022	As at March 31, 2021
Note 12 : Long Term Provisions		
Provision for Employee Benefits		
- Gratuity (refer note 30)	10.02	9.05
- Post Retirement Medical Benefits (refer note 30)	4.98	4.89
	15.00	**13.94**
Note 13 : Other Non Current Liabilities		
Other Employee Benefits Obligations	3.28	3.20
	3.28	**3.20**
Note 14 : 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)	161.94	-
Current Maturity of Long Term Borrowings (refer note 11A)	799.91	771.60
	1,851.85	**771.60**

Nature of Security, Terms and Repayment Schedule:

i Rupee Loans - Working Capital Demand Loan from Banks of Rs. 890.00 Crore (Previous Year : Nil) carry interest at the rate of 4.00% per annum. Further, 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 are repayable on demand.

ii Foreign Currency Loans from Banks of Rs. 161.94 Crore (Previous Year: Nil) carry interest at the rate of 0.27% 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 were repaid on April 22, 2022.

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 14B : Trade Payables		
Trade Payables		
a) total outstanding dues to Micro and Small Enterprises (refer note 33)	11.52	12.68
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,487.31	375.27
	1,498.83	**387.95**

Trade Payables Ageing Schedule

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**

Trade Payables Ageing Schedule

As at March 31, 2021 (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	0.17	10.11	2.40	-	-	-	**12.68**
Others	41.74	181.83	151.70	-	-	-	**375.27**
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**41.91**	**191.94**	**154.10**	**-**	**-**	**-**	**387.95**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 14C : Other Financial Liabilities		
Interest Accrued but not due on Borrowings	0.38	0.25
Earnest Money / Security Deposits	215.51	195.21
Accrued Employee Liabilities (including payable to Key Management Personnel) (refer note 29)	32.85	32.40
Unclaimed Statutory Liabilities (as referred in Section 124(1) of the Companies Act, 2013):		
- Unpaid Dividend	17.38	15.00
Payable for Capital Goods {includes Rs.1.83 Crore (Previous Year: Rs.1.18 Crore) dues to Micro and Small Enterprises (refer note 33)}	13.59	13.20
Derivative Financial Liabilities	4.97	15.23
	284.68	**271.29**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
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 40.		
Note 15 : Other Current Liabilities		
Advance from Customers *	109.10	29.46
Other Employee Benefits Obligations	0.70	1.88
Statutory Obligations Payable	15.13	11.80
Other Liabilities :		
- Dues to Related Parties (refer note 29)	0.63	0.65
- Others	0.02	0.37
	125.58	**44.16**
* These represent contract liabilities arising from contracts with customers. The amount of Rs. 27.80 Crore (Previous Year: Rs. 15.53 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)	4.14	4.02
- Leave Encashment / Liabilities	30.11	35.30
- Post Retirement Medical Benefits (refer note 30)	0.20	0.15
	34.45	**39.47**

NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Note 17 : Revenue from Operations		
Sale of Products		
Sale of Own Manufactured Products {including Rs. 8,821.84 Crore (Previous Year: Rs. 5,473.31 Crore) Subsidy on Fertilisers}	10,925.56	7,350.37
Sale of Traded Products {including Rs. 2,516.94 Crore (Previous Year: Rs.1,806.53 Crore) Subsidy on Fertilisers}	5,141.94	5,367.18
Other Operating Revenues		
Others (spillage)	1.33	1.46
Revenue from Operations	**16,068.83**	**12,719.01**
Note 18 : Other Income		
(A) Other Income		
Interest on:		
- Fertilisers Bonds	0.00	0.00
- Employees Loans	0.01	0.02
- Deposits	7.60	10.96
- Payment from Customers	1.41	2.41
- Others (including deposits with Government Authorities)	0.03	0.08
Dividend Income		
- On Investment in Subsidiary Companies / Joint Venture (refer note 29)	27.89	25.48
- On Non-Current Investment	0.00	0.00
Rent Received	0.10	0.13
Insurance Claims Received	18.72	11.67
Recoveries from Contractor	0.41	0.29
Liabilities no Longer Required Written Back	4.55	0.16
Allowance for Doubtful Debts and Advances (Net)	-	0.23
Gain on Disposal of Property,Plant and Equipment (Net)	4.92	-
Sale of Scrap	4.47	0.80
Guarantee Commission (refer note 29)	-	0.42
Miscellaneous Income	10.51	7.19
(B) Other Gains :		
-Gain on Sale of Current Investments	8.11	1.13
-Gain on Foreign Exchange Variation (Net)	6.83	8.94
	95.56	**69.91**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Note 19 : Cost of Materials Consumed		
Opening Inventories	1.53	1.67
Add: Purchases	5,369.00	2,924.05
Less: Closing Inventories	2.00	1.53
	5,368.53	**2,924.19**
Note 20 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Closing Inventories		
- Work-in-Progress	16.71	6.99
- Finished Goods	348.66	221.48
- Traded Goods	2,637.35	447.27
	3,002.72	**675.74**
Opening Inventories		
- Work-in-Progress	6.99	9.09
- Finished Goods	221.48	343.83
- Traded Goods	447.26	676.68
	675.73	**1,029.60**
(Increase) / Decrease in Inventories	**(2,326.99)**	**353.86**
Note 21 : Employee Benefits Expense		
Salaries, Wages and Bonus *	159.92	156.81
Contribution to Provident and Other Funds	9.14	9.01
Gratuity Expense (refer note 30)	3.42	3.29
Post Retirement Medical Benefits (refer note 30)	0.52	0.53
Workmen and Staff Welfare Expenses	6.80	5.68
	179.80	**175.32**
* Refer Note 27		
Note 22 : Finance Costs		
Interest (including Interest on Income Tax : Rs. 1.79 Crore (Previous Year : Rs. 0.00 Crore)) *	103.65	259.85
Bank Charges and Guarantee Commission	14.36	16.83
Exchange Differences regarded as an adjustment to Borrowing Costs	-	1.34
Mark to Market (Gain) / Loss on Derivative Transactions	(16.65)	22.40
Loss / (Gain) on Foreign Exchange Variation (Net) related to financing arrangements	4.57	(12.38)
	105.93	**288.04**
* Refer Note 27		

(Rs. in Crore)

Particulars		Year Ended March 31, 2022		Year Ended March 31, 2021
Note 23 : Other Expenses				
Consumption of Stores and Spares		34.58		32.26
Consumption of Packing Materials		126.51		102.78
Bagging and Other Services		21.69		22.81
Power and Fuel		3,019.28		1,645.54
Catalyst Charges Written Off		8.52		7.38
Rent (refer note 32)		6.83		9.93
Rates and Taxes		5.35		0.76
Insurance		32.12		31.79
Repairs and Maintenance:				
- Plant and Equipment		33.67		26.01
- Buildings		4.47		4.09
- Others		14.00		14.72
Director's Sitting Fees		0.29		0.28
Travelling and Conveyance *		7.20		4.15
Communication Costs		0.69		0.63
Printing and Stationery		0.34		0.32
Legal and Professional Fees		7.73		3.54
Auditor's Remuneration				
As auditor:				
- Audit Fee		0.40		0.35
- Tax Audit Fee		0.07		0.06
- Limited Review Fee		0.30		0.30
- Certification and Other Services		0.20		0.21
- Out of Pocket Expenses		0.03		0.03
Freight and Forwarding Charges		633.99		778.85
Other Selling Expenses		3.42		5.38
Corporate Social Responsibility Expenditure (refer note 34)		28.00		19.65
Depletion of Loose Tools		0.22		0.30
Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss		-		1.77
Green Belt Development / Horticulture Expenses		3.36		3.17
Allowance for Doubtful Debts and Advances (Net)		2.36		-
Mark to Market Loss on Derivative Transactions		4.97		-
Loss on Disposal / Write off of Property, Plant and Equipment (Net)		-		4.75
Bank Charges and Guarantee Commission (other than financing)		2.95		1.47
Irrecoverable Balances written off	0.04		0.02	
Less: Allowance for Doubtful Debts and Advances adjusted out of above	-	0.04	-	0.02
Inventories written off		-		0.04
Miscellaneous Expenses		20.12		15.85
		4,023.70		**2,739.19**

* Refer Note 27

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Note 24 : Earnings Per Share (EPS)		
Profit as per Statement of Profit and Loss	1,287.12	1,347.04
Calculation of Weighted Average Number of Equity Shares		
- Number of Equity Shares at the beginning of the Year	41,62,07,852	41,62,07,852
- Total Equity Shares Outstanding at the end of the Year	41,62,07,852	41,62,07,852
- Weighted Average Number of Equity Shares Outstanding during the Year	41,62,07,852	41,62,07,852
Basic and Diluted Earnings Per Share (in Rs.)*	30.92	32.36
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, 2022	As at March 31, 2021
(a)	Demand raised by Service Tax, Sales Tax and Income Tax (IT) authorities being disputed by the Company *	104.94	97.20
(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, 2022	As at March 31, 2021
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	76.24	71.33
	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) Other matters	2.83	-

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
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**
	Total	**104.94**	**97.20**

(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 HBJ 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 HBJ 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 and on the basis of the stay order 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, 2022	As at March 31, 2021
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, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account {net of advances of Rs.7.51 Crore (Previous Year : Rs. 11.17 Crore)}	83.69	124.04

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, 2022	As at March 31, 2021
Opening Balance	0.77	0.48
Add : Expenditure during the year		
Salaries,Wages and Bonus	0.09	-
Travelling and Conveyance	0.01	-
Interest *	0.11	0.29
Total Expenditure	**0.98**	**0.77**
Less: Allocated to Property, Plant and Equipment	**(0.41)**	-
Capitalisation of Expenditure (pending for Allocation)	**0.57**	**0.77**

* Interest comprises of Rs. 0.11 Crore (Previous Year : Rs. 0.29 Crore) on general borrowings for other qualifying assets using the weighted average interest rate applicable during the year which was 3.88% per annum (Previous Year: 4.48% 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
India Steamship Pte. Ltd.*
India Steamship Limited **
ISGN Corporation #
ISG Novasoft Technologies Limited #
Inuva Info Management Private Limited *** / ##
* Dissloved on April 06, 2020.
** Dissloved on February 09, 2021.
*** 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. Nimesh Nagindas Kampani	Independent - Non-Executive Director (Ceased to be Director with effect from September 15, 2020)
5	Mr. Anil Kapoor	Managing Director (Ceased to be Managing Director with effect from April 16, 2021)
6	Mr. Gaurav Mathur	Managing Director (Joint Managing Director upto April 15, 2021 and Appointed as Managing Director with effect from April 16, 2021)
7	Mr. Vivek Mehra	Independent - Non-Executive Director
8	Mrs. Rita Menon	Independent - Non-Executive Director (Appointed with effect from September 10, 2020)
9	Mr. Chandra Shekhar Nopany	Non-Executive Director
10	Ms. Radha Singh	Independent - Non-Executive Director
11	Mr. Marco Philippus Ardeshir Wadia	Independent - Non-Executive Director
12	Mr. Abhay Baijal	Chief Financial Officer
13	Mr. Rajveer Singh	Company Secretary

II Transaction with the Related Parties

(A) **Subsidiaries**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Guarantee Commission Income		
ISGN Corporation	-	0.42
Total	-	**0.42**
Investment made during the year		
CFCL Ventures Limited	-	58.83
Total	-	**58.83**
Impairment of Investment during the year		
CFCL Ventures Limited	-	1.77
Total	-	**1.77**

(B) **Joint Venture**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Dividend Income		
Indo Maroc Phosphore, S.A. - IMACID	27.89	25.48
Total	**27.89**	**25.48**

(C) **Post Employment Benefit Plans**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Employer's Contribution Paid / Payable		
- CFCL Employees' Provident Fund	2.15	4.94
- Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund	0.49	0.71
- CFCL Employees Group Gratuity Scheme	2.00	1.50
- India Steamship Staff Provident Fund	0.02	0.02
Total	**4.66**	**7.17**

(D) **Key Management Personnel**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Compensation *		
-Short Term Employee Benefits:		
Mr. Anil Kapoor	5.43	6.91
Mr. Gaurav Mathur	4.31	4.02
Mr. Abhay Baijal	1.72	1.51
Mr. Rajveer Singh	0.94	0.84
-Post Employment Benefits:		
Mr. Anil Kapoor	1.68	0.63
Mr. Gaurav Mathur	0.34	0.16
Mr. Abhay Baijal	0.14	0.13
Mr. Rajveer Singh	0.07	0.06
-Share Based Payments:		
Mr. Anil Kapoor	-	0.22
Mr. Abhay Baijal	0.12	0.76
Mr. Rajveer Singh	-	0.08
Commission to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.10	0.10
Mr. Pradeep Jyoti Banerjee	0.10	0.10
Mr. Nimesh Nagindas Kampani	-	0.05
Mr. Vivek Mehra	0.10	0.10
Mrs. Rita Menon	0.10	0.06
Mr. Chandra Shekhar Nopany	0.10	0.10
Ms. Radha Singh	0.10	0.10
Mr. Marco Philippus Ardeshir Wadia	0.10	0.10
Sitting Fees to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.02	0.03
Mr. Pradeep Jyoti Banerjee	0.03	0.03
Mr. Nimesh Nagindas Kampani	-	0.03
Mr. Vivek Mehra	0.05	0.05
Mrs. Rita Menon	0.04	0.01
Mr. Chandra Shekhar Nopany	0.03	0.03
Ms. Radha Singh	0.06	0.06
Mr. Marco Philippus Ardeshir Wadia	0.06	0.06

* 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 Related Parties**

(A) **Post Employment Benefit Plans**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities		
CFCL Employees' Provident Fund	-	0.41
Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund	-	0.05
India Steamship Staff Provident Fund	0.00	0.00
Total	**0.00**	**0.46**

(B) Key Management Personnel

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities		
Mr. Saroj Kumar Poddar	0.09	0.09
Mr. Pradeep Jyoti Banerjee	0.09	0.09
Mr. Nimesh Nagindas Kampani	-	0.04
Mr. Vivek Mehra	0.09	0.09
Mrs. Rita Menon	0.09	0.05
Mr. Chandra Shekhar Nopany	0.09	0.09
Ms. Radha Singh	0.09	0.09
Mr. Marco Philippus Ardeshir Wadia	0.09	0.09

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, 2022 Number of Stock Options Outstanding and Excercisable	As at March 31, 2021 Number of Stock Options Outstanding and Excercisable
Mr. Anil Kapoor *	September 16, 2010	2023-2024	73.50	Not Applicable	39,000
Mr. Abhay Baijal	September 16, 2010	-	73.50	-	5,000
Mr. Rajveer Singh	September 16, 2010	2022-2023 to 2023-2024	73.50	30,000	30,000
Total				**30,000**	**74,000**

Each stock option entitles the holder to acquire 1 equity share of Rs.10.

* Ceased to be Managing Director with effect from April 16, 2021.

30 Gratuity and Other Post-Employment Benefit Plans:

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Gratuity Plan - (Liability)	(14.16)	(13.07)
Provident Fund - Asset *	2.11	9.47
Post Retirement Medical Benefits Plan - (Liability)	(5.18)	(5.04)

* Plan asset of Rs. 2.11 Crore (Previous Year: Rs. 9.47 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. The Scheme is funded with insurance companies in the form of a qualifying insurance policies. 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 financial 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.

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 is being 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, 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				Remeasurement 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)**

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2021:

(Rs. in Crore)

Particulars	As at April 01, 2020	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, 2021
		Cost charged to Statement of Profit and Loss				Remeasurement Gains / (Losses) in OCI							
(A) Gratuity Plan :													
Defined Benefit Obligation	(38.34)	(2.62)	(2.58)	(5.20)	2.38	-	-	-	(0.96)	(0.96)	0.37	-	(41.75)
Fair Value of Plan Assets	28.01	-	1.91	1.91	(2.37)	(0.00)	-	-	-	(0.00)	(0.37)	1.50	28.68
Benefit (Liability)	**(10.33)**			**(3.29)**	**0.01**					**(0.96)**	**-**	**1.50**	**(13.07)**
(B) Post Retirement Medical Benefits Plan:													
Defined Benefit Obligation	(5.08)	(0.18)	(0.35)	(0.53)	0.14	-	-	-	0.43	0.43	-	-	(5.04)
Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (Liability)	**(5.08)**			**(0.53)**	**0.14**					**0.43**	**-**	**-**	**(5.04)**

Provident Fund:

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2022 and March 31, 2021:

(Rs. in Crore)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset
Opening Balance	**(176.85)**	**186.32**	**9.47**	**(152.58)**	**158.02**	**5.44**
Service Cost	(2.15)	-	**(2.15)**	(4.96)	-	**(4.96)**
Net Interest Expense	(10.11)	-	**(10.11)**	(13.27)	0.37	**(12.90)**
Benefits Paid	11.03	(11.03)	-	5.07	(5.07)	-
Return on Plan Assets (excluding amounts included in Net Interest Expense)	-	4.01	**4.01**	-	17.00	**17.00**
Actuarial Changes arising from changes in Financial Assumptions	-	-	-	-	-	-
Experience Adjustments	(0.83)	(0.04)	**(0.87)**	(0.07)	-	**(0.07)**
Settlement / Transfer in *	181.97	(182.36)	**(0.39)**	0.29	(0.29)	-
Contributions by Plan Participant / Employees	(4.72)	4.72	-	(11.33)	11.33	-
Contributions by Employer	-	2.15	**2.15**	-	4.96	**4.96**
Closing Balance	**(1.66)**	**3.77**	**2.11**	**(176.85)**	**186.32**	**9.47**

* This includes accumulated Provident Fund Balance of CFCL Employees Provident Fund transferred to RPFC.

The Company expects to contribute Rs. 3.39 Crore (Previous Year : Rs. 3.28 Crore) and Nil (Previous Year : Rs. 6.06 Crore) to gratuity trust and provident fund trust respectively in the next financial year.

The principal assumptions used in determining gratuity, provident fund and post-employment medical benefit obligations for the Company's plans are shown below:

Particulars	As at March 31, 2022	As at March 31, 2021
	%	%
Discount Rate:		
Gratuity Plan	7.36	6.92
Provident Fund	-	6.92
Post Retirement Medical Benefits	7.36	6.92
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, 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 (Rs. in Crore)	(1.69)	1.70	1.72	(1.70)

Provident Fund:

Particulars	Year Ended March 31, 2022	
Assumption	**Discount Rate**	
Sensitivity Level	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Rs. in Crore)	-	-

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 (Rs. in Crore)	(0.36)	0.37	0.38	(0.36)

A quantitative sensitivity analysis for significant assumptions as at March 31, 2021 is shown below:

Gratuity Plan:

Particulars	Year Ended March 31, 2021			
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 (Rs. in Crore)	(1.68)	1.69	1.71	(1.69)

Provident Fund:

Particulars	Year Ended March 31, 2021	
Assumption	**Discount Rate**	
Sensitivity Level	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Rs. in Crore)	(0.02)	0.02

Post Retirement Medical Benefits Plan:

Particulars	Year Ended March 31, 2021			
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 (Rs. in Crore)	(0.33)	0.34	0.34	(0.33)

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 14.36 years for Gratuity Plan and 14.34 years for Post Retirement Medical Benefits Plan (Previous Year : 14.24 years for Gratuity Plan and 14.24 years for Post Retirement Medical Benefits Plan).

Investment Pattern in Plan Assets:

Particulars	Gratuity		Provident Fund	
	2021-22	**2020-21**	**2021-22**	**2020-21**
Investments with insurers / Government securities / Equity shares / Equity oriented mutual funds (%)	100%	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, 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
As at March 31, 2021				
Gratuity Fund	5.06	10.25	13.21	13.23
Provident Fund	36.04	38.13	64.19	38.49
Post Retirement Medical Benefits Plan	0.15	0.88	1.19	2.82

Contribution to Defined Contribution Plans :

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Provident Fund *	2.97	-
Pension Fund	1.50	1.50
Superannuation Fund	0.47	0.69
National Pension System	1.77	1.66
Employers' Contribution to Employees' State Insurance Corporation	0.01	0.01

* With effect from September 01, 2021, the Company has remitted monthly contribution to RPFC.

31 Subsidies

(a) Nitrogenous Fertilizers are under the Concession Scheme as per the New Pricing Scheme (NPS) – Stage - III, Modified NPS III - Stage - III, New Urea Policy 2015 and New Investment Policy 2012 (amended). The freight subsidy is as per the Uniform Freight Policy. The concession price and freight has been accounted for on the basis of 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.

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 increased / (reduced) by Rs. 90.38 Crore (Previous Year: (Rs.10.38 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.

(c) Subsidy on City Compost, if any, has been accounted for as 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 two months to nine years, but may have extension options.

Measurement of Right-of-Use Assets:

Right-of-Use Assets has been recognised using modified retrospective approach with lease liabilities recognised with equivalent amount. During the Financial Year 2019-20, the Company had adopted Ind AS 116 "Leases" for all lease contracts existing as on April 01, 2019.

Amounts recognised in the Statement of Profit and Loss relating to Leases

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Depreciation charge for Right-of-Use Assets	5.41	5.31
Interest Expense (included in Finance Costs)	1.16	1.45
Expense relating to short term leases (included in Other Expenses)	6.83	9.93
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 Cash Flows

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Total cash outflow for Leases	6.46	6.34

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 - 2021-22	Financial Year - 2020-21
Property, Plant and Equipment comprises:		
Right-of-Use Assets - Additions during the year	1.31	1.43
Right-of-Use Assets - Net Book Value	12.47	16.57

Maturity analysis of Lease Liabilities

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Payable within one year	5.25	5.15
Payable after one year but not more than five years	8.18	12.41
Payable after more than five years	0.34	0.19
Total undiscounted Lease Liabilities	**13.77**	**17.75**
Lease Liabilities included in the Balance Sheet	**13.77**	**17.75**
Non-Current	**8.52**	**12.60**
Current	**5.25**	**5.15**

The Company has discounted lease payments using the applicable incremental borrowing rate of 4.48% per annum (Previous Year: 4.98% 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	2021-22	2020-21
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.1.83 Crore (Previous Year : Rs.1.18 Crore)};	13.35	13.86
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	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	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, 2022	Year Ended March 31, 2021
(a) Gross amount required to be spent by the Company during the year	27.90	19.58
(b) Amount spent during the year on the following in cash :		
(i) Construction / acquisition of any asset	0.06	0.10
(ii) For purposes other than (i) above	27.94	19.55
Total (b)	**28.00**	**19.65**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(i) Amount required to be spent by the company during the year	27.90	19.58
(ii) Amount of expenditure incurred	28.00	19.65
(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, 4,162,000 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	2021-22	2020-21
	No. of options	No. of options
Outstanding at the beginning of the year	5,81,000	9,18,500
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	2,54,000	3,37,500
Expired during the year	-	-
Outstanding at the end of the year	3,27,000	5,81,000
Exercisable at the end of the year	3,27,000	5,81,000
Weighted average remaining contractual life (in years)	0.62	1.26
Weighted average Exercise price (in Rs.)	74.76	74.76

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

The details of Exercise Price of Stock Options Outstanding as at March 31, 2021 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	4,72,500	1.10	73.50
2	32.86	76.85	49,500	1.32	76.85
3	38.44	82.90	15,000	1.53	82.90
4	45.06	101.10	23,000	1.92	101.10
5	34.97	69.40	21,000	2.41	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, 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%

As at March 31, 2021:-

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	1.10	1.32	1.53	1.92	2.41
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 3,27,000 equity shares (Previous Year : 5,81,000 equity shares) of the Company which were purchased from the open market.

36 The Company is 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 Company has made an assessment of its capital and financial resources including liquidity position and ability to service debt and other financing arrangements for next one year. The Company has also assessed the recoverability of the carrying values of its assets such as property, plant and equipment, inventory, trade receivables, investments and other current assets as at March 31, 2022. There is no impact of COVID-19 on these financial statements for the financial year ended March 31, 2022 .

37 Income Tax Expense

The major components of Income Tax Expense are:

Profit or Loss Section

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current Income Tax:		
Current Income Tax Charge	320.12	324.00
Adjustments in respect of Current Income Tax of earlier years	16.79	5.64
Deferred Tax:		
Relating to origination and reversal of temporary differences	535.61	436.68
Less: Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(33.00)	(61.25)
Less: Minimum Alternate Tax (MAT) Credit Entitlement	(174.73)	(93.17)
Income Tax Expense reported in the Statement of Profit and Loss	**664.79**	**611.90**

Other Comprehensive Income (OCI) Section

Tax related to items recognised in OCI:

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Net (Gain) / Loss on re-measurement of Defined Benefit Plans	0.18	(0.19)
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Current Tax	21.12	17.24
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Deferred Tax	11.79	9.65
Net (Gain) / Loss on Effective Portion of Exchange Difference on Hedging Instruments - Deferred Tax	(45.69)	54.71
Income Tax (Credit) / Charge to OCI	**(12.60)**	**81.41**

Reconciliation of Tax Expense and the accounting profit multiplied by India's domestic tax rate:

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Accounting Profit Before Income Tax	**1,951.91**	**1,958.94**
At India's Statutory Income Tax rate of 34.944% (Previous Year : 34.944%)	682.07	684.53
Adjustments in respect of Current Income Tax of earlier years	16.79	5.64
	698.86	**690.17**
Tax effects of amount which are not deductible (taxable) in calculating taxable income-		
Corporate Social Responsibility Expenditure	9.78	6.87
Deduction under section 80M of Income Tax Act, 1961 and difference in tax rate on Dividend Income from specified foreign companies	(9.75)	(8.90)
Realisation of Short Term Capital Loss to reduce the Current Tax Expense	(2.83)	(0.39)
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(33.00)	(61.25)
Deduction for Education Cess	-	(4.59)
Other Non-Deductible Items	1.73	(10.01)
At the Effective Income Tax rate of 34.06% (Previous Year : 31.24%)	**664.79**	**611.90**
Income Tax Expense reported in the Statement of Profit and Loss	664.79	611.90

Deferred Tax

Deferred Tax relates to the following:

(Rs. in Crore)

Particulars	Balance Sheet		Statement of Profit and Loss	
	As at March 31, 2022	As at March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Deferred Income Tax Liabilities				
Property, Plant and Equipment (including other intangible assets)	2,053.69	2,106.75	(53.06)	(55.30)
Right-of-Use Assets	1.42	1.45	(0.03)	(0.15)
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	(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	1.89	4.98	(3.09)	(3.50)
Total Deferred Income Tax Liabilities	**2,057.00**	**2,113.61**	**(56.61)**	**(58.95)**
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	0.32	0.01	0.31	(0.26)
Allowance for Doubtful Debts and Advances	22.65	22.44	0.21	5.71
Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	37.01	37.01	-	0.62
Mark to Market Gain on Interest Rate Swaps	-	5.32	(5.32)	(5.35)
Leave Encashment	10.46	12.27	(1.81)	0.62
Gratuity	4.01	3.51	0.50	0.64
Carry Forward of Losses on account of Deduction under section 35AD of Income Tax Act, 1961	431.37	988.27	(556.90)	(532.60)
Deferred Tax on Cash Flow Hedge	46.49	41.80	4.69	(29.39)
Re-Measurement (Gain) / Loss on Defined Benefit Plans	1.25	1.43	(0.18)	0.19

(Rs. in Crore)

Particulars	Balance Sheet		Statement of Profit and Loss	
	As at March 31, 2022	As at March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	438.22	405.22	33.00	61.25
MAT Credit Entitlement	462.15	287.42	174.73	93.17
Deferred Tax Income			**(294.16)**	**(346.45)**
Total Deferred Income Tax Assets	**1,453.93**	**1,804.70**		
Net Deferred Tax Liabilities / (Assets)	**603.07**	**308.91**		

Reconciliation of Deferred Tax Liabilities / Assets (Net):

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	308.91	(37.54)
Tax Expense during the year recognised in Statement of Profit and Loss	535.61	436.68
Tax Expense / (Income) during the year recognised in OCI	(33.72)	64.19
Tax (Income) on Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(33.00)	(61.25)
MAT Credit Entitlement	(174.73)	(93.17)
Closing Balance	**603.07**	**308.91**

The Company has long term/ short term capital losses, to the tune of Rs. 461.43 Crore (Previous Year: Rs. 469.54 Crore) that are available for offsetting for one to three 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 2021-22 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. 888.31 Crore (Previous Year: Rs. 758.73 Crore).

38 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, 2022 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.

39 Fair Value Measurements

(i) Financial Instruments by Category

(Rs. in Crore)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments:						
-Preference Shares	13.44	-	-	13.44	-	-
-Equity Shares	0.02	-	-	0.02	-	-
-Government Securities	-	-	0.00	-	-	0.00
Employee Loans	-	-	0.30	-	-	0.47
Security Deposits	-	-	7.64	-	-	8.04
Trade Receivables	-	-	2,151.30	-	-	1,174.59
Cash and Cash Equivalents	-	-	521.41	-	-	885.89
Bank Balances other than above	-	-	17.41	-	-	15.02
Derivative Financial Assets	1.42	-	-	-	-	-
Other Current Financial Assets	-	-	26.67	-	-	147.96
Total Financial Assets	**14.88**	**-**	**2,724.73**	**13.46**	**-**	**2,231.97**
Financial Liabilities						
Borrowings - Floating Rate	-	-	3,198.14	-	-	3,847.99
Borrowings - Fixed Rate	-	-	1,051.94	-	-	-
Lease Liabilities	-	-	13.77	-	-	17.75
Trade Payables	-	-	1,498.83	-	-	387.95
Derivative Financial Liabilities	4.97	-	-	15.23	-	-
Other Current Financial Liabilities	-	-	279.71	-	-	256.06
Total Financial Liabilities	**4.97**	**-**	**6,042.39**	**15.23**	**-**	**4,509.75**

(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, 2022:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Quoted Prices in Active Markets	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 (refer note 38)					
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		
			Quoted prices in active markets	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 (refer note 38)					
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.

Quantitative Disclosures and Fair Value measurement Hierarchy for Assets as at March 31, 2021:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at Fair Value					
Investment in Preference Shares	31.03.2021	13.44	-	-	13.44
Investment in Equity Shares	31.03.2021	0.02	-	-	0.02
Assets for which Fair Values are disclosed (refer note 38)					
Employee Loans	31.03.2021	0.37	-	0.37	-
Security Deposits	31.03.2021	3.30	-	3.30	-

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, 2021:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair Value Measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at Fair Value					
Derivative Financial Liabilities	31.03.2021	15.23	-	15.23	-
Liabilities for which Fair Values are disclosed (refer note 38)					
Borrowings - Floating Rate	31.03.2021	3,847.99	-	3,847.99	-
Lease Liabilities	31.03.2021	17.75	-	17.75	-

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
As at March 31, 2020	-
-Additions	58.83
-Deletions	-
- Adjusted against the liability towards Commitment in relation to Investment	(43.62)
-Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	(1.77)
As at March 31, 2021	**13.44**
-Additions	-
-Deletions	-
- Adjusted against the liability towards Commitment in relation to Investment	-
-Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	-
As at March 31, 2022	**13.44**

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, 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.
As at March 31, 2021				
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.

40 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include 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, 2022 and March 31, 2021.

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, 2022 and March 31, 2021.

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	Effect on Profit before Tax
March 31, 2022		
USD Borrowings	+50	(18.57)
USD Borrowings	-50	18.57
March 31, 2021		
USD Borrowings	+50	(7.68)
USD Borrowings	-50	13.63

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, 2022

(Rs. in Crore)

Currency	Assets		Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Other Receivables	Trade and Other Payables	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)

As at March 31, 2021

(Rs. in Crore)

Currency	Assets		Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Other Receivables	Trade and Other Payables	Borrowings	Derivative Financial Liabilities	Interest accrued but not due on Borrowings	
USD	-	20.48	79.80	3,876.77	18.45	0.25	(3,954.79)
SGD	-	-	0.01	-	-	-	(0.01)
EURO	-	-	0.35	-	-	-	(0.35)

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	Effect on Profit Before Tax For the Year Ended March 31, 2022	Effect on Profit Before Tax For the Year Ended March 31, 2021	Effect on Other Comprehensive Income For the Year Ended March 31, 2022	Effect on Other Comprehensive Income For the Year Ended March 31, 2021
USD Sensitivity				
Rs./USD increase by 5%	(37.30)	(2.06)	(160.95)	(193.84)
Rs./USD decrease by 5%	37.30	2.06	160.95	193.84
SGD Sensitivity				
Rs./SGD increase by 5%	-	(0.00)	-	-
Rs./SGD decrease by 5%	-	0.00	-	-
EURO Sensitivity				
Rs./EURO increase by 5%	(0.03)	(0.02)	-	-
Rs./EURO decrease by 5%	0.03	0.02	-	-
JPY Sensitivity				
Rs./JPY increase by 5%	(0.01)	-	-	-
Rs./JPY 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, 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)

As at March 31, 2021

(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	-	3,847.99	-	3,847.99	30.09.2027	1:1	USD 1 : Rs. 66.27	465.40	(465.40)

* 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, 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

(Rs. in Crore)

For the Year Ended March 31, 2021				
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	156.56	-	76.95	Revenue from Operations

Movements in Cash Flow Hedging Reserve

(Rs. in Crore)

Risk Category	Foreign Currency Risk	
	Financial Year 2021-22	**Financial Year 2020-21**
Derivative Instruments		
Cash Flow Hedging Reserve		
Opening at the beginning of the Year	**(230.02)**	**(381.93)**
Add: Changes in Borrowings	(130.74)	156.56
Add: Amounts re-classified to Profit or Loss	94.17	76.95
Less: Current Tax relating to above	21.12	17.24
Less: Deferred Tax relating to above	(33.90)	64.36
Closing at the end of the Year	**(253.81)**	**(230.02)**

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 manfacturer 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 is 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, 2020	**16.03**	**45.09**	**1.65**
Allowance made during the financial year 2020-21	0.55	-	-
Allowance written off / (written back) during the financial year 2020-21	(0.07)	(0.45)	-
Allowance as at March 31, 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**	-

(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, 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**

(Rs. in Crore)

Particulars	Less than 1 year	1-2 years	2-3 years	3-5 years	> 5 years	Total
As at March 31, 2021						
Borrowings	771.60	771.60	771.60	1,213.60	348.37	3,876.77
Lease Liabilities	5.15	5.06	4.68	2.67	0.19	17.75
Other Financial Liabilities	258.09	-	-	-	-	258.09
Trade and Other Payables	401.15	-	-	-	-	401.15
Total	**1,435.99**	**776.66**	**776.28**	**1,216.27**	**348.56**	**4,553.76**

41 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, 2022	As at March 31, 2021
Equity Share Capital	416.21	416.21
Other Equity	5,767.38	4,876.10
Debts (Long term and Short term both (including current maturities))*	4,250.08	3,847.99
Total	**10,433.67**	**9,140.30**

* The above debt includes Rs. 3,198.14 Crore (Previous Year: Rs.3,847.99 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 2021-22	Achieved - Financial Year 2021-22	Required - Financial Year 2020-21	Achieved - Financial Year 2020-21
1	Total outstanding Liabilities to Tangible Net worth	Ratio should be ≤ 2.50:1	1.10:1	Ratio should be ≤ 2.75:1	0.93:1
2	Total Debts to EBITDA	Ratio should be ≤ 4.00:1	1.81:1	Ratio should be ≤ 4.75:1	1.50:1
3	Fixed Assets Cover Ratio	Ratio should be ≥ 1.25:1	1.53:1	Ratio should be ≥ 1.25:1	1.72:1
4	Debt Service Coverage Ratio	Ratio should be ≥ 1.20:1	2.24:1	Ratio should be ≥ 1.20:1	2.32:1

42 Distribution Made and Proposed

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Dividend on Equity Shares Declared and Paid:		
Dividend (during the year ended on March 31, 2022: at the rate of Rs. 4.50 per equity share and March 31, 2021: Nil)	187.29	-
Interim Dividend (during the year ended on March 31, 2022 at the rate of Rs. 4.50 per equity share and March 31, 2021 at the rate of Rs. 3.00 per equity share)	187.29	124.86
Total	**374.58**	**124.86**
Proposed Dividend on Equity Shares:		
Final Dividend (for the year ended on March 31, 2022: at the rate of Rs. 3.00 per equity share, for the year ended on March 31, 2021: at the rate of Rs. 4.50 per equity share)	124.86	187.29
Total	**124.86**	**187.29**

43 Assets classified as Held for Sale

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment classified as Held for Sale :		
- Plant and Equipment *	0.36	0.23
- Office Equipment	-	0.00
- Factory Equipment	0.01	-
- Vehicles	0.00	-
Total	**0.37**	**0.23**

* net of loss Nil (Previous Year: Rs. 0.51 Crore) for write down of Plant and Equipment.

44 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, 2022 under section 186 (4) of the Companies Act, 2013.

The details of Investments of the Company are given in note 5A and note 8A.

45 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, 2022	Percentage of Ownership as at March 31, 2021	Method used to account for the investment
Subsidiaries				
Chambal Infrastructure Ventures Limited	India	100.00%	100.00%	Deemed cost
India Steamship Pte Ltd.*	Singapore	-	-	Deemed cost
India Steamship Limited **	India	-	-	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	-	71.00%	
Joint Venture				
Indo Maroc Phosphore S.A. - IMACID	Morocco	33.33%	33.33%	Deemed cost

* Dissolved on April 06, 2020.

** The liquidator of the subsidiary completely liquidated the assets thereof during the financial year 2019-20 and the subsidiary was dissloved on February 09, 2021.

*** 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.

46 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**

Changes in Financial Liabilities arising from Financing Activities for Financial Year 2020-21

(Rs. in Crore)

Particulars	As at March 31, 2020	Receipt	Repayment	Foreign Exchange Variation (Net)	Foreign Currency Translation	Transaction Cost & Others*	As at March 31, 2021
Long Term Borrowings	4,680.14	-	(684.44)	(156.56)	-	8.85	3,847.99
Short Term Borrowings	3,924.16	-	(3,924.16)	-	-	-	-
Supplier's Credit	1,009.47	3,407.88	(4,357.36)	(59.99)	-	-	-
Lease Liabilities *	21.22	-	(6.34)	-	-	2.87	17.75
Total	**9,634.99**	**3,407.88**	**(8,972.30)**	**(216.55)**	**-**	**11.72**	**3,865.74**

* Represents movement in Lease Liabilities on account of addition and interest expenses.

47 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.

48 Previous year figures have been re-grouped / re-classified wherever necessary, to make them comparable.

49 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 2021-22

Sr. 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, 2021 (in Rs. Crore)	Rs. 1,034.34 Crore *
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	CRISIL AA/Positive 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 141.468 Million (converted from USD to Rupees @ 1 USD = Rs. 73.115).

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 2022-23

Sr. 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.

iii. Annual Disclosure

1. Name of the Company: Chambal Fertilisers and Chemicals Limited
2. CIN : L24124RJ1985PLC003293
3. Report filed for FY : 2021-22
4. Details of Current block (all figures in Rs. Crore):

S. No.	Particulars	Details
i.	2-year block period (Specify financial years)	FY 2021-22, FY 2022-23
ii.	Incremental borrowing done in FY 2021-22 (a)	NIL
iii.	Mandatory borrowing to be done through debt securities in FY 2021-22 (b) = (25% of (a))	NIL
iv.	Actual borrowing done through debt securities in FY 2021-22 (c)	NIL
v.	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22 (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 2021-22 (after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22) (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):

S. No.	Particulars	Details
i.	2-year block period (Specify financial years)	FY 2020-21, FY 2021-22
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.

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 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, 2022	Amount of Transaction for the Year Ended March 31, 2022	Outstanding Balance Receivable as at March 31, 2022	% Shareholding as at March 31, 2021	Amount of Transaction for the Year Ended March 31, 2021	Outstanding Balance Receivable as at March 31, 2021
The Hindustan Times Limited	Rent and Maintenence Expenses	14.26	0.27	0.06	14.26	0.27	0.11

51 (a) The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 01, 2021. Consequent to above, the Company has changed the classification / presentation of current maturities of long-term borrowings in the current year.The Company has re-classified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such re-classifications is summarised below:

(Rs. in Crore)

Balance Sheet (extract)	As at March 31, 2021 (as previously reported)	Change due to re-classification	As at March 31, 2021 (restated)
Note 14C: Other Financial Liabilities: Increase / (Decrease)	1,042.89	(771.60)	271.29
Note 14A: Current Borrowings: Increase / (Decrease)	-	771.60	771.60

(b) During the Previous Year, the Company was presenting 'Mark to Market (Gain) / Loss on derivative instruments related to borrowings' under 'Other Income' and 'Foreign exchange variation (Gain) / Loss on borrowings' under 'Other Income' or 'Other Expenses' as appropriate. During the financial year, the Company had elected to present 'Mark to Market (Gain) / Loss on derivative instruments related to borrowings' and 'Foreign exchange variation (Gain) / Loss on borrowings' under 'Finance Costs', so as to better reflect the operational performance of the Company. In view of this, figures for corresponding year ended March 31, 2021 have also been re-classified. The above said change in presentation has no impact on these financial statements, except re-classification of the figures as mentioned below:

(Rs. in Crore)

Statement of Profit and Loss (extract)	For the Year Ended March 31, 2021 (as previously reported)	Change due to re-classification	For the Year Ended March 31, 2021
Note 18: Other Income: Increase /(Decrease)	(1.08)	10.02	8.94
Note 22: Finance Costs: (Increase) / Decrease	-	(10.02)	(10.02)

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 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 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 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 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 - 2021-22	Financial Year - 2020-21	% Variance	Reason for Variance; Change of 25% or more
Current Ratio	Current Assets	Current Liabilities	1.59	2.06	-23%	-
Debt-Equity Ratio	Total Debt	Total Equity	0.69	0.73	-5%	-
Debt Service Coverage Ratio	Profit Before Tax + Interest Expense + Depreciation + Unrealised Foreign Exchange Rate Variation and Mark to Market Gain / Loss on Derivative Transaction – Current Tax	Long Term Debt repaid during the year + Repayment of lease liabilities during the year+ Interest Expense	2.24	2.32	-3%	-
Return on Equity Ratio	Profit after Tax	Average shareholder's equity	22.43	29.26	-23%	-
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventories	7.07	10.73	-34%	The inventory of fertilisers as on March 31, 2022 was higher by 1.71 times in volume terms and 4.47 times in value terms, in comparison to the previous year end. The main reasons behind increase in inventory was higher imports of DAP and MOP during last quarter of the Financial Year 2021-22 and higher value of inventory due to high cost of the DAP, MOP and Urea. The impact of higher inventory was partly offset by increase in cost of goods sold by the Company mainly due to higher prices of natural gas during the Financial Year 2021-22. The change in inventory turnover ratio was mainly combined result of the above factors.

Ratio	Numerator	Denominator	Financial Year - 2021-22	Financial Year - 2020-21	% Variance	Reason for Variance; Change of 25% or more
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	9.66	3.78	156%	The subsidy payable by the Government of India is major portion of outstanding trade receivables of the Company. The outstanding subsidy payable to the Company by the Government of India was very high as on March 31, 2020 which was released during the Financial Year 2020-21. Hence, the outstanding subsidy as on March 31, 2021 was very low and the Government of India was regular in payment of subsidy during the Financial Year 2021-22. In view of this, the average trade receivables of the Company for the Financial Year 2021-22 were much lower in comparison to the previous year which was the main reason for improvement in Trade Receivables Turnover Ratio.
Trade Payables Turnover Ratio	Total Purchases	Average Trade Payables	12.65	15.06	-16%	-
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	7.12	7.89	-10%	-
Net Profit Ratio	Profit after Tax	Revenue from Operations	8.01	10.59	-24%	-
Return on Capital Employed	Earning before Interest and taxes	Average Capital Employed	20.09	20.74	-3%	-
Return on Investment	Earnings before Interest and Tax	Average Total Assets	17.71	18.12	-2%	-

(xiii) Title deeds of immovable properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in Crore)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment - Land-Freehold	Land	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	Land	0.27	State Government of Rajasthan		30-09-1989	The transfer of title is pending as some procedural and administrative requirements are yet to be completed.
		0.07			30-09-1996	
		0.01	Individual Sellers		30-09-1991	The transfer of title is pending due to dispute with sellers.

(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.

53 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 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 Company has profitable operations that supports 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. 461.43 Crore (Previous Year: Rs.469.54 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 one to three years and may be used to offset taxable long term / short term capital gains in the future. At present, the Company does not have any tax planning opportunities available that could support the recognition of these capital losses as deferred tax assets. 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. 124.53 Crore (Previous Year: Rs.127.36 Crore). Further details on taxes are disclosed in note 37 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, 2022 includes a credit of Rs. 33.00 Crore (Previous Year: Rs. 61.25 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 39.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

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 26 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the Statement of consolidated 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 Ind AS Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ("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, 2022, 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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, 34 and 57(d) of the Consolidated Ind AS Financial Statements.] During the year, the Holding Company has recognised subsidy revenue amounting to Rs. 11,338.78 Crore and the aggregate amount of subsidy receivable as at March 31, 2022 is Rs. 2,102.54 Crore. The amount of subsidy revenue and the subsidy receivable are significant to the Consolidated Ind AS 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 receivable. • 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 the 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.

Key audit matter	How our audit addressed the key audit matter
	• We evaluated adequacy of disclosures in the Consolidated Ind AS Financial Statements. Based on the above procedures performed, the management's assessment of the implications of government notifications/ policies on recognition of subsidy revenue and its recoverability was 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 Ind AS Financial Statements and our auditor's report thereon.

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

   In connection with our audit of the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 the 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 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 Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the Consolidated Ind AS 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 Ind AS Financial Statements

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

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 Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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 Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS 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 Ind AS 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 20.40 crore and net assets of Rs (799.16) crore as at March 31, 2022, total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs 0.24 crore and net cash flows amounting to Rs 8.53 crore for the year ended March 31, 2022, as considered in the Consolidated Ind AS Financial Statements. The Consolidated Ind AS Financial Statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 288.75 crore for the year ended March 31, 2022, as considered in the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 Requirement

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, 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 Ind AS Financial Statements.
    (b) In our opinion, proper books of account as required by 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 Ind AS 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), Consolidated Statement of Changes in Equity and the Statement of Consolidated Cash Flows Statement 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 Ind AS Financial Statements.

(d) In our opinion, the aforesaid Consolidated Ind AS 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, 2022 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, 2022 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 Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture– Refer Note 27 to the Consolidated Ind AS Financial Statements.

ii. The Group and its joint venture was not required to recognise a provision as at March 31, 2022 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 the applicable law or accounting standards, for material foreseeable losses on derivative contracts – Refer Note 14C to the Consolidated Ind AS 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, 2022. There were no amounts which were 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.

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
Chartered Accountants

Pramit Agrawal
Partner
Membership Number - 099903
UDIN: 22099903AJFPKP1077

Place of the Signature : New Delhi
Date : May 19, 2022

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 Ind AS Financial Statements for the year ended March 31, 2022.

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 Ind AS Financial Statements of the Holding Company as of and for the year ended March 31, 2022, 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's and its subsidiary 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, 2022, 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 qualified in respect of this matter.

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

Pramit Agrawal
Partner
Membership Number - 099903
UDIN: 22099903AJFPKP1077

Place of the Signature : New Delhi
Date : May 19, 2022

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(Rs. in Crore)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	6,343.26	6,461.68
Capital Work-in-Progress	29 & 3	156.56	160.52
Right-of-Use Assets	3	12.47	16.57
Other Intangible Assets	4A	1.94	1.59
Intangible Assets under Development	4B	0.34	0.27
Investments Accounted for Using the Equity Method	38(A)	559.17	298.31
Financial Assets:	5		
i. Investments	5A	0.02	0.02
ii. Loans	5B	0.24	0.37
iii. Other Financial Assets	5C	3.32	3.32
Non-Current Tax Assets (Net)	43	108.07	126.83
Other Non-Current Assets	6	28.25	29.65
Total Non-Current Assets		**7,213.64**	**7,099.13**
Current Assets			
Inventories	7	3,123.21	789.14
Financial Assets:	8		
i. Investments	8A	-	-
ii. Trade Receivables	8B	2,151.30	1,174.59
iii. Cash and Cash Equivalents	8C	532.02	887.91
iv. Bank Balances other than (iii) above	8D	22.12	19.49
v. Loans	8E	0.06	0.10
vi. Other Financial Assets	8F	33.45	161.66
Current Tax Assets (Net)	43	0.01	0.03
Other Current Assets	9	212.82	114.41
Assets Classified as Held for Sale	47	0.37	0.23
Total Current Assets		**6,075.36**	**3,147.56**
Total Assets		**13,289.00**	**10,246.69**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	10	416.21	416.21
Other Equity	10A	5,983.37	4,832.58
Equity attributable to Owners of the Parent Company		**6,399.58**	**5,248.79**
Non-Controlling Interests	38(B)	(13.49)	(13.04)
Total Equity		**6,386.09**	**5,235.75**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities	11		
i. Borrowings	11A	2,471.24	3,146.81
ii. Lease Liabilities	35	8.52	12.60
Provisions	12	15.00	13.93
Deferred Tax Liabilities (Net)	43	603.07	308.91
Other Non-Current Liabilities	13	3.28	3.20
Total Non-Current Liabilities		**3,101.11**	**3,485.45**
Current Liabilities			
Financial Liabilities	14		
i. Borrowings	14A	1,851.85	771.60
ii. Lease Liabilities	35	5.25	5.15
iii. Trade Payables	14B		
a) total outstanding dues of micro enterprises and small enterprises; and		11.53	12.81
b) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,488.30	376.23
iv. Other Financial Liabilities	14C	284.68	271.44
Other Current Liabilities	15	125.68	44.29
Provisions	16	34.51	39.50
Current Tax Liabilities (Net)		-	4.47
Total Current Liabilities		**3,801.80**	**1,525.49**
Total Liabilities		**6,902.91**	**5,010.94**
Total Equity and Liabilities		**13,289.00**	**10,246.69**

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
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from Operations	17	16,068.83	12,719.01
Other Income	18	68.00	47.37
Total Income		**16,136.83**	**12,766.38**
Expenses			
Cost of Materials Consumed	19	5,368.53	2,924.19
Purchases of Stock-in-Trade		6,561.77	4,060.16
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	20	(2,326.99)	353.86
Employee Benefits Expense	21	180.67	176.41
Finance Costs	22	105.93	289.41
Depreciation and Amortization Expenses	3 & 4A	299.74	289.22
Other Expenses	23	4,022.66	2,740.94
Total Expenses		**14,212.31**	**10,834.19**
Profit before Share of Profit of a Joint Venture, Exceptional Items and Tax		**1,924.52**	**1,932.19**
Share of Net Profit of a Joint Venture accounted for using the Equity Method	38(A)	306.38	89.45
Profit Before Exceptional Items and Tax		**2,230.90**	**2,021.64**
Exceptional Items	24	-	**(337.89)**
Profit Before Tax		**2,230.90**	**2,359.53**
Tax Expense:			
(1) Current Tax	43	320.17	324.03
(2) Tax related to Earlier Years	43	16.79	5.64
(3) Deferred Tax	43	327.88	282.27
Total Tax Expense		**664.84**	**611.94**
Profit for the Year		**1,566.06**	**1,747.59**
Other Comprehensive Income (OCI)			
A. Items that will not be re-classified to Profit or Loss:			
(i) Re-measurement Gain / (Loss) on Defined Benefit Plans	32	0.52	(0.53)
(ii) Income Tax (Charge) / Credit relating to items that will not be re-classified to Profit or Loss	43	(0.18)	0.19
B. Items that will be re-classified to Profit or Loss:			
(i) Exchange Difference Gain / (Loss) on Translation of Foreign Operations		(19.88)	27.69
(ii) Effective Portion of Exchange Difference Gain / (Loss) on Hedging Instruments	44	(130.74)	156.56
(iii) Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	44	94.17	76.95
(iv) Income Tax Credit / (Charge) relating to items that will be re-classified to Profit or Loss	43	12.78	(81.60)
OCI for the Year (Net of Tax)		**(43.33)**	**179.26**
Total Comprehensive Income for the Year (Comprising Profit and Other Comprehensive Income for the Year)		**1,522.73**	**1,926.85**
Profit for the Year attributable to :			
Owners of the Parent Company		1,565.98	1,654.76
Non-Controlling Interests	38(B)	0.08	92.83
Other Comprehensive Income for the Year attributable to:			
Owners of the Parent Company		(42.80)	176.91
Non-Controlling Interests		(0.53)	2.35
Total Comprehensive Income for the Year attributable to:			
Owners of the Parent Company		1,523.18	1,831.67
Non-Controlling Interests		(0.45)	95.18
Earnings per Share attributable to Owners of the Parent Company			
Earnings per Equity Share: Basic and Diluted (in Rs.)	25	37.62	39.76

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
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
A.	**Cash Flow from Operating Activities :**			
	Profit Before Tax		**2,230.90**	**2,359.53**
	Adjustments for :			
	Depreciation and Amortization Expenses	**3 & 4A**	299.74	289.22
	Exceptional Items	**24**	-	(337.89)
	(Gain) on Sale of Current Investments	**18**	(8.11)	(1.13)
	Mark to Market (Gain) / Loss on Derivative Transactions	**22 & 23**	(11.68)	22.40
	Un-realised Foreign Exchange Variation Loss		4.02	0.39
	Realised Foreign Exchange Variation (Gain)		(0.05)	(59.99)
	Effective Portion of Exchange Difference Loss on Hedging Instruments re-classified to Profit or Loss	**44**	94.17	76.95
	(Gain) / Loss on Disposal of Property, Plant and Equipment (Net)	**18 & 23**	(4.92)	4.75
	Allowance for Doubtful Debts and Advances (Net)		0.04	(0.80)
	Liabilities no Longer Required Written Back		(4.55)	(2.42)
	Catalyst Charges Written Off	**23**	8.52	7.38
	Irrecoverable Balances Written Off		0.04	0.80
	Interest Expense		103.65	262.56
	Interest (Income)		(9.30)	(13.74)
	Dividend (Income) on Non Current Investment	**18**	(0.00)	(0.00)
	Share of Profit of a Joint Venture	**38(A)**	(306.38)	(89.45)
	Operating Profit before Working Capital Changes		**2,396.09**	**2,518.56**
	Working Capital Adjustments:			
	(Increase) / Decrease in Inventories		(2,346.12)	345.42
	(Increase) / Decrease in Trade Receivables		(976.78)	4,388.85
	Decrease in Other Financial Assets - Non-Current		0.14	0.09
	Decrease in Other Financial Assets - Current		129.54	169.40
	Decrease in Other Assets - Non-Current		2.17	3.49
	(Increase) / Decrease in Other Assets - Current		(100.62)	12.04
	Increase / (Decrease) in Trade Payables		1,112.88	(152.85)
	Increase in Other Financial Liabilities - Current		22.96	2.42
	Increase / (Decrease) in Other Liabilities - Non-Current		0.08	(0.13)
	Increase / (Decrease) in Other Liabilities - Current		81.86	(4.22)
	Increase in Provisions - Non Current		1.59	1.84
	(Decrease) / Increase in Provisions - Current		(4.99)	2.18
	Cash generated from Operations		**318.80**	**7,287.09**
	Income Tax Paid (Net of Refunds)		(343.03)	(343.54)
	Net Cash Flow (used in) / generated from Operating Activities		**(24.23)**	**6,943.55**
B.	**Cash Flow from Investing Activities**			
	Purchase of Property, Plant and Equipment		(177.13)	(234.74)
	Purchase of Intangible Assets		(1.42)	(0.73)
	Purchase of Intangible Assets under Development		(0.07)	(0.27)
	Proceeds from Sale of Property, Plant and Equipment		15.08	0.48
	Proceeds from Sale of Current Investments		8.11	1.13
	Interest Received		8.67	12.93
	Dividend Received		0.00	0.00
	Distribution Received from Joint Venture	**38(A)**	27.89	25.48
	Fixed Deposits matured / placed (having original maturity of more than three months)		(0.26)	(0.54)
	Net Cash Flow (used in) Investing Activities		**(119.13)**	**(196.26)**

(Rs. in Crore)

Sl. No.	Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
C.	**Cash Flow from Financing Activities**			
	Repayment of Long Term Borrowings	51	(788.42)	(684.44)
	Availment of Supplier's Credit	51	355.83	3,407.88
	Repayment of Supplier's Credit	51	(196.81)	(4,357.36)
	Net Proceeds / (Repayment) from / of Short Term Borrowings	51	890.00	(3,924.16)
	Net Proceeds of Line of Credit Facility	51	-	(60.53)
	Repayment of Lease Liabilities	51	(6.46)	(6.34)
	Receipt of amount from CFCL Employees Welfare Trust		1.89	2.48
	Interest Paid		(94.53)	(259.72)
	Dividend Paid		(374.29)	(124.66)
	Net Cash Flow (used in) Financing Activities		**(212.79)**	**(6,006.85)**
	Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)		**(356.15)**	**740.44**
	Foreign Currency Translation Difference		0.26	1.34
	Cash and Cash Equivalents at the beginning of the Year		887.91	146.13
	Cash and Cash Equivalents at the end of the Year		**532.02**	**887.91**
	Components of Cash and Cash Equivalents:			
	Balances with Banks :			
	- on Current Accounts		10.37	1.67
	- on Cash Credit Accounts		171.34	10.80
	- Deposits with original maturity of less than three months		350.30	875.41
	Cash on hand		0.01	0.03
	Total Cash and Cash Equivalents	8C	**532.02**	**887.91**

Note: Cash Flow from operating activities for the year ended on March 31, 2022 is after considering corporate social responsibility expenditure of Rs.28.00 Crore (Previous Year : Rs.19.65 Crore).

The accompanying notes form an integral part of the Consolidated Financial Statements.

This is the Statement of Consolidated Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

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, 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**

(Rs. in Crore)

As at March 31, 2021	Balance as at April 01, 2020	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, 2021
	416.21	-	-	-	**416.21**

B : Other Equity

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 Difference 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 46)	-	-	-	-	-	-	-	-	-	(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**

For the Year Ended March 31, 2021

(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, 2020	(7.75)	(1.30)	0.21	6.42	0.25	584.26	0.50	42.25	2.65	2,932.94	(55.41)	(381.93)	3,123.09	(108.22)	3,014.87
Profit for the Year	-	-	-	-	-	-	-	-	-	1,654.76	-	-	1,654.76	92.83	1,747.59
Other Comprehensive Income (Net of Tax):															
- Re-measurement (Loss) on Defined Benefit Plans	-	-	-	-	-	-	-	-	-	(0.34)	-	-	(0.34)	-	(0.34)
- Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-	-	25.34	-	25.34	2.35	27.69
- Effective portion of Exchange Difference on Hedging Instruments	-	-	-	-	-	-	-	-	-	-	-	151.91	151.91	-	151.91
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,654.42**	**25.34**	**151.91**	**1,831.67**	**95.18**	**1,926.85**
Cash Dividends (refer note 46)	-	-	-	-	-	-	-	-	-	(124.86)	-	-	(124.86)	-	(124.86)
Exercise of Share Options	2.85	(0.36)	-	-	-	-	-	-	-	-	-	-	2.49	-	2.49
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	(0.01)	0.01	-		-	-	-
Transfer to General Reserve	-	-	-	-	-	50.00	-	-	-	(50.00)	-	-	-	-	-
Any Other Change {refer note below}	-	-	-	-	-	-	-	-	-	0.19	-		0.19	-	0.19
Balance as at March 31, 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**

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
Chartered Accountants

Pramit Agrawal
Partner
Membership No.: 099903

Place : New Delhi
Date : May 19, 2022

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

Rita Menon
Director
DIN: 00064714

Gaurav Mathur
Managing Director
DIN: 07610237

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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, 2022. 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 19, 2022.

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. Also refer note 55.

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 Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2021:

- Extension of COVID-19 related concessions – amendments to Ind AS 116
- Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures and Ind AS 116, Leases.

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

New amendments issued but not effective

The Ministry of Corporate Affairs through its notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022, amends certain accounting standards, effective from April 01, 2022.

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.
- 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.

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 (vii) 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.
(vii)	PPE of Software Business	- Computers and accessories – 3 years - Furniture and fixtures – 5 years - Vehicles – 5 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	At depreciated cost on the basis of amortization over their estimated useful lives ranging from two to fifteen years as technically assessed.
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.

Subsidy on City Compost, if any, is recognized based on rates, as notified by the Government of India.

(b) Income from Operations of Software Business

In respect of subsidiaries engaged in software development services, revenue from contracts with customers is recognised upon transfer of control of the promised services to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The following specific recognition criteria must also be met before revenue is recognized in respect of sale of services:

Sale of services

The Group derives its revenues from sale and implementation of its software and maintenance and other software services. These services are provided either on fixed-price or unit-price basis.

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts, under which post-contract maintenance and support services are also rendered by the Group. In the case of multiple element contracts, revenue from sale of user licenses is recognized on transfer of the title in the user license after appropriately reducing the fair value of the maintenance services to be recognised as revenues. Revenue from post-contract maintenance and support services is recognized ratably over the period in which services are rendered.

Revenue derived from professional services under the unit-price contracts is recognized as the related services are performed. Revenue from title and related operations is primarily transactions-based and is recognized when services are performed, the fee is fixed or determinable, and collection is reasonably assured.

The Group's fixed price contracts include application maintenance and support services, on which revenue is recognized ratably over the period in which the services are rendered. Revenue with respect to other fixed price contracts, where there is no uncertainty as to measurement and collectability of consideration, is recognized on a percentage of completion basis. The input (cost expended) method has been used because management considers this to be the best available measure of progress on these contracts as there is a direct relationship between input and productivity.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

(c) 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).

(d) Dividend

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(e) 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) Retirement benefit in the form of Provident Fund is a defined benefit obligation in case 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. The difference between the actuarial valuation of the provident fund of employees at the year-end and the balance of own managed fund is provided for as liability in the books. Any excess of plan asset over projected benefit obligation is ignored as such surplus is distributed to the beneficiaries of the trust.

During the financial year, Provident fund 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 32).

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 30).

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.

Subsidiary Company

Employee stock compensation costs for stock options are recognized as employee benefit expenses, in accordance with the 'Share-based Payments', based on the grant date fair value of the options granted to employees. The fair value of the options is estimated on the date of grant using the Black-Scholes valuation model on the basis of an independent valuation performed and recognized in a graded manner on the basis of weighted period of services over the vesting period. The expected term of an option is estimated based on the vesting term and contractual term of the option, as well as expected exercise behavior of the employee who receives the option. Expected volatility during the expected term of the option is based on historical volatility, during a period equivalent to the expected term of the option, of the observed market prices of the publicly traded equity shares of comparable listed entities. Expected dividends during the expected term of the option are based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant over the expected term.

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, 2022

(Rs. in Crore)

Particulars	Own Assets												Right-of-Use Assets (refer note 35)
	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													
Deemed Cost													
As at April 01, 2020	1.20	4.30	763.52	0.47	1.08	8.15	6,434.29	19.37	23.17	5.06	17.24	7,277.85	25.80
Additions	4.55	-	1.83	-	-	-	54.43	3.47	3.12	0.26	3.52	71.18	1.43
Deletions	-	-	(4.23)	-	-	-	(2.80)	(0.19)	(0.89)	(0.02)	(1.83)	(9.96)	(0.84)
As at March 31, 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**
Depreciation and Impairment													
As at April 01, 2020	-	0.26	45.90	0.26	0.93	1.17	518.27	5.17	13.52	1.87	11.93	599.28	5.35
Charge for the year	-	0.06	25.62	0.05	-	0.32	250.22	1.56	2.87	0.44	1.62	282.76	5.31
Deletions	-	-	(0.27)	-	-	-	(1.86)	(0.09)	(0.88)	(0.02)	(1.53)	(4.65)	(0.84)
As at March 31, 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**
Net Book Value													
As at March 31, 2021	**5.75**	**3.98**	**689.87**	**0.16**	**0.15**	**6.66**	**5,719.29**	**16.01**	**9.89**	**3.01**	**6.91**	**6,461.68**	**16.57**
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**

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. 0.31 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. 1.71 Crore (Previous Year: Rs. 2.43 Crore), Factory Equipment having gross block of Rs. 0.10 Crore (Previous Year: Nil), Office Equipment includes Equipment having gross block of Nil (Previous Year: Rs. 0.00 Crore) and Vehicles having gross block of Rs. 0.00 Crore (Previous Year: Nil) and Accumulated Depreciation of Plant and Equipment of Rs. 1.45 Crore (Previous Year : Rs. 1.79 Crore), Factory Equipment of Rs. 0.09 Crore (Previous Year: Nil), Office Equipment of Nil (Previous Year: Rs. 0.00 Crore) and Vehicles of Rs. 0.00 Crore (Previous Year: Nil) transferred to 'Assets held for sale' (refer note 47).
4. Leasehold Improvements (on Finance Lease) had been fully depreciated in earlier years carried at residual value.
5. Capital Work-in-Progress of Rs. 156.56 Crore (Previous Year : Rs. 160.52 Crore) primarily represents capital expenditure in respect of Plant and Machinery & Buildings.

Capital Work-in-Progress ("CWIP")

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**
Projects temporarily suspended	-	-	-	-	-

(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, 2021

(a) Ageing Schedule

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	129.87	29.63	1.02	-	**160.52**
Projects temporarily suspended	-	-	-	-	-

(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	-	-	-	-	-

(Rs. in Crore)

Particulars	Goodwill on Consolidation	Total Goodwill	Software	Total Other Intangible Assets
Note 4 A : Other Intangible Assets				
Deemed Cost				
As at April 01, 2020	207.83	207.83	8.98	8.98
Additions	-	-	0.73	0.73
Deletions	-	-	(1.48)	(1.48)
As at March 31, 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**
Amortization and Impairment				
As at April 01, 2020	207.83	207.83	6.97	6.97
Charge for the year	-	-	1.15	1.15
Deletions	-	-	(1.48)	(1.48)
As at March 31, 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**
Net Book Value				
As at March 31, 2021	-	-	1.59	1.59
As at March 31, 2022	**-**	**-**	**1.94**	**1.94**

Note 4B : Intangible Assets under Development

Intangible assets under development of Rs. 0.34 Crore represents New Health / Safety Software and Server Upgradation (Previous Year: Rs.0.27 Crore represents majorly New Warehouse Management System).

Intangible assets under development Ageing Schedule

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**
Projects temporarily suspended	-	-	-	-	-
Total	**0.32**	**0.02**	**-**	**-**	**0.34**

As at March 31, 2021

(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	0.21	0.06	-	-	**0.27**
Projects temporarily suspended	-	-	-	-	-
Total	**0.21**	**0.06**	**-**	**-**	**0.27**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 5 : 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	0.19	0.25
(b) Loans Receivables Considered Good - Unsecured	0.05	0.12
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
	0.24	**0.37**
Note 5C : Other Non Current Financial Assets		
(Unsecured, Considered Good)		
Security Deposits	3.29	3.30
Deposit with Banks having maturity more than 12 months (refer note 8D)	0.03	0.02
	3.32	**3.32**
Note 6 : Other Non Current Assets		
(Unsecured, Considered Good)		
Capital Advances	7.51	11.17
Balances with Statutory / Government Authorities	2.18	3.28
(Considered Doubtful: Rs. 2.18 Crore (Previous Year: Rs. 3.09 Crore))		
Catalysts in use (valued based on life technically assessed)	17.09	13.57
Prepaid Expenses	3.65	4.72
	30.43	**32.74**
Less: Allowance for Doubtful Advances	2.18	3.09
	28.25	**29.65**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 7 : Inventories		
Raw Materials	2.00	1.53
Work-in-Progress	16.71	6.99
Finished Goods {including in transit- Rs. 65.31 Crore (Previous Year: Rs. 20.19 Crore)} *	348.66	221.48
Traded Goods {including in transit- Rs. 283.92 Crore (Previous Year: Rs. 60.87 Crore)} *	2,637.35	447.26
Stores and Spares {including in transit- Nil (Previous Year: Rs. 1.03 Crore)} *	101.79	94.90
Loose Tools	0.15	0.22
Catalysts in use (valued based on life technically assessed)	8.33	6.35
Packing Materials	8.22	10.41
	3,123.21	**789.14**
*Inventory valuing Nil (Previous Year: Rs. 0.04 Crore) has been written off.		
Note 8 : Current Financial Assets		
Note 8A : Current Investments		
Investment carried at Fair value through Profit or Loss		
Unquoted		
Investment in Bonds	-	-
320 (Previous Year: 320), 9.45% Corporate Bonds of Rs.10,00,000 each in IL&FS Transportation Networks Limited #		
	-	-
Aggregate amount of Unquoted Investments	-	-
Less: Fair Value Loss on Investment carried at Fair Value through Profit or Loss	-	-
Total Current Investments	-	-
# Fair Value Loss had been recognised for entire value during the earlier years.		
Note 8B : Trade Receivables		
Trade Receivables Considered Good - Secured	25.88	23.39
Trade Receivables Considered Good - Unsecured (including subsidy receivable from Government of India- Rs. 2,102.24 Crore (Previous Year: Rs. 1,103.28 Crore))	2,125.42	1,151.20
Trade Receivables Considered Doubtful - Unsecured (including subsidy receivable from Government of India- Rs. 0.30 Crore (Previous Year : Rs. 0.26 Crore))	16.69	16.51
	2,167.99	**1,191.10**
Less: Allowance for Doubtful Debts	16.69	16.51
Total Trade Receivables (Net of Allowances)	**2,151.30**	**1,174.59**
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	2,151.30	**1,174.59**

Trade Receivables Ageing Schedule

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**

As at March 31, 2021 (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	15.95	6.69	0.01	-	0.10	0.64	**23.39**
(ii)	Undisputed Trade receivables – considered good - Unsecured	927.33	209.27	0.03	4.14	5.27	5.16	**1,151.20**
(iii)	Undisputed Trade receivables – considered doubtful	0.26	-	-	-	-	-	**0.26**
(iv)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(v)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables–considered doubtful	-	0.20	0.01	-	1.04	15.00	**16.25**
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**943.54**	**216.16**	**0.05**	**4.14**	**6.41**	**20.80**	**1,191.10**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 8C : Cash and Cash Equivalents		
Balances with Banks:		
On Current Accounts	10.37	1.67
On Cash Credit Accounts	171.34	10.80
Deposits with original maturity of less than three months	350.30	875.41
Cash on hand	0.01	0.03
	532.02	**887.91**

There is no repatriation restrictions on cash and cash equivalents.

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 8D : Bank Balances Other than 8C above		
On Unpaid Dividend Accounts	17.38	15.00
Deposits with remaining maturity for less than 12 months	4.74	4.49
Deposits with remaining maturity for more than 12 months *	0.03	0.02
	22.15	**19.51**
Less: Deposits with remaining maturity of more than 12 months disclosed under 'other non current financial assets' (refer note 5C)	0.03	0.02
	22.12	**19.49**
* Fixed Deposit receipts of Rs.0.03 Crore (Previous Year : Rs.0.02 Crore) are pledged with Sales Tax Authorities.		
Note 8E : Current Loans		
Loans to Employees:		
(a) Loans Receivables Considered Good - Secured	0.05	0.08
(b) Loans Receivables Considered Good - Unsecured	0.01	0.02
(c) Loans Receivables which have significant increase in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
	0.06	**0.10**
Note 8F : Other Current Financial Assets		
(Unsecured and Considered Good, except to the extent stated)		
Derivatives:		
- Derivative Financial Assets	1.42	-
Security Deposits	5.35	5.69
Others		
Receivable from Gas Pool Operator	-	125.42
Insurance and Other Claims Receivable (Considered Doubtful Nil (Previous Year: Rs.1.65 Crore))	-	4.20
Interest Receivable on Deposits	0.01	0.10
Escrow Receivable * (Considered Doubtful Nil (Previous Year: Rs. 1.38 Crore))	-	9.34
Rebates and Other General Receivables	26.67	19.94
	33.45	**164.69**
Less: Allowance for Doubtful Advances	-	3.03
	33.45	**161.66**

* Escrow receivable represented balance of the purchase consideration in respect of the sale of Knowledge Processing Outsourcing business and Product business of certain subsidiary companies, held in an escrow account with a bank, had now been released and received by the subsidiary.

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 9 : Other Current Assets		
(Unsecured and Considered Good, except to the extent stated)		
Advance to Suppliers	18.42	13.07
(Considered Doubtful Rs. 0.33 Crore (Previous Year : Rs. 0.48 Crore))		
Balances with Statutory / Government Authorities	219.45	125.85
(Considered Doubtful Rs. 46.38 Crore (Previous Year: Rs. 44.16 Crore))		
Interest Receivable - Others	0.33	0.33
Prepaid Gratuity (refer note 32)	0.01	0.02
Prepaid Expenses	20.88	18.93
Other General Receivables	0.44	0.85
	259.53	**159.05**
Less: Allowance for Doubtful Advances	46.71	44.64
	212.82	**114.41**
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, 2022			As at March 31, 2021		
	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	0.02	43,36,866	1.04	0.04
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.	19,46,200	0.47	-	19,46,200	0.47	-
SCM Investment & Trading Co. Ltd.	5,61,200	0.13	-	5,61,200	0.13	-
SIL Investments Limited	3,37,33,455	8.10	0.09	3,33,43,455	8.01	-
The Hindustan Times Limited	5,93,71,221	14.26	-	5,93,71,221	14.26	0.53
Zuari Global Limited	5,90,15,360	14.18	-	5,90,15,360	14.18	-
Sub Total (A)	**16,24,61,899**	**39.03**		**16,20,03,765**	**38.92**	

Name	As at March 31, 2022			As at March 31, 2021		
	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	0.19	2,65,407	0.06	-
Adventz Securities Enterprises Limited	1,70,022	0.04	0.04	20,022	0.00	-
Akshay Poddar	23,25,025	0.56	-	23,25,025	0.56	0.01
Arhant Vikram Nopany *	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	(0.01)	3,23,775	0.08	-
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	0.01
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	19,66,795	0.47	0.30	7,04,160	0.17	-
Gobind Sugar Mills Limited	1,947	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	(0.08)	34,25,000	0.82	-
Manbhawani Investment Ltd.	44,57,006	1.07	(0.08)	48,00,000	1.15	-
Master Exchange & Finance Limited	16,01,600	0.38	-	16,01,600	0.38	-
New India Retailing and Investment Ltd.	5,81,163	0.14	-	5,81,163	0.14	-
Nilgiri Plantations Limited	42,91,740	1.03	0.03	41,81,740	1.00	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	-
Ricon Commerce Ltd.	-	-	(0.04)	1,50,200	0.04	-
Ronson Traders Limited	70,94,000	1.70	0.04	69,29,000	1.66	-
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	-

Name	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Texmaco Infrastructure & Holdings Limited	2,96,864	0.07	0.05	1,06,864	0.03	-
Texmaco Rail & Engineering Ltd.	10,000	0.00	(0.24)	10,00,000	0.24	-
Uttam Commercial Ltd.	69,67,100	1.67	0.03	68,57,100	1.65	-
Uttar Pradesh Trading Co. Ltd	-	-	(0.30)	12,62,635	0.30	-
Yashovardhan Investment & Trading Co. Ltd.	78,89,500	1.90	0.04	77,24,500	1.86	-
Zuari Investments Limited	4,02,840	0.10	-	4,02,840	0.10	-
Sub Total (B)	**8,91,94,406**	**21.43**		**8,93,13,900**	**21.46**	
Total (A) + (B)	**25,16,56,305**	**60.46**		**25,13,17,665**	**60.38**	

* Arhant Vikram Nopany was holding 13,500 shares of the Parent Company but he was not part of Promoter Group, as at March 31, 2021.

d) Details of Shareholders holding more than 5% shares in the Parent Company

Name	As at March 31, 2022		As at March 31, 2021	
	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 Global Limited	5,90,15,360	14.18	5,90,15,360	14.18
SIL Investments Limited	3,37,33,455	8.10	3,33,43,455	8.01
HDFC Small Cap Fund and its Associate Funds	1,56,30,146	3.76	2,67,08,128	6.42

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, 2022	As at March 31, 2021
Note 10A : Other Equity *		
Reserves and Surplus:		
(a) Securities Premium	6.42	6.42
(b) Retained Earnings	5,554.73	4,412.70
(c) General Reserve	684.26	634.26
(d) Treasury Shares	(2.76)	(4.90)
(e) Loss on Treasury Shares Acquired	(1.90)	(1.66)
(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	**6,286.60**	**5,092.67**
Other Comprehensive Income:		
(k) Exchange Difference on Translation of Foreign Operations	(49.42)	(30.07)
(l) Cash Flow Hedging Reserve	(253.81)	(230.02)
Total	**(303.23)**	**(260.09)**
Other Equity	**5,983.37**	**4,832.58**

* 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. Utilisation of reserve will be as per the provisions of the relevant statute.

(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 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 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. In respect of the subsidiary company, the reserve is used to recognise the grant date fair value of options issued to employees under the 2007 Share Option Plan. 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 reclassified 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, 2022	As at March 31, 2021
Note 11 : Financial Liabilities		
Note 11A: Non Current Borrowings		
Secured Loans:		
Term Loans :		
- External Commercial Borrowings	2,297.71	2,822.38
- Foreign Currency Loans from Financial Institution	900.43	1,025.61
	3,198.14	**3,847.99**
Unsecured Loans:		
- Redeemable Preference Shares	73.01	70.42
	3,271.15	**3,918.41**
Less : Current Maturities of Long Term Borrowings shown under "Current Borrowings" (refer note 14A)	799.91	771.60
Non-Current Borrowings (as per Balance Sheet)	**2,471.24**	**3,146.81**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Details of Borrowings and Transaction Costs		
(i) External Commercial Borrowings		
External Commercial Borrowings (refer (b) i below)	2,311.76	2,842.43
Less: Transaction Costs	14.05	20.05
Carrying Value of External Commercial Borrowings	**2,297.71**	**2,822.38**
(ii) Foreign Currency Loans from Financial Institution		
Foreign Currency Term Loans from Financial Institution (refer (b) ii below)	907.33	1,034.34
Less: Transaction Costs	6.90	8.73
Carrying Value of Foreign Currency Loans from Financial Institution	**900.43**	**1,025.61**

(b) Nature of Security, Terms and Repayment Schedule :

i. External Commercial Borrowings ("ECB") from banks of USD 30.50 Crore (Rs. 2,311.76 Crore including current maturity of Rs. 634.94 Crore) (Previous Year: Rs. 2,842.43 Crore including current maturity of Rs. 612.47 Crore) carry interest in the range of 3 months LIBOR plus 1.35% - 2.30% per annum. ECB amounting to USD 25.00 Crore (Rs. 1,894.88 Crore including current maturity of Rs. 559.14 Crore) are repayable in 14 quarterly instalments starting from June 30, 2022. ECB amounting to USD 5.50 Crore (Rs. 416.88 Crore including current maturity of Rs. 75.80 Crore) are repayable in 22 equal quarterly instalments starting from June 30, 2022. 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 11.97 Crore (Rs.907.33 Crore including current maturity of Rs.164.97 Crore) (Previous Year: Rs. 1,034.34 Crore including current maturity of Rs. 159.13 Crore) carry interest in the range of 3 months LIBOR plus 1.55% - 2.30% per annum. These term loans are repayable in 22 equal quarterly instalments starting from June 30, 2022. 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 33 for the details regarding rights, preference and restrictions attached to the redeemable preference shares.

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 12 : Long Term Provisions		
Provision for Employee Benefits		
- Gratuity (refer note 32)	10.02	9.05
- Post Retirement Medical Benefits (refer note 32)	4.98	4.88
	15.00	**13.93**
Note 13 : Other Non Current Liabilities		
Other Employee Benefit Obligations	3.28	3.20
	3.28	**3.20**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 14 : 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)	161.94	-
Current Maturity of Long Term Borrowings (refer note 11A)	799.91	771.60
	1,851.85	**771.60**

Nature of Security, Terms and Repayment Schedule :

i. Rupee Loans - Working Capital Demand Loan from Banks of Rs. 890.00 Crore (Previous Year : Nil) carry interest at the rate of 4.00% per annum. Further, 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 are repayable on demand.

ii. Foreign Currency Loans from Banks of Rs. 161.94 Crore (Previous Year: Nil) carry interest at the rate of 0.27% 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 were repaid on April 22, 2022.

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 14B : Trade Payables		
a) total outstanding dues to Micro and Small Enterprises (refer note 36)	11.53	12.81
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,488.30	376.23
	1,499.83	**389.04**

Trade Payables Ageing Schedule

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**

Trade Payables Ageing Schedule

As at March 31, 2021 (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	0.17	10.11	2.53	-	-	-	**12.81**
Others	41.74	181.83	152.66	-	-	-	**376.23**
Disputed Trade Payables							
Micro Enterprises and Small Enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**41.91**	**191.94**	**155.19**	**-**	**-**	**-**	**389.04**

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Note 14C : Other Financial Liabilities		
Interest Accrued but not due on Borrowings	0.38	0.25
Earnest Money / Security Deposits	215.51	195.21
Accrued Employee Liabilities (including payable to Key Management Personnel) (refer note 31)	32.85	32.40
Unclaimed Statutory Liabilities (as referred in Section 124(1) of the Companies Act, 2013):		
- Unpaid Dividend	17.38	15.00
Payable for Capital Goods {includes Rs.1.83 Crore (Previous Year: Rs.1.18 Crore) dues to Micro and Small Enterprises (refer note 36)}	13.59	13.20
Derivative Financial Liabilities	4.97	15.23
Warrants (refer note 33)	0.00	0.00
Others *	-	0.15
	284.68	**271.44**

* Represented net amount collected by CFCL Ventures Limited, a subsidiary of the Parent Company on behalf of the buyer post sale of assets and transfer of liabilities.

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 44.

Particulars	As at March 31, 2022	As at March 31, 2021
Note 15 : Other Current Liabilities		
Advance from Customers *	109.10	29.46
Other Employee Benefit Obligations	0.70	1.88
Statutory Obligations Payable	15.16	11.86
Other Liabilities :		
- Dues to Related Parties (refer note 31)	0.63	0.65
- Others	0.09	0.44
	125.68	**44.29**

* These represent contract liabilities arising from contracts with customers. The amount of Rs. 27.80 Crore (Previous Year: Rs. 15.53 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.

Particulars	As at March 31, 2022	As at March 31, 2021
Note 16 : Current Provisions		
Provision for Employees Benefits:		
- Gratuity (refer note 32)	4.14	4.02
- Leave Encashment / Liabilities	30.17	35.32
- Post Retirement Medical Benefits (refer note 32)	0.20	0.16
	34.51	**39.50**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Note 17 : Revenue from Operations		
Sale of Products		
Sale of Own Manufactured Products {including Rs. 8,821.84 Crore (Previous Year: Rs. 5,473.31 Crore) Subsidy on Fertilisers}	10,925.56	7,350.37
Sale of Traded Products {including Rs. 2,516.94 Crore (Previous Year: Rs.1,806.53 Crore) Subsidy on Fertilisers}	5,141.94	5,367.18
Other Operating Revenues		
Others (spillage)	1.33	1.46
Revenue from Operations	**16,068.83**	**12,719.01**
Note 18 : Other Income		
(A) Other Income:		
Interest on:		
- Fertilisers Bonds	0.00	0.00
- Employee Loans	0.01	0.02
- Deposits	7.85	11.23
- Payment from Customers	1.41	2.41
- Others (including deposits with Government Authorities)	0.03	0.08
Dividend Income on Non Current Investment	0.00	0.00
Rent Received	0.10	0.13
Insurance Claims Received	18.72	11.67
Liabilities no Longer Required Written Back	4.55	2.42
Allowance for Doubtful Debts and Advances (Net)	-	0.80
Gain on Disposal of Property, Plant and Equipment (Net)	4.92	-
Recoveries from Contractor	0.41	0.29
Sale of Scrap	4.47	0.80
Miscellaneous Income	10.59	7.45
(B) Other Gains :		
- Gain on Sale of Current Investments	8.11	1.13
- Gain on Foreign Exchange Variation (Net)	6.83	8.94
	68.00	**47.37**
Note 19 : Cost of Materials Consumed		
Opening Inventories	1.53	1.67
Add: Purchases	5,369.00	2,924.05
Less: Closing Inventories	2.00	1.53
	5,368.53	**2,924.19**

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Note 20 : Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		
Closing Inventories		
- Work-in-Progress	16.71	6.99
- Finished Goods	348.66	221.48
- Traded Goods	2,637.35	447.27
	3,002.72	**675.74**
Opening Inventories		
- Work-in-Progress	6.99	9.09
- Finished Goods	221.48	343.83
- Traded Goods	447.26	676.68
	675.73	**1,029.60**
(Increase) / Decrease in Inventories	**(2,326.99)**	**353.86**
Note 21 : Employee Benefits Expense		
Salaries, Wages and Bonus *	160.74	157.82
Contribution to Provident and Other Funds	9.18	9.05
Gratuity Expense (refer note 32)	3.43	3.31
Post Retirement Medical Benefits (refer note 32)	0.52	0.53
Workmen and Staff Welfare Expenses	6.80	5.70
	180.67	**176.41**
* Refer note 29		
Note 22 : Finance Costs		
Interest (including Interest on Income Tax : Rs. 1.79 Crore (Previous Year : Rs.0.00 Crore))*	103.65	261.22
Bank Charges and Guarantee Commission	14.36	16.83
Exchange Differences regarded as an adjustment to Borrowing Costs	-	1.34
Mark to Market (Gain) / Loss on Derivative Transactions	(16.65)	22.40
Loss / (Gain) on Foreign Exchange Variation (Net) related to financing arrangements	4.57	(12.38)
	105.93	**289.41**
* Refer note 29		
Note 23 : Other Expenses		
Consumption of Stores and Spares	34.58	32.26
Consumption of Packing Materials	126.51	102.78
Bagging and Other Services	21.69	22.83
Power and Fuel	3,019.28	1,645.56
Catalyst Charges Written Off	8.52	7.38
Rent (refer note 35)	6.86	10.09
Rates and Taxes	5.42	0.96
Insurance	32.35	32.22
Repairs and Maintenance:		
- Plant and Equipment	33.67	26.01
- Buildings	4.47	4.09
- Others	14.03	14.76
Director's Sitting Fees	0.29	0.28

(Rs. in Crore)

Particulars		Year Ended March 31, 2022		Year Ended March 31, 2021
Travelling and Conveyance *		7.20		4.15
Communication Costs		0.70		0.64
Printing and Stationery		0.34		0.32
Legal and Professional Fees		8.49		4.75
Auditor's Remuneration				
As auditor:				
- Audit Fee		0.44		0.40
- Tax Audit Fee		0.07		0.06
- Limited Review Fee		0.30		0.30
- Certification and Other services		0.20		0.21
- Out of Pocket Expenses		0.03		0.03
Freight and Forwarding Charges		633.99		778.85
Other Selling Expenses		3.42		5.38
Corporate Social Responsibility Expenditure		28.00		19.65
Depletion of Loose Tools		0.22		0.30
Green Belt Development / Horticulture Expenses		3.36		3.17
Allowance for Doubtful Debts and Advances (Net)		0.04		-
Mark to Market Loss on Derivative Transactions		4.97		-
Loss on Disposal / Write off of Property, Plant and Equipment (Net)		-		4.75
Bank Charges and Guarantee Commission (other than Financing)		2.95		1.47
Inventories Written Off		-		0.04
Irrecoverable Balances Written Off	0.04		0.80	
Less: Allowance for Doubtful Debts and Advances adjusted out of above	-	0.04	-	0.80
Miscellaneous Expenses		20.23		16.45
		4,022.66		**2,740.94**

* Refer note 29

Note 24 : Exceptional Items

Relinquishment of rights in Preference Shares (refer note 52)	-	(337.89)
	-	**(337.89)**

Note 25 : Earnings Per Share (EPS)

Profit as per Consolidated Statement of Profit and Loss	1,566.06	1,747.59
(Profit) for the Year attributable to Non-Controlling Interests	(0.08)	(92.83)
Profit attributable to Equity Holders of the Parent Company:	**1,565.98**	**1,654.76**
Calculation of Weighted Average Number of Equity Shares		
- Number of Equity Shares at the beginning of the Year	41,62,07,852	41,62,07,852
- Total Equity Shares Outstanding at the end of the Year	41,62,07,852	41,62,07,852
- Weighted average Number of Equity Shares Outstanding during the Year	41,62,07,852	41,62,07,852
Basic and Diluted Earnings Per Share (in Rs.) *	37.62	39.76
Nominal Value of Equity Shares (in Rs.)	10.00	10.00

* There are no dilutive potential equity shares.

26 The Group comprises of the following entities:

Name of the Entities	Country of Incorporation	Percentage of Ownership as at March 31, 2022	Percentage of Ownership as at March 31, 2021
A. Subsidiaries			
Chambal Infrastructure Ventures Limited	India	100.00%	100.00%
India Steamship Pte. Ltd. *	Singapore	-	-
India Steamship Limited **	India	-	-
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	-	71.00%
B. Joint Venture			
Indo Maroc Phosphore S.A. - IMACID	Morocco	33.33%	33.33%

* Dissolved on April 06, 2020.

** The liquidator of the subsidiary completely liquidated the assets thereof during the financial year 2019-20 and the subsidiary was dissloved on February 09, 2021.

*** 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.

27 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, 2022	As at March 31, 2021
(a)	Demand raised by Service Tax, Sales Tax and Income Tax (IT) authorities being disputed by the Parent Company *	104.94	97.20
(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) are as follows:

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
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	76.24	71.33
	(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) Other matters	2.83	-

(Rs. in Crore)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
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
	Total	**104.94**	**97.20**

(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 HBJ 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 HBJ 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 was 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 and on the basis of the stay order 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, 2022	As at March 31, 2021
Income tax demands, under appeal [refer Note below] USD 28,77,801 (Previous Year: USD 29,83,278)	21.81	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, 2022	As at March 31, 2021
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.

28 Capital Commitments

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account {net of advances of Rs.7.51 Crore (Previous Year : Rs. 11.17 Crore)}	83.69	124.04

29 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, 2022	As at March 31, 2021
Opening Balance	0.77	0.48
Add : Expenditure during the year		
Salaries,Wages and Bonus	0.09	-
Travelling and Conveyance	0.01	-
Interest *	0.11	0.29
Total Expenditure	**0.98**	**0.77**
Less : Allocated to Property, Plant and Equipment	(0.41)	-
Capitalisation of Expenditure (pending for Allocation)	**0.57**	**0.77**

* Interest comprises of Rs. 0.11 Crore (Previous Year : Rs. 0.29 Crore) on general borrowings for other qualifying assets using the weighted average interest rate applicable during the year which is 3.88% per annum (Previous Year: 4.48% per annum).

30 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.

31 **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

India Steamship Pte. Ltd.*

India Steamship Limited **

ISGN Corporation#

ISG Novasoft Technologies Limited #

Inuva Info Management Private Limited *** / ##

* Dissloved on April 06, 2020.

** Dissloved on February 09, 2021.

*** Dissloved 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. Nimesh Nagindas Kampani	Independent - Non-Executive Director (Ceased to be Director with effect from September 15, 2020)
5	Mr. Anil Kapoor	Managing Director (Ceased to be Managing Director with effect from April 16, 2021)
6	Mr. Gaurav Mathur	Managing Director (Joint Managing Director upto April 15, 2021 and Appointed as Managing Director with effect from April 16, 2021)
7	Mr. Vivek Mehra	Independent - Non-Executive Director
8	Mrs. Rita Menon	Independent - Non-Executive Director (Appointed with effect from September 10, 2020)
9	Mr. Chandra Shekhar Nopany	Non-Executive Director
10	Ms. Radha Singh	Independent - Non-Executive Director
11	Mr. Marco Philippus Ardeshir Wadia	Independent - Non-Executive Director
12	Mr. Abhay Baijal	Chief Financial Officer
13	Mr. Rajveer Singh	Company Secretary

II Transaction with the Related Parties

(A) Post Employment Benefit Plans

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Employer's Contribution Paid / Payable		
- CFCL Employees' Provident Fund	2.15	4.94
- Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund	0.49	0.71
- CFCL Employees Group Gratuity Scheme	2.00	1.50
- India Steamship Staff Provident Fund	0.02	0.02
Total	**4.66**	**7.17**

(B) Key Management Personnel

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Compensation *		
-Short Term Employee Benefits:		
Mr. Anil Kapoor	5.43	6.91
Mr. Gaurav Mathur	4.31	4.02
Mr. Abhay Baijal	1.72	1.51
Mr. Rajveer Singh	0.94	0.84
-Post Employment Benefits:		
Mr. Anil Kapoor	1.68	0.63
Mr. Gaurav Mathur	0.34	0.16
Mr. Abhay Baijal	0.14	0.13
Mr. Rajveer Singh	0.07	0.06
-Share Based Payments:		
Mr. Anil Kapoor	-	0.22
Mr. Abhay Baijal	0.12	0.76
Mr. Rajveer Singh	-	0.08
Commission to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.10	0.10
Mr. Pradeep Jyoti Banerjee	0.10	0.10
Mr. Nimesh Nagindas Kampani	-	0.05
Mr. Vivek Mehra	0.10	0.10
Mrs. Rita Menon	0.10	0.06
Mr. Chandra Shekhar Nopany	0.10	0.10
Ms. Radha Singh	0.10	0.10
Mr. Marco Philippus Ardeshir Wadia	0.10	0.10
Sitting Fees to Non-Executive Directors		
Mr. Saroj Kumar Poddar	0.02	0.03
Mr. Pradeep Jyoti Banerjee	0.03	0.03
Mr. Nimesh Nagindas Kampani	-	0.03
Mr. Vivek Mehra	0.05	0.05
Mrs. Rita Menon	0.04	0.01
Mr. Chandra Shekhar Nopany	0.03	0.03
Ms. Radha Singh	0.06	0.06
Mr. Marco Philippus Ardeshir Wadia	0.06	0.06

* 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 to Related Parties

(A) Post Employment Benefit Plans

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities		
CFCL Employees' Provident Fund	-	0.41
Chambal Fertilisers and Chemicals Limited Senior Staff Superannuation Fund	-	0.05
India Steamship Staff Provident Fund	0.00	0.00
Total	**0.00**	**0.46**

(B) Key Management Personnel

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Liabilities		
Mr. Saroj Kumar Poddar	0.09	0.09
Mr. Pradeep Jyoti Banerjee	0.09	0.09
Mr. Nimesh Nagindas Kampani	-	0.04
Mr. Vivek Mehra	0.09	0.09
Mrs. Rita Menon	0.09	0.05
Mr. Chandra Shekhar Nopany	0.09	0.09
Ms. Radha Singh	0.09	0.09
Mr. Marco Philippus Ardeshir Wadia	0.09	0.09

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 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, 2022 Number of Stock Options Outstanding and Excercisable	As at March 31, 2021 Number of Stock Options Outstanding and Excercisable
Mr. Anil Kapoor *	September 16, 2010	2023-2024	73.50	Not Applicable	39,000
Mr. Abhay Baijal	September 16, 2010	-	73.50	-	5,000
Mr. Rajveer Singh	September 16, 2010	2022-2023 to 2023-2024	73.50	30,000	30,000
Total				**30,000**	**74,000**

Each stock option entitles the holder to acquire 1 equity share of Rs.10 of the Parent Company

* Ceased to be Managing Director with effect from April 16, 2021.

32 Gratuity and Other Post-Employment Benefit Plans:

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Gratuity Plan - (Liability)	(14.15)	(13.05)
Provident Fund - Asset *	2.11	9.47
Post Retirement Medical Benefits Plan - (Liability)	(5.18)	(5.04)

* Plan asset of Rs. 2.11 Crore (Previous year: Rs. 9.47 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, 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 financial 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.

The Boards of Trustees of Gratuity Trust and Provident Fund Trust of the Parent Company are responsible for the administration of the respective 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 is being 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, 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)**

Changes in the Defined Benefit Obligation and Fair Value of Plan Assets as at March 31, 2021: (Rs. in Crore)

Particulars	As at April 01, 2020	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, 2021
		Cost charged to Consolidated Statement of Profit and Loss				Remeasurement Gains/(Losses) in OCI								
(A) Gratuity Plan:														
Defined Benefit Obligation	(38.36)	(2.63)	(2.59)	(5.22)	2.39	-	-	-	(0.96)	(0.96)	0.37	-	0.00	(41.78)
Fair Value of Plan Assets	28.06	-	1.91	1.91	(2.37)	(0.00)	-	-	-	(0.00)	(0.37)	1.50	0.00	28.73
Benefit (Liability)	**(10.30)**			**(3.31)**	**0.02**					**(0.96)**	**-**	**1.50**	**0.00**	**(13.05)**
(B) Post Retirement Medical Benefits Plan:														
Defined Benefit Obligation	(5.08)	(0.18)	(0.35)	(0.53)	0.14	-	-	-	0.43	0.43	-	-	-	(5.04)
Fair Value of Plan Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit (Liability)	**(5.08)**			**(0.53)**	**0.14**					**0.43**	**-**	**-**	**-**	**(5.04)**

Provident Fund:

Changes in the Defined Benefit obligation and Fair Value of Plan Assets as at March 31, 2022 and March 31, 2021:

(Rs. in Crore)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset	Defined Benefit Obligation	Fair Value of Plan Assets	Net Benefit Asset
Opening Balance	**(176.85)**	**186.32**	**9.47**	**(152.58)**	**158.02**	**5.44**
Service Cost	(2.15)	-	**(2.15)**	(4.96)	-	**(4.96)**
Net Interest Expense	(10.11)	-	**(10.11)**	(13.27)	0.37	**(12.90)**
Benefits Paid	11.03	(11.03)	-	5.07	(5.07)	-
Return on Plan Assets (excluding amounts included in Net Interest Expense)	-	4.01	**4.01**	-	17.00	**17.00**
Actuarial Changes arising from changes in Financial Assumptions	-	-	-	-	-	-
Experience Adjustments	(0.83)	(0.04)	**(0.87)**	(0.07)	-	**(0.07)**
Settlement / Transfer In *	181.97	(182.36)	**(0.39)**	0.29	(0.29)	-
Contributions by Plan Participant / Employees	(4.72)	4.72	-	(11.33)	11.33	-
Contributions by Employer	-	2.15	**2.15**	-	4.96	**4.96**
Closing Balance	**(1.66)**	**3.77**	**2.11**	**(176.85)**	**186.32**	**9.47**

* This includes accumulated Provident Fund of CFCL Employees Provident Fund Balance transferred to RPFC.

The Group expects to contribute Rs. 3.39 Crore (Previous Year : Rs. 3.28 Crore) and Nil (Previous Year : Rs. 6.06 Crore) to gratuity trust and provident fund 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, 2022	As at March 31, 2021
	%	%
Discount Rate:		
Gratuity Plan	4.30 to 7.36	3.10 to 6.92
Provident Fund	-	6.92
Post Retirement Medical Benefits	7.36	6.92
Future Salary Increase:		

Particulars	As at March 31, 2022	As at March 31, 2021
	%	%
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, 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 (Rs. in Crore)	(1.69)	1.70	1.72	(1.70)

Provident Fund of the Parent Company:

Particulars	Year ended March 31, 2022	
Assumption	Discount Rate	
Sensitivity Level	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Rs. in Crore)	-	-

Post Retirement Medical Benefits Plan of 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 (Rs. in Crore)	(0.36)	0.37	0.38	(0.36)

A quantitative sensitivity analysis for significant assumptions as at March 31, 2021 is shown below:

Gratuity Plan for the Group:

Particulars	Year ended March 31, 2021			
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 (Rs. in Crore)	(1.68)	1.69	1.71	(1.69)

Provident Fund of the Parent Company:

Particulars	Year ended March 31, 2021	
Assumption	Discount Rate	
Sensitivity Level	0.50% Increase	0.50% Decrease
Impact on Defined Benefit Obligation (Rs. in Crore)	(0.02)	0.02

Post Retirement Medical Benefits Plan for the Parent Company:

Particulars	Year ended March 31, 2021			
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 (Rs. in Crore)	(0.33)	0.34	0.34	(0.33)

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 14.36 years for Gratuity Plan and 14.34 years for Post Retirement Medical Benefits Plan (Previous Year : 14.24 years for Gratuity Plan and 14.24 years for Post Retirement Medical Benefits Plan).

Investment Pattern in Plan Assets:

Particulars	Gratuity		Provident Fund	
	2021-22	2020-21	2021-22	2020-21
Investments with insurers/ Government securities/ Equity shares/ Equity oriented mutual funds (%)	100%	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, 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
As at March 31, 2021				
Gratuity Fund	5.09	10.25	13.21	13.23
Provident Fund	36.04	38.13	64.19	38.49
Post Retirement Medical Benefits Plan	0.15	0.88	1.19	2.82

Contribution to Defined Contribution Plans : (Rs. in Crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provident Fund *	2.97	-
Pension Fund	1.50	1.50
Superannuation Fund	0.47	0.69
National Pension System	1.77	1.66
Employers' Contribution to Employees' State Insurance Corporation	0.01	0.01

* With effect from September 01, 2021, the Parent Company has remitted monthly contribution to RPFC.

33 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, 2022		As at March 31, 2021	
	Exercise price (USD)	No. of shares	Exercise price (USD)	No. of shares
Ordinary shares	0.01	93,450	0.01	93,450
Series G Preference shares	0.01	35,210	0.01	35,210
Series H Preference shares	4.62	6,30,433	4.62	6,30,433
Series H Preference shares	0.01	14,46,419	0.01	14,46,419
Series I Preference shares	0.01	16,13,333	0.01	16,13,333

None of the warrants have been exercised by the warrant holders of the CFCL Ventures Limited.

34 Subsidies

(a) Nitrogenous Fertilizers are under the Concession Scheme as per the New Pricing Scheme (NPS) – Stage III, Modified NPS III, New Urea Policy 2015 and New Investment Policy 2012 (amended). The freight subsidy is as per the Uniform Freight Policy. The concession price and freight has been accounted for on the basis of 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 policies 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 increased / (reduced) by Rs. 90.38 Crore (Previous Year: (Rs.10.38 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.

(c) Subsidy on City Compost, if any, has been accounted as notified by the Government of India.

35 Leases

-Parent Company

This note provides information for the leases where the Parent Company is a lessee. The Parent Company leases various offices and lease periods are generally fixed ranging from two months to nine years, but may have extension options.

Measurement of Right-of-Use Assets:

Right-of- Use Assets has been recognised using modified retrospective approach with lease liabilities recognised with equivalent amount. During the Financial Year 2019-20 , the Parent Company had adopted Ind AS 116 "Leases" for all lease contracts existing as on April 01, 2019.

Amounts recognised in the Consolidated Statement of Profit and Loss relating to Leases

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Depreciation charge for Right-of-Use Assets	5.41	5.31
Interest expense (included in Finance Costs)	1.16	1.45
Expense relating to short term leases (included in Other Expenses)	6.86	10.09
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 Cash Flows

(Rs. in Crore)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Total cash outflow for leases	6.46	6.34

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 - 2021-22	Financial Year - 2020-21
Property, Plant and Equipment comprises:		
Right-of-Use Assets - Additions during the year	1.31	1.43
Right-of-Use Assets - Net Book Value	12.47	16.57

Maturity analysis of Lease Liabilities

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Payable within one year	5.25	5.15
Payable after one year but not more than five years	8.18	12.41
Payable after more than five years	0.34	0.19
Total undiscounted Lease Liabilities	**13.77**	**17.75**
Lease liabilities included in the Consolidated Balance Sheet	**13.77**	**17.75**
Non-Current	**8.52**	**12.60**
Current	**5.25**	**5.15**

The Group has discounted lease payments using the applicable incremental borrowing rate as of 4.48% per annum (Previous Year: 4.98% per annum) for measuring the Lease Liabilities.

36 Details of dues to 'Micro and Small Enterprises as per The Micro, Small and Medium Enterprise Development Act, 2006' (MSMED) :

(Rs. in Crore)

Particulars	2021-22	2020-21
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.1.83 Crore (Previous Year : Rs.1.18 Crore)};	13.36	13.99
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	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	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.	-	-

37 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 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	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 have been summarized below :

Particulars	2021-22	2020-21
	No. of options	No. of options
Outstanding at the beginning of the year	5,81,000	9,18,500
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	2,54,000	3,37,500
Expired during the year	-	-
Outstanding at the end of the year	3,27,000	5,81,000
Exercisable at the end of the year	3,27,000	5,81,000
Weighted average remaining contractual life (in years)	0.62	1.26
Weighted average Exercise price (in Rs.)	74.76	74.76

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

The details of Exercise Price of Stock Options Outstanding as at March 31, 2021 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	4,72,500	1.10	73.50
2	32.86	76.85	49,500	1.32	76.85
3	38.44	82.90	15,000	1.53	82.90
4	45.06	101.10	23,000	1.92	101.10
5	34.97	69.40	21,000	2.41	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, 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%

As at March 31, 2021:-

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	1.10	1.32	1.53	1.92	2.41
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 3,27,000 equity shares (Previous Year : 5,81,000 equity shares) of the Parent Company which were purchased from the open market.

Subsidiary Company

The Board of Directors of CFCL Technologies Limited (merged with CFCL Ventures Limited (CVL) w.e.f. December 20, 2016) approved the 2007 Share Option Plan ('Plan') administered by compensation committee for granting stock options to certain employees of its subsidiary companies as per Management's discretion. A committee has been constituted to administer the Plan along with the Board of Directors of CVL and to determine the grant date fair value which would be the exercise price for such options.

The fair value of the shares is determined by the management on the date of the grant of the stock options to the employees pursuant to the Plan. The fair valuation has been determined using the Black-Scholes Valuation Model. The stock options vest equally over the period of 48 months and the exercise period is 10 years from the date of grant.

The following table details the Movement of Options under the Plan mentioned above:

Particulars	For the Year Ended March 31, 2022		For the Year Ended March 31, 2021	
	Number	Weighted Average Exercise Price (USD)	Number	Weighted Average Exercise Price (USD)
Options Outstanding at the Beginning	-	-	96,500	1.09
Options Granted	-	-	-	-
Option Forfeited	-	-	(96,500)	(1.09)
Options Lapsed	-	-	-	-
Options Outstanding at the End	-	-	-	-
Options Exercisable	-	-	-	-

There has been no exercise of stock options during the year.

The Subsidiary Company measures the fair value of stock options at the grant date using Black Scholes Option Pricing Model taking into account the terms and conditions upon which the share options were granted. The inputs used in the option pricing model are as below:

Fair Value per share	USD 0.04
Exercise Price	USD 1.09
Average Risk-Free Interest Rate	2.60%
Expected Volatility of Share Price	100%
Expected Life of Options Granted (in years)	6.10
Expected Dividend Yield	Nil

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

38 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 Balance Sheet:

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Assets, including Cash and Cash Equivalents- Rs. 795.11 Crore (Previous Year : Rs. 374.88 Crore)	2,605.28	1,127.67
Non-Current Assets	292.82	303.64
Current Liabilities, including Trade Payables- Rs. 1,107.28 Crore (Previous Year : Rs.1,420.03 Crore)	1,168.19	480.11
Non-Current Liabilities	52.40	56.26
Equity	**1,677.51**	**894.94**
Proportion of the Group's Ownership	**33.33%**	**33.33%**
Carrying amount of the Investment	**559.17**	**298.31**

Reconciliation of Carrying amount of the Investment in Joint Venture (Rs. in Crore)

Particulars	Amount
Carrying amount of the Investment as on March 31, 2021	**298.31**
Less: Dividend Received from Joint Venture during the year	27.89
Add: Share of Profit of Joint Venture for the year	306.38
Add: Exchange Differences on Translation for the year	(17.63)
Carrying amount of the Investment as on March 31, 2022	**559.17**

Summarised Statement of Profit and Loss of the Joint Venture : (Rs. in Crore)

Particulars	For the Financial Year Ended March 31, 2022	For the Financial Year Ended March 31, 2021
Income		
Revenue	4,337.92	2,097.22
Other Income	50.82	4.24
Total Revenue	**4,388.74**	**2,101.46**
Expenses:		
Cost of Materials Consumed	2,727.20	1,220.40
Changes in Inventories of Work-in-Process and Finished Goods	(69.55)	19.82
Employee Benefits Expense	58.29	53.61
Finance Costs	(2.45)	50.17
Depreciation and Amortization Expenses	53.14	56.30
Other Expenses	442.39	379.28
Total Expenses	**3,209.02**	**1,779.58**
Profit Before Exceptional items and Tax	**1,179.72**	**321.88**
Exceptional Items Expense/(Income)	13.95	(0.37)
Profit Before Tax	**1,165.77**	**322.25**
Tax Expense:		
Current Tax	244.47	56.76
Deferred Tax	2.17	(2.87)
Profit for the Year	**919.13**	**268.36**
Group's Share of Profit for the Year	**306.38**	**89.45**
Dividend received from Joint Venture	**27.89**	**25.48**

The Group has no contingent liabilities or capital commitments relating to its interest in IMACID as at March 31, 2022 and March 31, 2021. The joint venture has no other contingent liabilities as at March 31, 2022 and March 31, 2021. The joint venture has capital commitment of Rs. 5.68 Crore as at March 31, 2022 (Previous Year : Rs. 4.54 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, 2022	As at March 31, 2021
CFCL Ventures Limited	Cayman Islands	27.73%	27.73%

Information regarding Non-Controlling Interest (Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Accumulated balances of material Non-Controlling Interest		
CFCL Ventures Limited	(13.49)	(13.04)
Profit / (Loss) allocated to material Non-Controlling Interest:		
CFCL Ventures Limited	0.08	92.83

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, 2022	For the Financial Year Ended March 31, 2021
Income		
Other Income	2.44	3.22
Total Revenue	**2.44**	**3.22**
Expenses:		
Employee Benefits Expense	0.87	1.01
Finance Costs	-	1.79
Other Expenses	1.28	3.60
Total Expenses	**2.15**	**6.40**
Profit / (Loss) Before Tax and Exceptional Items	**0.29**	**(3.18)**
Exceptional Items (Income)	-	(337.89)
Profit Before Tax	**0.29**	**334.71**
Tax Expense:		
Current Tax	-	-
Deferred Tax Charge	-	-
Income Tax Expense	**-**	**-**
Profit after tax	**0.29**	**334.71**
Other Comprehensive Income (Net of Income Tax)	**(0.20)**	**0.25**
Total Comprehensive Income	**0.09**	**334.96**
Profit allocated to Non-Controlling Interest	0.08	92.83
Other Comprehensive Income allocated to Non-Controlling Interest	(0.53)	2.35
Total comprehensive income allocated to Non-Controlling Interest	**(0.45)**	**95.18**

Summarised Balance Sheet:

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Assets and Other Current Assets (Current)	12.08	11.48
Other Non-Current Assets (Non-Current)	4.03	8.68
Borrowings, Trade and Other Payables (Current)	1.13	5.80
Interest-bearing Borrowings and Other Non-Current Liabilities (Non-Current)	809.03	780.42
Total Equity	**(794.05)**	**(766.06)**
Attributable to:		
Non-Controlling Interest	(13.49)	(13.04)

Summarised Cash Flow Information:

(Rs. in Crore)

Particulars	For the Financial Year Ended March 31, 2022	For the Financial Year Ended March 31, 2021
Operating Activities	7.61	(6.47)
Investing Activities	(0.04)	0.02
Financing Activities	-	(3.63)
Net Increase / (Decrease) in Cash and Cash Equivalents	**7.57**	**(10.08)**

39 Figures pertaining to the subsidiaries have been re-classified wherever considered necessary to bring them in line with the Parent Company's financial statements.

40 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, 2022 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.

41 Fair Value Measurements

(i) Financial instruments by category

(Rs. in Crore)

Particulars	As at March 31, 2022			As at March 31, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial Assets						
Investments						
-Equity Shares	0.02	-	-	0.02	-	-
-Government Securities	-	-	0.00	-	-	0.00
Employee Loans	-	-	0.30	-	-	0.47
Security Deposits	-	-	8.64	-	-	8.99
Trade Receivables	-	-	2,151.30	-	-	1,174.59
Cash and Cash Equivalents	-	-	532.02	-	-	887.91
Bank Balances other than above	-	-	22.12	-	-	19.51
Derivative Financial Assets	1.42	-	-	-	-	-
Other Current Financial Assets	-	-	26.68	-	-	155.97
Total Financial Assets	**1.44**	**-**	**2,741.06**	**0.02**	**-**	**2,247.44**
Financial Liabilities						
Borrowings - Floating Rate	-	-	3,198.14	-	-	3,847.99
Borrowings - Fixed Rate	-	-	1,051.94	-	-	-
Redeemable Preference Shares	73.01	-	-	70.42	-	-
Trade Payables	-	-	1,499.83	-	-	389.04
Derivative Financial Liabilities	4.97	-	-	15.23	-	-
Lease Liabilities	-	-	13.77	-	-	17.75
Other Current Financial Liabilities	-	-	279.71	0.00	-	256.21
Total Financial Liabilities	**77.98**	**-**	**6,043.39**	**85.65**	**-**	**4,510.99**

(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, 2022

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Investment in Equity Instruments	31.03.2022	0.02	-	-	0.02
Derivative Financial Assets	31.03.2022	1.42	-	1.42	-
Assets for which fair values are disclosed (refer note 40)					
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		
			Quoted prices in active markets	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 (refer note 40)					
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.

Quantitative Disclosures and Fair Value Measurement Hierarchy for Assets as at March 31, 2021:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
Investment in Equity Instruments	31.03.2021	0.02	-	-	0.02
Assets for which fair values are disclosed (refer note 40)					
Employee Loans	31.03.2021	0.37	-	0.37	-
Security Deposits	31.03.2021	3.30	-	3.30	-

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, 2021:

(Rs. in Crore)

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Liabilities measured at fair value					
Derivative Financial Liabilities	31.03.2021	15.23	-	15.23	-
Liabilities for which fair values are disclosed (refer note 40)					
Redeemable Preference Shares	31.03.2021	70.42	-	-	70.42
Warrants	31.03.2021	0.00	-	-	0.00
Borrowings - Floating Rate	31.03.2021	3,847.99	-	3,847.99	-
Lease Liabilities	31.03.2021	17.75	-	17.75	-

There have been no transfers between level 1, level 2 and level 3 fair value hierarchy during the period.

42 The Parent Company is 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 Parent Company has made an assessment of its capital and financial resources including liquidity position and ability to service debt and other financing arrangements for next one year. The Parent Company has also assessed the recoverability of the carrying values of its assets such as property, plant and equipment, inventory, trade receivables, investments and other current assets as at March 31, 2022. There is no impact of COVID-19 on these consolidated financial statements for the financial year ended March 31, 2022 .

43 **Income Tax Expense**

The major components of Income Tax Expense are:

Profit or Loss Section

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current Income Tax:		
Current Income Tax Charge	320.17	324.03
Adjustments in respect of Current Income Tax of earlier years	16.79	5.64
Deferred Tax:		
Relating to origination and reversal of temporary differences	535.61	436.68
Less: Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(33.00)	(61.25)
Less: Minimum Alternate Tax (MAT) Credit Entitlement	(174.73)	(93.16)
Income Tax Expense reported in the Statement of Profit and Loss	**664.84**	**611.94**

Other Comprehensive Income (OCI) Section

Tax related to items recognised in OCI:

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Net (Gain) / Loss on re-measurement of Defined Benefit Plans	0.18	(0.19)
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Current Tax	21.12	17.24
Net Loss on Effective Portion of Exchange Difference re-classified to Profit or Loss on Hedging Instruments - Deferred Tax	11.79	9.65
Net (Gain) / Loss on Effective Portion of Exchange Difference on Hedging Instruments - Deferred Tax	(45.69)	54.71
Income Tax (Credit) / Charge to OCI	**(12.60)**	**81.41**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Accounting Profit Before Income Tax	**2,230.90**	**2,359.53**
At India's statutory Income Tax Rate of 34.944% (Previous Year : 34.944%)	779.57	824.51
Adjustments in respect of Current Income Tax of earlier years	16.79	5.64
	796.36	**830.15**
Tax effects of amount which are not deductible (taxable) in calculating taxable income-		
Corporate Social Responsibility Expenditure	9.78	6.87
Realisation of Short Term Capital Loss to reduce the Current Tax Expense	(2.83)	(0.39)
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(33.00)	(61.25)
Share of Net Profit of a Joint Venture accounted for using the Equity Method	(107.06)	(31.26)
Tax on Foreign subsidiary companies levied at different tax rates / no tax levied	(0.12)	(116.96)
Deduction for Education Cess	-	(4.59)
Other Non-Deductible Items	1.71	(10.63)
At the effective income tax rate of 29.80% (Previous Year : 25.94%)	**664.84**	**611.94**
Income Tax Expense reported in the Consolidated Statement of Profit and Loss	**664.84**	**611.94**

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, 2022	As at March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Deferred Income Tax Liabilities				
Property, Plant and Equipment (including other intangible assets)	2,053.72	2,106.78	(53.06)	(55.27)
Right-of-Use Assets	1.42	1.45	(0.03)	(0.15)
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	(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.	1.89	4.98	(3.09)	(3.50)
Total Deferred Income Tax Liabilities	**2,057.03**	**2,113.64**	**(56.61)**	**(58.92)**
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	0.32	0.01	0.31	(0.23)
Allowance for Doubtful Debts and Advances	22.65	22.44	0.21	5.71
Mark to Market Gain on Interest Rate Swaps	-	5.32	(5.32)	(5.35)
Leave encashment	10.46	12.27	(1.81)	0.62

(Rs. in Crore)

Particulars	Consolidated Balance Sheet		Consolidated Statement of Profit and Loss	
	As at March 31, 2022	As at March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Gratuity	4.01	3.51	0.50	0.64
Carry Forward of Losses on account of Deduction under section 35AD of Income Tax Act, 1961	431.37	988.27	(556.90)	(532.60)
Deferred Tax on cash flow hedge	46.49	41.80	4.69	(29.39)
Fair Value Loss on Financial Instrument measured at Fair Value through Profit or Loss	37.01	37.01	-	0.62
Re-measurement (Gain) / Loss on Defined Benefit Plans	1.27	1.45	(0.18)	0.19
Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	438.22	405.22	33.00	61.25
MAT Credit Entitlement	462.16	287.43	174.73	93.16
Deferred Tax Income			**(294.16)**	**(346.46)**
Total Deferred Income Tax Assets	**1,453.96**	**1,804.73**		
Net Deferred Tax Liabilities / (Assets)	**603.07**	**308.91**		

Reflected in the Balance Sheet as follows: (Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities	603.07	308.91
Net Deferred Tax Liabilities / (Assets)	**603.07**	**308.91**

Reconciliation of Deferred Tax Liabilities/ Assets (Net): (Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	308.91	(37.55)
Tax Expense during the year recognised in Consolidated Statement of Profit and Loss	535.61	436.68
Tax Expense / (Income) during the year recognised in OCI	(33.72)	64.18
Tax (Income) on Re-assessment of Deferred Tax in accordance with Taxation Laws (Amendment) Act, 2019	(33.00)	(61.25)
MAT Credit Entitlement	(174.73)	(93.16)
MAT Credit Utilisation	-	0.01
Closing Balance	**603.07**	**308.91**

The Group has long term / short term capital losses, to the tune of Rs. 461.43 Crore (Previous Year: Rs. 469.54 Crore) that are available for offsetting for one to three 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 2021-22 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. 888.36 Crore (Previous Year: Rs. 758.80 Crore).

44 Financial Risk Management Objectives and Policies

The Group's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables. 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 that derive directly 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, 2022 and March 31, 2021.

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, 2022 and March 31, 2021.

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	Effect on Profit before Tax
March 31, 2022		
USD Borrowings	+50	(18.57)
USD Borrowings	-50	18.57
March 31, 2021		
USD Borrowings	+50	(7.68)
USD Borrowings	-50	13.63

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.

Foreign Currency Sensitivity

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, 2022 (Rs. in Crore)

Currency	Assets		Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Other Receivables	Trade and Other Payables	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)

As at March 31, 2021 (Rs. in Crore)

Currency	Assets		Liabilities				Net Exposure to Foreign Currency
	Derivative Financial Assets	Other Receivables	Trade and Other Payables	Borrowings	Derivative Financial Liabilities	Interest accrued but not due on Borrowings	
USD	-	20.48	79.80	3,876.77	18.45	0.25	(3,954.79)
SGD	-	-	0.01	-	-	-	(0.01)
EURO	-	-	0.35	-	-	-	(0.35)

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	Effect on Profit Before Tax for the Year Ended March 31, 2022	Effect on Profit Before Tax for the Year Ended March 31, 2021	Effect on Other Comprehensive Income for the Year Ended March 31, 2022	Effect on Other Comprehensive Income for the Year Ended March 31, 2021
USD Sensitivity				
Rs./USD increase by 5%	(37.30)	(2.06)	(160.95)	(193.84)
Rs./USD decrease by 5%	37.30	2.06	160.95	193.84
SGD Sensitivity				
Rs./SGD increase by 5%	-	(0.00)	-	-
Rs./SGD decrease by 5%	-	0.00	-	-
EURO Sensitivity				
Rs./EURO increase by 5%	(0.03)	(0.02)	-	-
Rs./EURO decrease by 5%	0.03	0.02	-	-
JPY Sensitivity				
Rs./JPY increase by 5%	(0.01)	-	-	-
Rs./JPY 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, 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)

As at March 31, 2021 (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	-	3,847.99	-	3,847.99	30.09.2027	1:1	USD1:Rs. 66.27	465.40	(465.40)

*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, 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

For the Year Ended March 31, 2021 (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	156.56	-	76.95	Revenue from Operations

Movements in Cash Flow Hedging Reserve (Rs. in Crore)

Risk Category	Foreign Currency Risk	
	Financial Year 2021-22	Financial Year 2020-21
Derivative Instruments		
Cash Flow Hedging Reserve		
Opening at the beginning of the Year	**(230.02)**	**(381.93)**
Add: Changes in Borrowings	(130.74)	156.56
Add: Amounts reclassified to profit or loss	94.17	76.95
Less: Current Tax relating to above	21.12	17.24
Less: Deferred Tax relating to above	(33.90)	64.36
Closing at the end of the Year	**(253.81)**	**(230.02)**

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 manfacturer 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 into 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.

(Rs. in Crore)

Particulars	Other Non Current Assets	Trade Receivables	Other Current Assets	Other Current Financial Assets
Allowance as at April 01, 2020	**2.99**	**16.60**	**45.09**	**3.20**
Allowance made during the financial year 2020-21	0.20	0.55	-	-
Allowance written off / (written back) during the financial year 2020-21	-	(0.64)	(0.45)	(0.12)
Foreign Currency Translation Difference	(0.10)	-	-	(0.05)
Allowance as at March 31, 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**	**-**

(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, 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**
As at March 31, 2021						
Borrowings	771.60	771.60	771.60	1,213.60	348.37	3,876.77
Redeemable Preference Shares	-	-	-	-	70.42	70.42
Lease Liabilities	5.15	5.06	4.68	2.67	0.19	17.75
Other Financial Liabilities	258.24	-	-	-	-	258.24
Trade and Other Payables	402.24	-	-	-	-	402.24
Total	**1,437.23**	**776.66**	**776.28**	**1,216.27**	**418.98**	**4,625.42**

45 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, 2022	As at March 31, 2021
Equity Share Capital	416.21	416.21
Other Equity	5,983.37	4,832.58
Debts (Long Term and Short Term both (including Current Maturities))*	4,323.09	3,918.41
Total	**10,722.67**	**9,167.20**

*The above debt includes Rs. 3,198.14 Crore (Previous Year: Rs. 3,847.99 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 2021-22	Achieved - Financial Year 2021-22	Required - Financial Year 2020-21	Achieved - Financial Year 2020-21
1	Total outstanding Liabilities to Tangible Net worth	Ratio should be ≤ 2.50:1	1.08:1	Ratio should be ≤ 2.75:1	0.96:1
2	Total Debts to EBITDA	Ratio should be ≤ 4.00:1	1.64:1	Ratio should be ≤ 4.75:1	1.51:1
3	Fixed Assets Cover Ratio	Ratio should be ≥ 1.25:1	1.50:1	Ratio should be ≥ 1.25:1	1.69:1
4	Debt Service Coverage Ratio	Ratio should be ≥ 1.20:1	2.55:1	Ratio should be ≥ 1.20:1	2.36:1

46 Distribution Made and Proposed

(Rs. in Crore)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash Dividend on Equity Shares Declared and Paid:		
Dividend (during the year ended on March 31, 2022: at the rate of Rs. 4.50 per equity share and March 31, 2021: Nil)	187.29	-
Interim Dividend (during the year ended on March 31, 2022 at the rate of Rs. 4.50 per equity share and March 31, 2021 at the rate of Rs. 3.00 per equity share)	187.29	124.86
Total	**374.58**	**124.86**
Proposed Dividend on Equity Shares:		
Final Dividend (for the year ended on March 31, 2022: at the rate of Rs. 3.00 per equity share, for the year ended on March 31, 2021: at the rate of Rs. 4.50 per equity share)	124.86	187.29
Total	**124.86**	**187.29**

47 Assets classified as Held for Sale

(Rs. in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Property, Plant and Equipment classified as Held for Sale :		
- Plant and Equipment *	0.36	0.23
- Office Equipment	-	0.00
- Factory Equipment	0.01	-
- Vehicles	0.00	-
Total	**0.37**	**0.23**

* net of loss Nil (Previous Year: Rs. 0.51 Crore) for write down of Plant and Equipment.

48 Additional information pursuant to Schedule III of Companies Act, 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2021-22 and 2020-21

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**

Financial Year 2020-21									
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	95.29	4,989.35	75.70	1,322.91	94.15	168.77	77.41	1,491.68
	Indian Subsidiaries								
1	Chambal Infrastructure Ventures Limited	0.08	4.14	0.01	0.11	-	-	0.01	0.11
2	ISG Novasoft Technologies Limited	0.11	5.70	(0.06)	(1.00)	0.00	0.00	(0.05)	(1.00)
	Foreign Subsidiaries								
1	India Steamship Pte. Ltd. #	-	-	-	-	-	-	-	-
2	CFCL Ventures Limited	(1.09)	(57.32)	13.99	244.49	4.54	8.14	13.11	252.63
3	ISGN Corporation	0.16	8.61	(0.07)	(1.20)	-	-	(0.06)	(1.20)
	Non-Controlling Interests in Subsidiary								
	CFCL Ventures Limited	(0.25)	(13.04)	5.31	92.83	1.31	2.35	4.94	95.18
	Interests in Joint Venture (as per Equity Method)								
	Indo Maroc Phosphore S.A - IMACID	5.70	298.31	5.12	89.45	-	-	4.64	89.45
	Total	**100.00**	**5,235.75**	**100.00**	**1,747.59**	**100.00**	**179.26**	**100.00**	**1,926.85**

Dissolved on April 06, 2020

Note: Above figures for net assets and share in profit or (loss) of entities are after elimination of all intra group transactions.

49 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.

50 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, 2022 under section 186 (4) of the Companies Act, 2013.

51 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**

Changes in Financial Liabilities arising from Financing Activities for Financial Year 2020-21

(Rs. in Crore)

Particulars	As at March 31, 2020	Receipt	Repayment	Foreign Exchange Variation (Net)	Foreign Currency Translation	Transaction Cost and Others * / **	As at March 31, 2021
Long Term Borrowings	4,680.14	-	(684.44)	(156.56)	-	8.85	3,847.99
Short Term Borrowings	3,924.16	-	(3,924.16)	-	-	-	-
Supplier's Credit	1,009.47	3,407.88	(4,357.36)	(59.99)	-	-	-
Line of Credit	60.53	-	(60.53)	-	-	-	-
Redeemable Preference Shares*	417.42	-	-	-	(9.11)	(337.89)	70.42
Lease Liabilities **	21.22	-	(6.34)	-	-	2.87	17.75
Total	**10,112.94**	**3,407.88**	**(9,032.83)**	**(216.55)**	**(9.11)**	**(326.17)**	**3,936.16**

** Represents movement in Lease Liabilities on account of addition and interest expenses.

* During the Previous Year, one of the preference shareholders of CFCL Ventures Limited, Cayman Islands ("CVL"), a subsidiary of the Parent Company, had irrevocably surrendered and relinquished voluntarily all the preference shares held in CVL including all the related rights and interest therein. The amount of Rs. 337.89 Crore in "Transaction Cost and Others" column represents the write back of liability on account of aforesaid surrender and relinquishment of preference shares.

52 During the Previous Year, one of the preference shareholders of CFCL Ventures Limited, Cayman Islands ("CVL"), a subsidiary of the Parent Company, had irrevocably surrendered and relinquished voluntarily all the preference shares held in CVL including all the related rights and interest therein. Consequent to aforesaid surrender and relinquishment, liability on account of preference shares have been written back and the same had been disclosed as 'Exceptional Items' in note 24 in the Consolidated Statement of Profit and Loss for the financial year ended March 31, 2021.

53 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, 2022	Amount of Transaction for the Year Ended March 31, 2022	Outstanding Balance Receivable as at March 31, 2022	% Shareholding as at March 31, 2021	Amount of Transaction for the Year Ended March 31, 2021	Outstanding Balance Receivable as at March 31, 2021
The Hindustan Times Limited	Rent and Maintenence Expenses	14.26	0.27	0.06	14.26	0.27	0.11

54 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. 123.01 Crore (Previous Year: Rs. 119.92 Crore).

55 (a) The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 01, 2021. Consequent to above, the Group has changed the classification / presentation of current maturities of long-term borrowings in the current year.The Group has re-classified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such re-classifications is summarised below:

(Rs. in Crore)

Balance Sheet (extract)	As at March 31, 2021 (as previously reported)	Change due to re-classification	As at March 31, 2021 (restated)
Note 14C: Other Financial Liabilities: Increase / (Decrease)	1,042.89	(771.60)	271.29
Note 14A: Current Borrowings: Increase / (Decrease)	-	771.60	771.60

(b) During the Previous Year, the Parent Company was presenting 'Mark to Market (Gain) / Loss on derivative instruments related to borrowings' under 'Other Income' and 'Foreign exchange variation (Gain) / Loss on borrowings' under 'Other Income' or 'Other Expenses' as appropriate. During the financial year, the Parent Company had elected to present 'Mark to Market (Gain) / Loss on derivative instruments related to borrowings' and 'Foreign exchange variation (Gain) / Loss on borrowings' under 'Finance Costs', so as to better reflect the operational performance of the Parent Company. In view of this, figures for corresponding year ended March 31, 2021 have also been re-classified. The above said change in presentation has no impact on these financial statements, except re-classification of the figures as mentioned below:

(Rs. in Crore)

Statement of Profit and Loss (extract)	For the Year Ended March 31, 2021 (as previously reported)	Change due to re-classification	For the Year Ended March 31, 2021
Note 18: Other Income: Increase /(Decrease)	(1.08)	10.02	8.94
Note 22: Finance Costs: (Increase) / Decrease	-	(10.02)	(10.02)

56 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 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 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	-	-

(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 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	-	-
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.

57 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. 461.63 Crore (Previous Year: Rs. 469.54 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 one to three years and may be used to offset taxable long term/short term capital gains in the future. At present, the Group does not have any tax planning opportunities available that could support the recognition of these capital losses as deferred tax assets. 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 124.53 Crore (Previous Year: Rs.127.36 Crore). Further details on taxes are disclosed in note 43 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, 2022 includes a credit of Rs. 33.00 Crore (Previous Year: Rs. 61.25 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 32 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 41.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/ N500016
Chartered Accountants

Pramit Agrawal
Partner
Membership No - 099903

Place : New Delhi
Date : May 19, 2022

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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022

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	(5.11)	4.29	0.00 *	-	0.21	0.20	0.05	0.15	-	100.00
2	CFCL Ventures Limited	19.03.2007	USD	1 USD = INR 75.80	0.00 *	(806.44)	2.63	809.06	-	-	(0.20)	-	(0.20)	-	72.27
3	ISGN Corporation(1)	04.09.2007	USD	1 USD = INR 75.80	0.65	(54.38)	10.04	63.77	-	83.49	82.73	-	82.73	-	72.27
4	ISG Novasoft Technologies Limited (1)	25.11.2003	INR	-	36.23	(30.74)	6.02	0.53	-	0.97	(0.23)	-	(0.23)	-	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	31.03.2022	20.11.1997	206666	85.13 *	33.33	Holding more than 20% shares and joint control	Not Applicable	559.17	306.38	612.75

* The fair value of investment in the books of accounts of the Company as on March 31, 2022 is Rs. 285.87 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

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Company Secretary

Place : New Delhi
Date : May 19, 2022