



## AGRO PHOS INDIA LIMITED

To,

Date: 05.09.2024

National Stock Exchange of India Ltd  
Exchange Plaza, 5th Floor  
Plot No.C-1, G Block  
Bandra-Kurla Complex  
Bandra (East), MUMBAI 400 051

Dear sir/Madam,

**NSE SYMBOL: AGROPHOS**

**Sub: Submission of Annual Report of the Company for the Financial Year 2023-24 pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).**

In terms of Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report for the Financial Year 2023-24 along with the Notice of the Annual General Meeting being dispatched to shareholders of the Company through electronic mode whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The 22<sup>nd</sup> Annual General Meeting ('AGM') of the Company will be held on Friday, September 27, 2024 at 12.30 p.m. IST, at Hotel Rasa Royal situated at 93-B, WB Scheme No. 94, Near Bombay Hospital, Vijay Nagar, Indore (MP) 452006.


The Annual Report of the Company is also available on the website of the Company at <https://www.agrophos.com>


Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We request you to kindly take the above on your record.

Thanking You.

Yours Faithfully  
For Agro Phos (India) Limited

  
Reena Saluja  
Company Secretary and Compliance Officer  
M No.: A55665







# AGRO PHOS

## 22<sup>ND</sup> ANNUAL REPORT (FY 2023-2024)

**REGISTERED OFFICE:**

M-87, Trade Centre 18M, South Tukoganj, Indore (M.P.) 452001

0731-2529488-89-90-91

info@agrophos.com / agrophos@rediffmail.com

www.agrophos.com



**Agro Phos**

**Agro Phos (India) Limited**

*CORPORATE INFORMATION*

**NAME OF THE COMPANY**

Agro Phos (India) Limited

**CIN**

L24123MP2002PLC015285

**BOARD OF DIRECTORS**

1. Mr. Raj Kumar Gupta
2. Mr. Vishnu Kant Gupta
3. Mr. Abhishek Kalekar
4. Ms. Shweta Bhamare
5. Mr. Chandresh Kumar Gupta
6. Mr. Mahesh Kumar Agarwal

Chairperson & Managing Director  
Whole-time Director  
Non-Executive Director  
Independent Director  
Independent Director  
Independent Director

**COMPANY SECRETARY**

CS Reena Saluja

**CHIEF FINANCIAL OFFICER**

Mr. Vishnu Kant Gupta

**STATUTORY AUDITOR**

Ashok Khasgiwala & Co., LLP  
Chartered Accountants  
702, Shekhar Central, Palasia Square,  
A.B. Road, Indore (MP)-452001

**WORKS**

Fertilizer Manufacturing Units  
1) Dewas Unit  
13 A/2, Industrial Area, A.B. Road,  
Dewas, Madhya Pradesh

**COST AUDITOR**

M/s. M.P. Turakhia & Associates

2) Meghnagar Unit  
135A-138A, Industrial Area, Meghnagar,  
Jhabua, Madhya Pradesh

**SECRETARIAL AUDITORS**

M/s. Neelesh Gupta & Co.,  
Practicing Companies Secretaries

**REGISTRAR & SHARE TRANSFER AGENT**

**Bigshare Services Pvt. Ltd.**  
Office No S6-2, 6th Floor, Pinnacle Business Park  
Next to Ahura Centre, Mahakali Caves Road  
Andheri (East) Mumbai – 400093, Maharashtra  
Tel: 91-22-6263 8200  
Fax: +91-22-6263 8299  
Email : investor@bigshare.com  
Website: www.bigshareonline.com

**BANKERS**

Axis Bank Ltd.  
Canara Bank Ltd.

**REGISTERED OFFICE**

M-87, Trade Centre 18M, South  
Tukoganj, Indore (M.P.) 452001  
Tel No.: +9107312529488/89/90/91  
Email : info@agrophos.com

**STOCK EXCHANGE LISTING**

The National Stock Exchange of India Ltd.  
Exchange Plaza, 5th Floor,  
Plot No. C-1, Bandra Kurla Complex  
Bandra (East), Mumbai -400051

**22<sup>nd</sup> Annual General Meeting will be held on Friday, 27<sup>th</sup> September 2024 at 12:30 P.M. at Hotel Rasa Royal situated at 93-B, WB Scheme No. 94, Near Bombay Hospital, Vijay Nagar, Indore (MP) 452006**





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## Overview

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Incorporated in 2002, our Company M/s. Agro Phos (India) Limited is an ISO 9001:2008 certified Company engaged in the manufacturing of fertilizer products such as Single Super Phosphate (SSP)-all variants, Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, PROM, PDM, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. Our Company also undertakes trading of Diammouium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer. The registered office of the Company is situated at M-87, Trade Centre 18M, South Tukoganj, Indore, Madhya Pradesh- 452001.

Our manufacturing facilities are located at Dewas and Meghnagar, Madhya Pradesh and are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. Our manufacturing process is completely integrated from procurement of raw materials and final testing and packing of fertilizers for direct use of our customers.

**Our Company is well equipped with in-house testing laboratory accredited with NABL to test the products as per quality standards and relevant chemical composition.** In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well. Apart from providing quality products at an affordable cost, our Company also emphasizes on the product reach through its distribution network. We have over 200 dealers and distributors.

Our Company also takes part in various educational awareness programs for farmers. Farmer suicide has become a major concern since being an agrarian country, a large percentage of population in our Country is dependent on agriculture.

## Vision

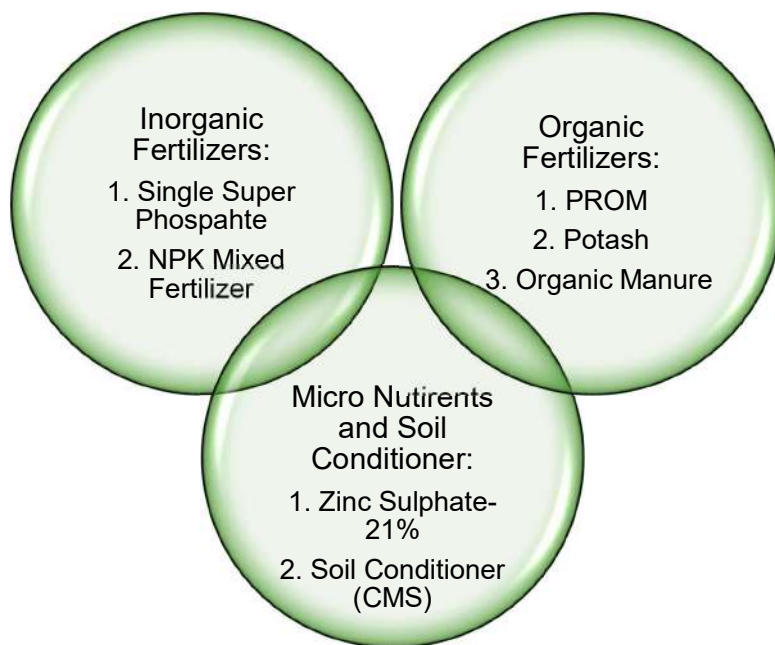
To be a leading national enterprise with global aspirations, effectively pursuing multiple growth opportunities, maximizing returns to the stakeholders, remaining socially and ethically responsible.

## Mission

To provide our customers with premium quality products in a safe, reliable, efficient and environmentally sound manner, deliver exceptional services and customer support, maximizing returns to the shareholders through core business and diversification, providing a dynamic and challenging environment for our employees.

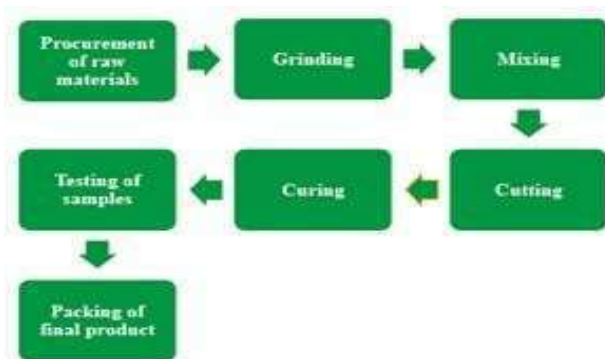


### Products Category



## Manufacturing Process

### I. Single Super Phosphate (SSP)



Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of SSP is Rock Phosphate and Sulphuric acid. The procurement of Rock Phosphate is fulfilled by importing the same from countries like Egypt, Jordan, etc. The requirement of Sulphuric acid is met by purchasing the same from local vendors. After the procurement of raw materials, the manufacturing process starts in Grinding mill where Rock Phosphate is grinded and then the grinded rock phosphate is moved to mixer where Sulphuric acid and water is added. The mixture is then mixed properly and is moved via the den machine to cutter to cut the huge chunks of mixture into powder form. Our Company manufactures both powder and granulator SSP. The manufacturing process of powdered and granulated SSP is same till the mixing process and after this process the mixture is then treated separately.

### Powdered SSP

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place and samples of the final product is sent to the in house laboratory for testing and quality check to ensure that the final product contains the required chemical composition. Once the samples pass the final quality check the product is then sent to hopper for packing the same into HDPE bags for dispatch.



### Granulated SSP

After the mixing process, the mixture is then moved for further curing process, wherein the drying and mixing of SSP takes place. After the curing process, the mixture is moved via crane to granulation drum where water is added and then the granulated mixture is moved via conveyor belt to dryer drum wherein the mixture is heated at a temperature of around 1000 degree Celsius. After the heating process, the mixture is then moved to the cooler drum to extract moisture and then the product moves to the vibrating screen to ensure that the granules are of adequate and required size. The samples of granulated SSP now move to the in house laboratory (NABL accredited) for final testing and quality check and to determine whether the product contains the required chemical composition or not. After the samples pass the final quality check, the product is then sent to hopper for packing the same into HDPE bags for dispatch.

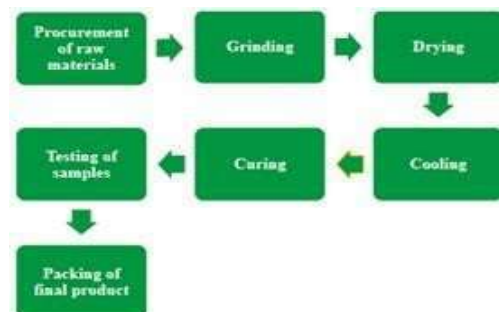


Apart of these products, our SSP products are also sold with various other names as per their content such as Boronated Single Super Phosphate having Boron Content and Zincated Single Super Phosphate having Zinc content, both sold in Powder form and Granular Form. One more product named Zincated and Boronated SSP having both content Zinc plus Boron.



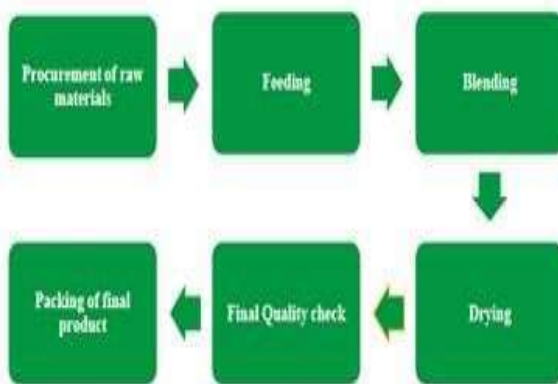
## II. Nitrogen Phosphorus and Potassium (NPK)-Mixed Fertilizer

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of NPK is Nitrogen, Phosphate and Potassium. After the procurement of raw materials, actual manufacturing process

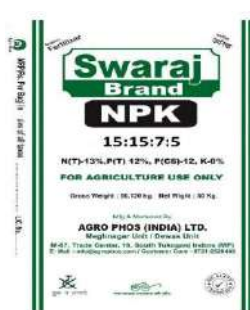
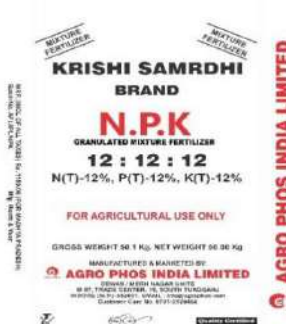




starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.



After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory (NABL accredited) to ensure that the final product is of adequate quality and contains the required chemical composition. Our Company manufactures NPK of varied chemical compositions. Our in house laboratory checks whether different types of NPK contains the required chemical composition as per the said chemical formulae. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.



### III. Organic Manure

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of organic manure is Neem DOC, Castor DOC, Karanja DOC, Mahua DOC and Tobacco dust. These raw materials are procured from the local market and before the manufacturing process the raw material undergo a quality check to check the final quality and chemical composition.

These raw materials are fielded in the hopper as per the required chemical composition, stated as under:

- Neem DOC: 30%
- Castor DOC: 25%
- Karanja DOC: 5%
- Mahua DOC: 5%
- Tobacco dust: 35%

The chemical composition of the required raw materials can be changed depending upon their availability.

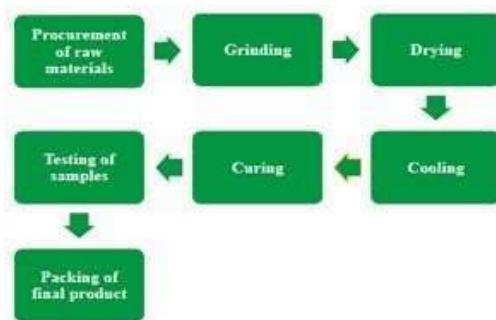
After feeding the raw materials in the feeder, the materials are then moved to the blending machine via conveyor belt. The materials are blended properly in the blender and then the mixture moves to the drying machine to extract moisture from the final product.

The next process is the quality check to ensure that the final product is of adequate quality and contains the required chemical composition. If the final product passes the quality check, then the same is packed into HDPE bags for final dispatch. We use gazette bags for packing of our products. These bags are very easy to handle and facilitates easy stacking as well.

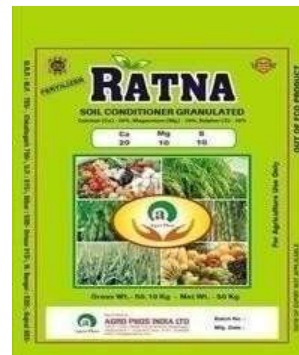
#### IV. Soil Conditioner (Calcium Sulphate)

Our manufacturing process starts with procurement of raw materials. Major raw materials required for manufacturing of soil conditioner is calcium sulphate, magnesium sulphate and sulphur. All the required raw materials are procured from the local market.

After the procurement of raw materials, the raw materials undergo a quality check to ensure that the raw materials are of required quality. The actual manufacturing process starts with Granulation as the first step. In this step, raw materials are mixed with water to form granules. These granules are then moved to the drying drum via conveyor belt to dry the granules.



After this process, the granules are moved to the coolant drum to extract moisture and then the product passes through the vibrating screen to ensure that the product is available in various sizes. The final product then passes a quality check in the in house laboratory to ensure that the final product is of adequate quality and contains the required chemical composition. Our product, soil conditioner is sold under the brand name – "Ratna".





Our Company manufactures soil conditioner of a notified chemical composition mentioned below: Soil Conditioner (20, 10, 10): This fertilizer contains 20% Calcium Sulphate, 10% Magnesium Sulphate and 10% Sulphur.

### V. Zinc Sulphate -21%

Our Company is manufacturing Zinc Sulphate -21% heptahydrate which is recommended for soil application, Zinc is a naturally occurring mineral. Zinc is important for growth and for the development and health of crops. Zinc sulfate is used to treat and to prevent zinc deficiency, it is produced in powder form that is colorless and completely water soluble. Our product Zinc Sulphate is sold with the same name as –Ratna as like calcium sulphate.



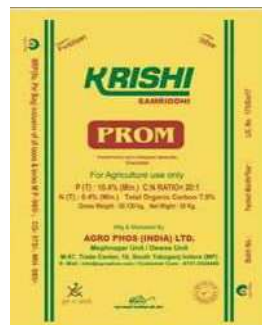
### VI. Potash

Potash derived from molasses (PDM): Potassium Rich Fertilizer Recently our company has introduced a new product with the name as PDM. The process of manufacturing of the same is like, First Spent Wash Ash (K2O-23% Minimum) with bentonite powder in ratio of 50% 50% as well as filler mixes properly and then sent this mixture to main hopper through conveyor belt and then sent to Granulator for Granules and again passes to dryer where the hot air passes at the Temp. of 600 to 700 degree centigrade and then passes to cooling drum which completes its production, After this, it is finally sent to the packing plant where the 90% finished material passed through 2 mm to 4mm sieve and then comes to the hopper for packing, rest material is again recycled to the same process. The finished goods i.e P.D.M. Granulated packed in 50 kg. under Brand “KRISHI SAMRIDHI” bags for market after quality checked as per FCO 1985 norms.



### VII. PROM

Phosphate Rich Organic Manure (PROM) is an organic fertilizer rich in phosphorus, including bio particles, rock phosphate, and organic debris, which collectively enhance various soil factors. It acts as basic nutritional food for soil when sowing and improves the soil structure. The presence of Phosphorus, Nitrogen & Organic Carbon helps to keep the luster/moisture of soil, The product is sold by our Company under the Brand name “Krishi Samridhi”.





## Chairperson & Managing Director's Message

*Dear Shareholders, It is my honor and privilege to interact with you as the Chairperson of the Board at Agro Phos (India) Limited.*

*During the year, Ministry of Chemicals and Fertilizers, issued Officer Memorandum having No. 23011/10/2023-P&K dated 26.09.2023, regarding revision on the prices of P&K fertilizers. Such Companies has to ensure minimum Retails Price of various grades of P& K fertilizers in accordance with the subsidy rates.*

*During the year under review, Company has entered MOU with The Maharashtra Agro Industries Development Corporation Limited (Government of Maharashtra) for Exclusive Supply of SSP of 25227 Ton of SSP under the Brand of "Krishi Samridhi" on 01.03.2023*

*Company has entered MOU with Brahmaputra Valley Fertilizer Corporation Limited for supply of 25000 Ton of SSP on 12.01.2023.*

*Company has also entered MOU with Matix Fertilizer & Chemical Limited for supply of 18700 Ton of SSP on. This agreement was further amended on September 5, 2023, to include an additional 30,000 MT of SSP, bringing the total to 77,400 MT for FY 2023-2024.*

*On 14.03.2024, the Company has entered into MOU with Matix Fertilizer & Chemical Limited for supply of 60000 Ton of SSP valid for period 17.04.2024 to 31.03.2025.*

*The Company has entered MOU with Hindustan Urvarak and Rasayan Limited on 28.05.2024 for the period 28.05.2024 till 27.05.2025 for supply of 125350 MT of SSP.*

*Company has good number of contract in hand and Your Company is hopeful to fulfil all of them*

*Direct Benefit Transfer (DBT) project for fertilizer subsidy payment:  
Department of Fertilizers (DoF) has implemented Direct Benefit Transfer (DBT) project for fertilizer subsidy payment with a view to improve fertilizer service delivery to farmers. Under the fertilizer DBT system, 100% subsidy on various fertilizer grades is released to the fertilizer companies on the basis of actual sales made by the retailers to the beneficiaries Sale of all subsidized fertilizers to farmers/buyers is made through Point of Sale (PoS) devices installed at each retailer shop and the beneficiaries are identified through Aadhaar Card, KCC, Voter Identity Card etc.*

*Company have recorded a total income as 10776.84 Lacs as compared to the last year 13135.40 Lacs and total revenue this year contains 10714.28 Lacs from operation and rest 62.57 Lacs as other income in the same way company have earned this year PAT of (525.58) Lacs as compared to 500.36 Lacs in previous year, total decrease in PAT due to reduction in subsidy allocation by the Government of India for the fertilizer industry and the lack of adequate rainfall during the current financial year. However, we are confident that your company has tremendous growth potential for upcoming year.*

*On behalf of the Agro Phos (India) Limited, I would like to wholeheartedly thank my fellow colleagues at the factories and at administrative office as with the support and guidance of top level management and senior executive and immense hard work by ground level staff we have ensured another year of successful business operations.*

*In the last on behalf of the Board of Directors, I would like to thank all our stakeholders, including our customers, shareholders, banking partners, channel partners, and the government for supporting us in our journey. With all your continued support and the blessings of the almighty, I eagerly look forward to the upcoming year. Wish you all a healthy and safe life ahead.*

**With Warm Regards**  
**Sd/-**  
**Raj Kumar Gupta**  
**Chairperson**

**NOTICE OF 22<sup>ND</sup> ANNUAL GENERAL MEETING**

Notice is hereby given to all the members of the Company that the 22nd Annual General Meeting of the Company will be held on Friday, 27th September 2024 at 12:30 P.M. at Hotel Rasa Royal situated at 93-B, WB Scheme No. 94, Near Bombay Hospital, Vijay Nagar, Indore (MP) 452006 at 12:30 P.M. to transact the following business:

**ORDINARY BUSINESS**

**1. Adoption of Audited Financial Statements**

- a) To receive, Consider and adopt the Audited Standalone Financial Statements of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31<sup>st</sup> March, 2024 together with the report of the Board of Directors & Auditors thereon.
- b) To receive, Consider and adopt the Audited Consolidated Financial Statements of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31<sup>st</sup> March, 2024 together with the report of the Board of Directors & Auditors thereon.

**2. Appointment of Mr. Raj Kumar Gupta (DIN: 00244925) as Director, liable to retire by rotation.**

To appoint a Director in place of Mr. Raj Kumar Gupta (DIN: 00244925) who retires by rotation and, being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

**3. To appoint Ms. Shweta Bhamare (DIN: 10499418) as an Independent Director of company**

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

**“RESOLVED THAT** Ms. Shweta Bhamare (DIN: 10499418), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 09<sup>th</sup> February, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Ms. Shweta Bhamare (DIN: 10499418), who was appointed by the Board of Directors as an Additional Director of the Company under the category of Independent Director with effect from 09<sup>th</sup> February, 2024 in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Articles of Association of the Company and a declaration has been received from her confirming that she meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) Consecutive Years w.e.f 09<sup>th</sup> February, 2024 up to 08<sup>th</sup> February, 2029, and her office shall not be liable to retire by rotation.”



4. **To appoint Mr. Mahesh Kumar Agarwal (DIN: 07609432) as an Independent Director of company**  
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Mahesh Kumar Agarwal (DIN: 07609432), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 17<sup>th</sup> August, 2024 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, Mr. Mahesh Kumar Agarwal (DIN: 07609432), who was appointed by the Board of Directors as an Additional Director of the Company under the category of Independent Director with effect from 17<sup>th</sup> August, 2024 in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Articles of Association of the Company and a declaration has been received from him confirming that he meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) Consecutive Years w.e.f 17<sup>th</sup> August, 2024 up to 16<sup>th</sup> August, 2029, and his office shall not be liable to retire by rotation.”

5. **To approve continuation of directorship of Mr. Abhishek Kalekar (DIN: 07758751), as Non-Executive Director in terms of Regulation 17 (1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

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

**“RESOLVED THAT** pursuant to Regulation 17 (1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of the Members be and is hereby accorded to continue and hold office of Non-Executive Director of the Company by Mr. Abhishek Kalekar (DIN: 07758751).”

the Board of Directors and/or Company Secretary, be and are hereby authorized severally to **“RESOLVED FURTHER THAT** do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto.”

6. **To approve material related party transaction limits with APIndia Biotech Private Limited:**

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

**“RESOLVED THAT** pursuant to the Section 188 and applicable provisions of the Companies Act, 2013 (“Act”) read with the applicable rules issued under the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company’s Policy on “Materiality of Related Party Transactions and also on dealing with Related Party Transactions” and all other applicable

laws and regulations, as amended, supplemented or re-enacted from time to time, and pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Company to enter into contract(s)/arrangement(s)/transaction(s) with **APIndia Biotech Private Limited**, a related party of the Company, for effecting sale and/or purchase of products for an amount not exceeding in the aggregate **Rs. 30,00,00,000/-** (Rupees Thirty Crores only) for the financial year 2024-2025, provided that the said transactions are entered into/ carried out on arm's length basis and on such terms and conditions as may be considered appropriate by the Board of Directors (including any authorized Committee thereof.)”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (which includes any Committee of the Board) be and are hereby authorized to do all necessary acts, deeds, things and execute all such documents, undertaking as may be necessary in this regard from time to time to give effect to the above resolution.”

**7. To ratify material related party transaction limits with APIndia Biotech Private Limited for FY 2023-2024:**

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

**“RESOLVED THAT** pursuant to the Section 188 and applicable provisions of the Companies Act, 2013 (“Act”) read with the applicable rules issued under the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded to ratify the contract(s)/arrangement(s)/transaction(s) entered with **APIndia Biotech Private Limited**, a related party of the Company, for effecting sale and/or purchase of products for an amount not exceeding in the aggregate **Rs. 24,53,27,418/-** (Rupees Twenty Four Crores Fifty Three Lacs Twenty Seven Thousand Four Hundred And Eighteen only) for the financial year 2023-2024, provided that the said transactions was entered into/ carried out on arm's length basis and on such terms and conditions as considered appropriate by the Board of Directors (including any authorized Committee thereof.) and deemed beneficial and was in the interest of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (which includes any Committee of the Board) be and are hereby authorized to do all necessary acts, deeds, things and execute all such documents, undertaking as may be necessary in this regard from time to time to give effect to the above resolution.”

**8. Confirmation of payment of remuneration to cost auditors M/s M.P. Turakhia & Associates for the financial year ending March 31, 2025.**

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

**“RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to **M/s. M.P. Turakhia & Associates**, Cost Accountants having Firm Registration Number 000417, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2024, amounting to Rs. 1,40,000 (Rupees One Lac Forty Thousand only) plus Goods and Services Tax and **reimbursement of out-of-pocket expenses**, be ratified.”

**“FURTHER RESOLVED THAT** approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

**Notes:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. In terms of Sec. 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
5. **Appointment / Re- Appointment of Directors**

At the ensuing Annual General Meeting Mr. Raj Kumar Gupta (DIN: 00244925) who is liable to retire by rotation and being eligible offer themselves for re- appointment.

Detail of the above persons are as below:

<b>Name of Director</b>	Mr. Raj Kumar Gupta
Designation	Managing Director
Date of Birth	01.04.1975
Date of Appointment on Board	24.09.2002
Date of appointment at current Designation	08.03.2022
Qualification	Graduate
Directorship in other companies	NA
No. or % of holding in Company	4300435

6. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the –Act) in respect of item no. 2 of the notice set out above, is annexed hereto.
7. Register of Members and Share Transfer Books of the Company will remain closed from 20 September, 2024 to 27<sup>th</sup> September, 2024 (both days inclusive).
8. SEBI vide notification dated June 08, 2018 have conveyed amendment to Regulations 7 and 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which enforced w.e.f. December 05, 2018, which made it mandatory in case of transfer of securities of the Company cannot be processed unless the securities are held in dematerialized form with a depository, the said requirement of Dematerializations is not mandatory in case of Transmission or Transposition of Shares or one can hold securities in physical form until the securities are not intended for transfer, in view of the above, we request the shareholders holding shares in physical form to kindly dematerialize equity shareholding in Agro Phos (India) Limited.

9. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company viz. Bigshare Services Pvt. Ltd. Located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra. having email Id: charmi@bigshareonline.com/ investor@bigshareonline.com to receive the soft copy of Annual Report of the Company.
10. Members are requested to:
  - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
  - b. Send their questions at least 10 days in advance of the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.
11. All documents referred to in the accompanying Notice and Explanatory Statements are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting.
12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
13. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, and May 13 2022 Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. are being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members may note that the Notice and Annual Report 2024 will also be available on the Company's website [www.agrophos.com](http://www.agrophos.com), websites of the Stock Exchange, i.e. NSE Limited at [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically.

  - (a) For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the RTA at: [charmi@bigshareonline.com](mailto:charmi@bigshareonline.com)
  - (b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
14. At the meeting, after all the items of the notice have been discussed, the Chairperson will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for the same as stated above. After conclusion of the poll, the Chairperson may declare the meeting as closed.
15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.agrophos.com](http://www.agrophos.com) not later than 2 (two) days of passing of the resolution at the Annual General Meeting of the Company and will be communicated to the Stock Exchange(s).
16. Members may also note that the Notice of Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot/Poll Paper and the Annual Report for the year 2023-2024 will also be available on the company website [www.agrophos.com](http://www.agrophos.com) for their download. For any communication, the shareholders may also send request to the company on the aforementioned Email ID.
17. In accordance with Regulation 44 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 22 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to shareholders through such e- voting system. Notice of this meeting has been sent to all the shareholders who have registered their e-mail id's with the Company or the Registrar and Transfer Agent/ Depository Participants. Necessary arrangements have been made by the Company with National Securities Depository Limited (NSDL) to facilitate e-voting.



**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -**

The remote e-voting period begins on 24<sup>th</sup> September, 2024 at 9:00 A.M. and ends on 26<sup>th</sup> September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20, September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20, September, 2024.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of –Two Steps which are mentioned below: .

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDEAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally,</li> </ol>

	<p>there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <ol style="list-style-type: none"> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing <del>any technical issue in</del> login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.



7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to neeshcs2004@yahoo.co.in with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.com](mailto:evoting@nsdl.com).

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@agrophos.com](mailto:cs@agrophos.com) or the RTA at: [charmi@bigshareonline.com](mailto:charmi@bigshareonline.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to by email to [cs@agrophos.com](mailto:cs@agrophos.com) or the RTA at: [charmi@bigshareonline.com](mailto:charmi@bigshareonline.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting for Individual shareholders holding securities in demat mode](#).
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED  
Sd/-

Place: Indore  
Date:03.09.2024

RAJ KUMAR GUPTA  
MANAGING DIRECTOR  
DIN: 00244925

**Annexure**  
**to the Notice EXPLANATORY STATEMENT**  
**(Pursuant to Section 102(1) of the Companies Act, 2013)**

**ITEM NO. 3**

Ms. Shweta Bhamare was appointed as an Additional Director of the Company in the category of Non-Executive Independent Director by the Board of Directors with effect from 09<sup>th</sup> February, 2024 in terms of the provisions of The Companies Act, 2013, she holds office till the conclusion of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from Member proposing the candidature of Ms. Shweta Bhamare for the office of Independent Director of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Ms. Shweta Bhamare, being eligible for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 08<sup>th</sup> February, 2029.

**Brief Profile:**

Ms. Shweta Bhamare is a member of Institute of Company Secretaries of India (ICSI). She has obtained B. Com degree and post-graduation degree i.e M. Com from DAVV University, Indore. She has experience in various fields such as Company law, legal, Secretarial & SEBI related matters, etc. Currently, she is working as Company Secretary in the company namely Gagan Commercial Agencies Ltd. Her deep expertise in diverse areas of governance will provide invaluable insights and guidance to the Company's Board, thereby contributing significantly to its strategic objectives and governance practices;

No director, Key Managerial Personnel or their relatives, except Ms. Shweta Bhamare, being the appointee is interested or concerned in the resolution.

**ITEM NO. 4**

Mr. Mahesh Kumar Agarwal was appointed as an Additional Director of the Company in the category of Non-Executive Independent Director by the Board of Directors with effect from 17<sup>th</sup> August, 2024 in terms of the provisions of The Companies Act, 2013, he holds office till the conclusion of this Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from Member proposing the candidature of Mr. Mahesh Kumar Agarwal for the office of Independent Director of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mahesh Kumar Agarwal, being eligible for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term up to 16<sup>th</sup> August, 2029.

**Brief Profile:**

Mr. Mahesh Kumar Agarwal is a **RETIRED SENIOR IAS OFFICER** of GoMP. He has an excellent academic background also. He is qualified Chartered Accountant, Company Secretary, and LLB. He has done Doctorate in Computerization of Land Records. During service period, he held positions of District Collector of Morena, Dewas, Khandwa, Finance Secretary and Commissioner Treasury & Finance, Commissioner Land Records MP, Commissioner Chambal Division, Commissioner Cooperatives, Commissioner AYUSH and Secretary and Commissioner OBC and Minority Department. He has very vast experience in Administrative, Financial, Agricultural, Rural and Social field.

His deep expertise in diverse areas of governance and his proven track record of effective administration and strategic management will provide invaluable insights and guidance to the Company's Board, thereby contributing significantly to its strategic objectives and governance practices.

No director, Key Managerial Personnel or their relatives, except Mr. Mahesh Kumar Agarwal, being the appointee is interested or concerned in the resolution

**ITEM NO. 5**

Pursuant to Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), With effect from April 1, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be.

As, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors, the company seeks approval for continuation of directorship of Mr. Abhishek Kalekar (DIN: 07758751), as Non-Executive Director in terms of Regulation 17 (1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company in the Board Meeting dated 30<sup>th</sup> May, 2024 has received from Mr. Abhishek Kalekar, declaration to the effect that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act and has not been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

No director, Key Managerial Personnel or their relatives, except Mr. Abhishek Kalekar, being the appointee is interested or concerned in the resolution.

**ITEM NO. 6**

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

**As the Members are aware, the Company, in order to further its business interests, enters into various transactions with its related parties**, including APIndia Biotech Private Limited, ('ABPL'). The estimated value of transactions with ABPL during the financial year 2024-25 is expected to exceed the materiality threshold as stated above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company. All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on 30<sup>th</sup> May 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommends passing of the resolution contained in Item No. 6 of this Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 and 11th July, 2023 is provided herein below:

**Particulars of material related party transactions between the company and ABPL**

S No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	<p>APIndia Biotech Private Limited (“ABPL”)</p> <p>Agro Phos (India) Limited holds 11.95% of shareholding in ABPL and its directors are also members of promoter group of Agro Phos (India) Limited. By virtue of the same, ABPL is related party of the Company w.e.f 05<sup>th</sup> June, 2023.</p>
2.	Type, tenure, material terms and particulars	<p>➤ Purchase of rock phosphate and other fertilizers</p> <p>➤ Sale of Fertilizers</p> <p>Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s).</p> <p>Approval of the shareholders is being sought for entering into an agreement for transaction of Purchase of rock phosphate and other fertilizers and sale of Fertilizers during 2024-25.</p>
3.	Value of the transaction	<b>30 crores approx</b>
4.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally	<b>28%</b>
5.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
	i) details of the source of funds in connection with the proposed transaction;	Not Applicable
	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul>	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured	Not Applicable



	or unsecured; if secured, the nature of security; and	
	iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
6.	Justification as to why the RPT is in the interest of the listed entity	<p>➤ Purchase of rock phosphate: The Company is predominantly engaged in manufacturing of fertilizer namely Single Super Phosphate (SSP). The primary raw materials for production of SSP are rock phosphate and sulphuric acid. The manufactures of SSP often faces the difficulty in procurement of rock phosphate from the relevant market and had to depend upon procuring the rock phosphate from overseas supplier(s). Any delay results in disruption of fertilizer production.</p> <p>ABPL receives raw material low grade rock phosphate from mines for beneficiation of Rock Phosphate and after conversion, procures the final product Beneficiated Rock Phosphate. As aforesaid, the company faces crisis in supply of rock phosphate, the material is available domestically, and in order to ensure smoothen business operations and to promote the Make in India initiative, it is proposed to procure the rock phosphate from ABPL. The transaction would also result in cost saving for the Company.</p> <p>➤ Purchase of other Fertilizers: Both companies operate in the same line of business. This shared industry focus may lead to occasions or opportunities for transactions between the two companies. Any such transactions will be conducted in the ordinary course of business and on an arm's length basis, ensuring fairness and transparency.</p> <p>➤ Sale of Fertilizers: Both companies operate in the same line of business, specifically the sale of fertilizers. This shared industry focus may lead to occasions or opportunities for transactions between the two companies. Any such</p>

		transactions will be conducted in the ordinary course of business and on an arm's length basis, ensuring fairness and transparency.
7.	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
8.	Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

No director, Key Managerial Personnel or their relatives, except Mr. Raj Kumar Gupta and Mr. Vishnu Kant Gupta and their relatives are interested or concerned in the resolution.

#### ITEM NO. 7

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

As the Members are aware, the Company, in order to further its business interests, enters into various transactions with its related parties, including APIndia Biotech Private Limited, ('ABPL'). The estimated value of transactions with ABPL during the financial year 2023-2024 exceeded the materiality threshold as stated above. All the said transactions was in the ordinary course of business of the Company and on an arm's length basis.

The concerned Related Party become RPT of the Company on 05th June, 2024. Further, in ensuing meetings of Audit Committee and Board of Directors, the transactions with the concerned RPT was approved and take note off. The transactions with the related party was necessitated to maintain operational continuity such as securing critical supplies required to maintain production schedules and meet contractual obligations and thereby mitigate potential risks.

Accordingly, in order to ensure necessary compliances of the provisions of the Companies Act, 2013, and SEBI LODR, the Board of Directors recommends passing of the resolution contained in Item No. 7 of this Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 and 11th July, 2023 is provided herein below:

#### Particulars of material related party transactions between the company and ABPL

S No.	Particulars	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	APIndia Biotech Private Limited ("ABPL")  Agro Phos (India) Limited holds 11.95% of shareholding in ABPL and its directors are also members of promoter group of Agro Phos (India) Limited. By virtue of the same, ABPL is related party of the Company w.e.f 05 <sup>th</sup> June, 2023.

2.	Type, tenure, material terms and particulars	<p>Purchase of rock phosphate Sale of Fertilizers: Entered into such transactions prior of becoming Related party i.e. 05<sup>th</sup> June, 2023.</p> <p>Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s).</p> <p>Approval of the shareholders is being sought for entering into an agreement for transaction of purchase of rock phosphate and Sale of Fertilizers during 2023-24.</p>
3.	Value of the transaction	<b>Rs. 24,53,27418/-</b>
4.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally	21.14%
5.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
	i) details of the source of funds in connection with the proposed transaction;	Not Applicable
	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul>	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
	iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
6.	Justification as to why the RPT is in the interest of the listed entity	Purchase of rock phosphate: The Company is predominantly engaged in manufacturing of fertilizer namely Single Super Phosphate (SSP). The primary raw materials for production of SSP are rock phosphate and

		<p>sulphuric acid. At that point of time, there was shortage in procurement of rock phosphate from the relevant market and had to depend upon procuring the rock phosphate from overseas supplier(s). Any delay would have resulted in disruption of fertilizer production.</p> <p>ABPL procures Beneficiated Rock Phosphate. As aforesaid, the company was facing crisis in supply of rock phosphate, the material was available domestically, and in order to ensure uninterrupted operations, we entered into such transactions with ABPL.</p> <p>Sale of Fertilizers: Prior to becoming related parties on 05<sup>th</sup> June, 2023, our company sold fertilizers to ABPL in April 2023, addressing their urgent need for rock phosphate. As both companies operate in the same fertilizers sector, this shared industry focus naturally led to opportunities for transactions between them. Notably, these transactions occurred before the related-party relationship was established and were conducted in the ordinary course of business and on an arm's length basis.</p>
7.	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
8.	Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

No director, Key Managerial Personnel or their relatives, except Mr. Raj Kumar Gupta and Mr. Vishnu Kant Gupta and their relatives are interested or concerned in the resolution.

#### ITEM NO. 8

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s M.P. Turkhia & Associates, Cost Accountant (Firm Registration No.000417), to conduct the audit of the cost records of the Company for the financial year ended on March 31<sup>st</sup>, 2025 at a remuneration of Rs. 1,40,000/- (Rupees One Lac Forty Thousand only) plus GST as applicable and reimbursement of out-of-pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013.

Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the Cost auditors under various regulations and the said certification will be charged separately and any revision in the remuneration of the cost auditors may be done with prior approval of Audit committee and at the discretion of the board of Directors simultaneously any such revision should be purely based on the performance review and any additional efforts of the firm.

The remuneration payable to the cost auditors has to be ratified by the shareholders of the Company.

Therefore, the Board recommends the Ordinary Resolution at Item No. 8 for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested financially or otherwise in the Ordinary Resolution set out at Item No. 9 of the Notice.

**Brief Profile of M/s M.P. Turakhia & Associates, Cost Accountants:**

The Firm was promoted in the year 1998 by a Cost Accountant with meticulous track record and sound professional background and in 2013 it is converted to partnership firm. The firm is having wonderful combination of experience and energy, comprising of four partners, with the experience of partners ranging from MNC corporate exposure to practice of more than 24 years, to heading F&A of PSU to the energy of fresh techsavvy blood.

The firm is owned & Controlled by CMA Mihir Turakhia who is Fellow Member of ICMA and holding LLB Degree and having experience of More than 21 years in the practice of cost and management consultancy, other partners of the firm are also having relevant experience and having great command over their working areas, apart of the core partners the firm also have more professionals as associates.

The firm is handling assignments in consultancy and cost audit of various companies of repute, Export-Import Services, excise/ GST Advisory, covering public sector, private sector and government sector.

The Head office of the firm is located in Indore (M.P.) with branch offices at Mumbai, Delhi NCR, Raipur Chhattisgarh.

The Firm is an Independent Firm of Cost Accountants and are maintaining arm's Length relationship with our Company.

The Firm is registered with the Institute of Cost Accountants of India under Registration No. 000417.



## DIRECTORS' REPORT

To,  
The Members,

Your directors have pleasure in presenting their 22<sup>nd</sup> Annual Report on the business and operations of the company together with the Standalone and Consolidated Audited Statement of Accounts for the year ended 31st March, 2024.

### 1. FINANCIAL HIGHLIGHTS

During the year under review, performance of your company was as under:

(Amount in Lacs)

Particulars	Standalone		Consolidated	
	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2024	Year ended 31 <sup>st</sup> March, 2023
<b>Revenue from operation and Other Income</b>	10,776.84	13135.40	10,776.84	NA
Less: Expenditure	11,495.01	12424.36	11,495.01	NA
<b>Profit/(Loss) before tax</b>	<b>(718.17)</b>	<b>711.04</b>	<b>(720.50)</b>	NA
<b>Less: Tax Expense</b>				
Income tax (current year)	0.00	230.48	0.00	
MAT Credit	0.00	0.00	0.00	NA
Income tax paid for earlier years	0.00	4.77	0.00	
Deferred tax	(192.59)	(24.57)	(192.59)	
<b>Profit/(Loss) after tax</b>	<b>(525.58)</b>	<b>500.36</b>	<b>(527.91)</b>	NA
Other Comprehensive Income	12.84	7.46	12.84	NA
<b>Total Comprehensive Income for the Year</b>	<b>(512.74)</b>	<b>507.82</b>	<b>(515.07)</b>	NA

### 2. FINANCIAL PERFORMANCE

#### Standalone Performance:

During the year under review company has achieved Turnover of Rs. 10714.28 Lacs as compared to the turnover of the previous year 13135.40 Lacs. Profit of the company for the current financial year was Rs. (525.58) lacs as compared to Rs. 500.36 Lacs in previous year due to reduction in subsidy allocation by the Government of India for the fertilizer industry and the lack of adequate rainfall during the current financial year. Also, we are also finding some specific resources from where we can get raw material at reduced prize.

### **Strategic Initiatives to Mitigate and Improve Performance in FY 2025**

The Company has entered into various contracts:

- During the year under review, Company has entered MOU with The Maharashtra Agro Industries Development Corporation Limited (Government of Maharashtra) for Exclusive Supply of SSP of 25227 Ton of SSP under the Brand of “Krishi Samridhi” on 01.03.2023.
- Company has entered MOU with Brahmaputra Valley Fertilizer Corporation Limited for supply of 25000 Ton of SSP on 12.01.2023.
- Company has also entered MOU with Matix Fertilizer & Chemical Limited for supply of 18700 Ton of SSP on 21<sup>st</sup> March, 2023. This agreement was further amended on September 5, 2023, to include an additional 30,000 MT of SSP, bringing the total to 77,400 MT for FY 2023-2024.
- On 14.03.2024, the Company has entered into MOU with Matix Fertilizer & Chemical Limited for supply of 60000 Ton of SSP valid for period 17.04.2024 to 31.03.2025.
- The Company has entered MOU with Hindustan Urvarak and Rasayan Limited on 28.05.2024 for the period 28.05.2024 till 27.05.2025 for supply of 125350 MT of SSP.

As the Company has good number of contracts in hand, Your Company is hopeful to fulfil all of them and achieve a marked improvement in financial performance in the upcoming year.

### **Consolidated Performance**

The audited consolidated financial statements incorporating the duly audited financial statements of the associate namely Shri Tulsi Phosphate Limited, as prepared in compliance with the Companies Act, 2013 (‘the Act’), Listing Regulations, 2015 and in accordance with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 along with all relevant documents and the Independent Auditors’ Report thereon forms part of this Annual Report.

Pursuant to the provisions of section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company’s associate for the financial year ended on 31<sup>st</sup> March 2024 in Form AOC-1 (Enclosed herewith as Annexure 2” forms part of this Annual Report.

During the financial year under review, on a consolidated basis, the total revenue was Rs. 10714.28 Lakhs for the year ended 31st March, 2024 and the profit/(loss) of Rs. (527.91) Lakhs. The Earning per Share (“EPS”) is Rs. (2.59).

### **3. CHANGE IN NATURE OF BUSINESS**

During the year, there has not been any change in the nature of the Business.

#### 4. DIVIDEND

In light of the financial performance for FY 2023-24, the company has decided not to declare a dividend this year. This decision reflects the current losses incurred and aligns with the company's commitment to strengthening its financial position and addressing the challenges faced. The focus remains on improving profitability and ensuring long-term value for shareholders.

#### 5. AMOUNT TRANSFERRED TO RESERVE

The Company has appropriated a loss of Rs. 525.57 lakhs to the Free Reserve during the year under review.

#### 6. DEPOSITS

The Company did not accept any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the rules made there under.

#### 7. INSURANCE

Your directors informed that all the fixed assets of the company are adequately insured.

#### 8. SHARE CAPITAL

##### a) Authorized Capital

There were no changes have been made in the Authorized Capital of the company during the financial year 2023-24. The current Authorized Capital of the company is Rs. 21,00,00,000/- divided into 2,10,00,000 equity Shares of Rs. 10 each.

##### b) Issued Subscribed and Paid-up Share Capital

The issued, subscribed and paid-up share Capital of the Company is same as in the previous Year that means no further issue or bonus issue was brought by company.

- **Issue of Bonus Equity Shares:** Nil
- **Issue of Equity Shares:** Nil.

#### 9. HUMAN RESOURCE & INDUSTRIAL RELATIONS

The Industrial relations of the company were harmonious with suppliers, customer's employees, factory labor, financial leaders, as the company's promoter is having a great influence in the fertilizer industry of middle east of India which always supposed to turned into some wonderful corporate relation of company among others in this industry, also management is striving their efforts toward the harmonious relation with vendors, raw material suppliers, purchasers, Governments Bodies and other stakeholders.

Your company is always having concern about its employee and labor as a part of this your company was arranged all necessary arrangement for safety of health of our employees as availability of Primary medical treatment facility at corporate office and plant premises.

Company is having system to provide loan facility without interest or lesser interest as per the salary slab criteria to needy employees so as to assure timely help to them to face any untoward or any to

fulfil their needs.

Company always welcomes from its employee about any facilities/ aid they can serve to them and management always do their best to promote practice of collective bargaining, trade unionism, and harmonious labor-management relations, provide friendly environment and comfort to company's employees so that they may explore their maximum output throughout the year.

We also would like to place on record our sincere appreciation to the cooperation extended by all the employees in maintaining cordial relations.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis, forming part of this report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as “Annexure-A” separately to this Report.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained by them, your Directors confirms the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. That in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. That such accounting policies as mentioned in the Financial Statements have been selected and applied consistently. Such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs and of Profit of the Company for the financial year ended on 31<sup>st</sup> March, 2024.
- c. That they 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. That they have prepared the Annual Accounts on a going concern basis;
- e. That they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

## 12. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Changes in Directors:

#### I Cessation of Directors:

During the period under review, Ms. Vidhi Jain has resigned as an Independent Director with effect from 10th November, 2023 due to pre-occupation elsewhere.

On 2<sup>nd</sup> September, 2024, Mr. Tushar Dave has resigned as an Independent Director due to personal reasons and pre-occupation elsewhere.

### II Appointment of Directors

Pursuant to provisions of Companies Act, 2013 (“the Act”), on the recommendation of Nomination and Remuneration Committee, the Board of Directors at its meeting held on:

- 09<sup>th</sup> February, 2024 appointed Ms. Shweta Bhamare as an Additional Director in the capacity of Independent Director with effect from 09th February, 2024 upto the 22<sup>nd</sup> Annual General Meeting.
- 17<sup>th</sup> August, 2024 appointed Mr. Mahesh Kumar Agarwal as an Additional Director in the capacity of Independent Director with effect from 17th August, 2024 upto the 22<sup>nd</sup> Annual General Meeting.

### III. Retirement by Rotation:

The independent directors hold office for a fixed term not exceeding five years from the date of their appointment and are not liable to retire by rotation.

However as per the provision of the Companies Act, 2013 and as per the Article of association of the company Mr. Raj Kumar Gupta, Director of the company, who has longest in the office are become liable to retire by Rotation in ensuing Annual General Meeting and, being eligible have offered their candidature for re-appointment.

Brief details of Mr. Raj Kumar Gupta, Director, who are seeking re-appointment, are given in the notice of annual general meeting.

### B. Changes in Key Managerial Personnel:

During the period under review, Ms. Reena Saluja was appointed as Company Secretary with effect from 21<sup>st</sup> September, 2023.

The Detailed Information on the directors is provided in the Corporate Governance Report.

In compliance with the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (LODR) Regulation 2015, the composition of Board of Directors and Key Managerial Personnel are as follows: -

DIN / PAN	NAME	DESIGNATION	DATE OF APPOINTMENT	DATE OF CESSATION
00244925	Raj Kumar Gupta	Managing director	24/09/2002	-
05233476	Vishnu Kant Gupta	Whole-time director	16/03/2012	-
07758751	Abhishek Kalekar	Non-Executive Director	08/03/2017	-
10499418	Shweta Bhamare	Additional Independent Director	09/02/2024	-



09042779	Chandresh Kumar Gupta	Independent Director	25/01/2021	-
07609432	Mahesh Kumar Agarwal	Additional Independent Director	17/08/2024	-
02721299	Tushar Dave	Independent Director	30/06/2021	02/09/2024
08178291	Vidhi Jain	Independent Director	12/07/2018	10/11/2023
AGGPG1674C	Vishnu Kant Gupta	CFO	25/01/2021	-
EJPLS4203M	Reena Saluja	Company Secretary & Compliance Officer	21/09/2023	-

### 13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As on March 31, 2024, the Company does not have any subsidiary or joint venture. Also our company is not a subsidiary to any other company,

The Company has an associate Company namely Shri Tulsi Phosphate Limited with the meaning of Section 2(6) of the Companies Act, 2013 ("Act") since 11.09.2023 as Company had acquired equity shares at face value of Rs. 10/- each of Shri Tulsi Phosphate Limited in the following manner:

Date of Allotment of Equity Shares	Mode of Allotment	No. of Shares	% of shareholding of Agro Phos India Limited in Shri Tulsi Phosphate Limited
11.09.2023	Right Issue	25000000	33.39
20.12.2023	Right Issue	400000	0.95
	Total Shares as on 31.03.2024	29000000	34.35

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements, are available on the website of the Company [www.agrophos.com](http://www.agrophos.com)

Further, Pursuant to the provisions of Section 129 of the Companies Act, 2013, a statement containing the salient features of financial statements of the Company's associate in Form AOC-1 forms part of this report.

### 14. NUMBER OF BOARD MEETINGS

#### Physically conducted Board Meeting:

During the Financial Year 2023-24, Eleven [11] meetings of the Board of Directors of the company were held.

S.NO	DATE OF BOARD MEETING	Total No. of Directors	No. of Directors attended the Meeting
01	30/05/2023	6	6
02	05/06/2023	6	6
03	03/08/2023	6	6
04	05/09/2023	6	6
05	21/09/2023	6	6

06	07/10/2023	6	6
07	10/11/2023	6	6
08	22/12/2023	5	5
09	09/02/2024	6	6
10	14/02/2024	6	6
11	28/03/2024	6	6

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 05<sup>th</sup> January, 2024 to review the performance of Non-Independent Directors (including the Chairperson) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

#### **15. COMMITTEES OF THE BOARD**

The Company is having required committees of Board of Directors as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements), Regulations 2015, all the committees are having required composition of Executive & Non-Executive Directors as chairperson as well as members.

During the FY 2023-2024: Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committees have been re-constituted on 22<sup>nd</sup> December, 2023 as the existing member namely Ms. Vidhi Jain has resigned from the post of Directorship (including Board Committees Membership) on 10<sup>th</sup> November, 2024. Therefore, Mr. Abhishek Kalekar, Non-Executive Director of the company was appointed member of Committees in Board Meeting held on 22<sup>nd</sup> December, 2023.

As on date of report: Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committees have been re-constituted on 03<sup>rd</sup> September, 2024 as the existing member namely Mr. Tushar Dave has resigned from the post of Directorship (including Board Committees Membership) on 02<sup>nd</sup> September, 2024. Therefore, Mr. Mahesh Kumr Agarwal, Additional Independent Director of the company was appointed member of Committees in Board Meeting held on 03<sup>rd</sup> September, 2024.

The Complete details of the committee and its Meeting are given in corporate governance portion of this Report for FY 2023-2024.

#### **16. DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2023-24 in the prescribed format, AOC- 2 as **Annexure-B** has been enclosed with the report, further it was observed that all transactions with the related parties are at arm 's length basis and in ordinary course of business of company. Details of the transactions were placed before audit committee for their review. An Omnibus approval from the Audit Committee was obtained for transactions which are of repetitive nature.

In terms of Regulation 23(9) of the Listing Regulations, the Company submits on the date of publication of financial results, the half yearly disclosures of related party transactions.

#### **18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has complied with the applicable provisions of Section 186 of the Act during the under review. During the reporting financial year, there stood an outstanding advance loan given to one Body Corporate. Also, the company has made investment in the two body corporates. The complete details on loan, guarantee, Security or investment, are given in the notes to the Financial Statements.

#### **19. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the Whistle Blower Policy for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com> .

However, during the financial year company was not recorded any case of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

#### **20. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report except the following change:

- ❖ With effect from current financial year i.e. FY 2024-2025, the company has changed its accounting policy of recognizing of SSP Subsidy in respect of sale of goods. The subsidy is

now recognized at a point in time i.e. when control of the goods has transferred to buyer, rather than recognizing it when goods sold to end user / farmer and bill generated through IMFS System. This change in accounting policy is made to provide more accurate and timely recognition of revenue.

## **21. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are disclosed in “Annexure-C” enclosed with this Report.

## **22. RISK MANAGEMENT POLICY:**

The Company has adequate risk management process to identify and notify the Board of Directors about the risks or opportunities that could have an adverse impact on the Company's operations or to that could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities.

After conclusion of the whole year your board are in the following view

- There were no internal disputes or mismanagement was observed during this whole year.
- We have not recorded any human loss during the reporting financial year and up to the date of this report.

## **23. AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT**

### **Statutory Auditors**

Pursuant to provisions of section 139 of the Companies Act, 2013 and rules made there under and on recommendation of the audit committee M/s. Ashok Khasgiwala & Co., LLP Chartered accountants were Re-appointed as Statutory auditors of the company for a further period of Five years commencing from the year 2022-23 to 2026-27 in the Annual General Meeting held on 30th September 2022.

In respect to Audit conducted for the year under review, our Board is pleased to inform that the notes on accounts referred to and the Auditors' Report are self-explanatory and therefore do not call for any explanatory note.

No fraud has been reported by the Auditor to the Audit Committee or the Board.

### **Cost Auditor**

The Board of Directors, in pursuance of an order under section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, issued by the Central Government and on the recommendation of Audit Committee was appointed M/s. M.P. Turakhia & Associates, Cost Accountants, as Cost Auditors to conduct audit of the cost accounts maintained by the Company

in respect of Fertilizers manufactured for the financial year 2023-24.

In respect to Audit conducted for the year under review, Your Board is pleased to inform that the Cost Auditors' Report are self-explanatory and therefore do not call for any explanatory note.

#### **Internal Auditor**

M/s. Pankaj Somaiya & Associates LLP, Chartered accountants was appointed as an Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2023-2024, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of directors actively reviews the adequacy and effectiveness of the Internal Control System and suggest improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairperson of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthen the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

#### **Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report for the financial year 2023-24 is annexed in "Annexure-D" herewith as forming part of this report.

#### **Annual Secretarial Compliance Report**

As per Reg. 24A of SEBI(LODR), Regulations 2015 and SEBI Circular dated 08<sup>th</sup> February 2019, all listed companies have to obtain Annual Secretarial compliance report from Company Secretary in practice, and pursuant to which your company has obtained ASCR for F.Y. 2023-2024 from Secretarial Auditor namely M/s. Neelesh Gupta & Co. and said report contain the same remarks or Observations as mentioned above in respect to Secretarial Audit report and board comments over the same is simultaneously mentioned there.

#### **Reporting of fraud by auditor**

During the year under review, none of the above-mentioned auditors have reported any instances of fraud committed against the company by its officers or employees, to the audit committee under section 143 (12) of Companies Act, 2013

## **24. FOREIGN EXCHANGE EARNINGS AND OUTGO**

A detailed report on Corporate Governance, along with certificate on corporate governance forming part of this report as required under Regulation 34 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached separately as —"Annexure-E" to this report.



**25. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:**

CSR is made applicable to the Company pursuant to the profitability of the company in the previous year. The Company has a Corporate Social Responsibility Policy as per the requirements of the Act and the same is available on the website of the Company.

During the year, the CSR Company has made some investment in CSR Related activities in appropriate activities. Complete Detail about CSR are disclosed in “**Annexure-F**” to this Report.

**26. MANAGERIAL REMUNERATION:**

Company has paid total managerial remuneration amounting to Rs. 96,00,000/- during the year to its Executive Directors including Managing Director and Whole Time Director.

Company has paid Sitting fees to its Non-Executive Directors including independent Director for attending meeting of Board and committee thereof.

**27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

During the year, the Company has not received any complaint, which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

**28. EMPLOYEE’S REMUNERATION**

The detail of the employees, who was in receipt of remuneration as specified under Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in “**Annexure-G**” attached to this Report.

**29. INTERNAL FINANCIAL CONTROLS**

The company is having adequate internal financial controls with reference to the financial statements in terms of Section 134 (3) (q) of Companies Act, 2013 read with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014.

**30. BOARD EVALUATION**

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairperson of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance

of specific duties & obligations, governance issues etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

**31. LISTING & DEPOSITORY FEE**

The Company has paid Annual Listing Fee for the financial year 2023-24 and 2024-25 to National Stock Exchange of India Ltd. according to the prescribed norms & regulations.

**32. ANNUAL RETURN**

The Annual Return of the Company as on March 31, 2024 is available on the Company's website and can be accessed at Investor Section of company's Website Via, [www.agrophos.com](http://www.agrophos.com)

**33. SECRETARIAL STANDARDS OF ICSI**

Your Company is in Compliance with the all-applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

**34. DECLARATION/AFFIRMATION**

- There are no significant and material orders passed by the regulator or courts or tribunals impacting the going concern status of the Company and future operations.
- There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016
- The Company has not made any one-time settlement with any Bank or Financial Institution as such disclosure or reporting requirements in respect of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not required.

**35. BANKS AND FINANCIAL INSTITUTIONS**

Your Company is prompt in paying interest and repayment of loans to the financial institutions/banks. Banks and Financial Institutions continue their unstinted support in all aspects, and the Board had placed its appreciation for the same on record.

**36. GREEN INITIATIVES**

Electronic copies of the Annual report for the year 2024 and the Notice of the 22<sup>nd</sup> Annual General Meeting are sent only to Members whose email addresses are registered with the Company/ depository participant(s). To support the “Green Initiative”, Members who have not registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronics form and with RTA in case the shares are held by them in physical form.

**37. ACKNOWLEDGMENT**

Your directors' thanks the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of the NSE Ltd., Share Transfer Agent and also to all stakeholders of the Company viz. customers, members, dealers, vendors, bankers and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED**

**Date: 03.09.2024**

**Place: Indore**

**Sd/-**

**RAJ KUMAR GUPTA  
MANAGING DIRECTOR  
DIN:00244925**

**Sd/-**

**VISHNU KANT GUPTA  
WHOLE-TIME DIRECTOR  
DIN: 05233476**

## Annexure to the Board Report

## Annexure-'A'

## MANAGEMENT DISCUSSION AND ANALYSIS

## Overview

Our company M/s. Agro Phos (India) Limited being a fertilizer manufacturer is also a part of the agriculture sector of India and continuously serving our best since its pioneering stage, The Company is an ISO 9001:2008 certified Company. We are engaged in manufacturing of Single Super Phosphate (SSP), Nitrogen Phosphate and Potassium (NPK), Zinc Sulphate, PROM, PDM, Organic manure and Calcium Sulphate commonly known as soil conditioner or gypsum. We have one unit at Dewas, Madhya Pradesh which has its capacity of 45000 MT per year and another at Meghnagar, Madhya Pradesh which has its capacity of 115000 MT per year. Our Company also undertakes trading of Diamonium Phosphate (DAP), Urea, Ammonium Sulphate and other fertilizers depending upon the demand of the customer,

We are having at our plant a well- equipped in-house testing laboratory **accredited with NABL** to test the products as per quality standards and relevant chemical composition. In our quest to maintain high standards of quality for our products, we have imported testing machine to test the product in real time basis. The final product has to pass special quality test to ensure that it is of the requisite quality and contains the requisite chemical composition, apart from manufacturing of above products company since last three years also trading in agricultural produce and Animal feeds management is expecting an extensive growth in this segment in future.

**Segment-wise Business Review and Operational and Financial Performance:**

Company's production and sales as well as company's Financial Performance are as below:

(Quantity in MT)

Financial Performance (Amt. in Lakhs)

S.No.	Particulars	F.Y. 2023-24	F.Y. 2022-23
	Production		
1.	SSP	126046.67	84241.15
2.	NPK	278.47	2401.80
3.	Calcium Sulphate	200.00	0.00
4.	Zinc Sulphate (Heptahydrate )	15.00	0.00
5.	Potash	0.00	250.00
6.	Phosphate Rich Organic Manure (PROM)	0.00	645.20
	Sales		
1.	SSP	71471.60	77141.25
2.	NPK	147.00	2432.80
3.	Calcium Sulphate	130.50	0.00
4.	Zinc Sulphate (Heptahydrate )	0.00	0.00
5.	Potash	0.00	1384.50
6.	Phosphate Rich Organic Manure (PROM)	65.00	499.45

S.No	Particulars	2023-24	2022-23
1.	Revenue from operation	10714.28	13101.70
2.	Other Income	62.57	33.70
	<b>Total Income</b>	<b>10776.84</b>	<b>13135.40</b>
3.	Total Expenses	11495.01	12424.35
4.	Profit /Loss before Tax	(718.17)	711.04
5.	PAT	(525.58)	500.36
6.	Total Comprehensive Income	(512.74)	507.82
6.	Paid up Capital	2027.41	2027.41
7.	EPS	(2.49)	2.47

**SSP:**

During the year 2023-24, company recorded 71471.60 of sales for all variant of SSP Product which is 62,918.92 MT more as compared to last F.Y. 2022-23. Our pre- dominant product is SSP.

**NPK:**

Sale of NPK was decreased during the period under review as consolidated sale of NPK for Both 12:32:06 and 12:12:12 variants are recorded as 140 MT which was 2432.80 MT In last Financial Year due to tough competition in the Indian Market and Company is mainly focusing on SSP.

**PROM:**

PROM sale during this year recorded is 65 MT due to less market demand.

**Calcium Sulphate**

During the year, there was sale of calcium sulphate of 130.50 MT due to less market demand of the Calcium Sulphate in the Indian market.

**Traded Quantity**

Company apart of the manufacturing of fertilizers products also engaged in trading of the many fertilizers and agri- products the total quantity traded of such products recorded as 28527.94 MT as the trading of the products is completely depends on the un-availability of some products in company's stock and market demand of particular products so company may have earn more profit from trading also.

**Financial Performance of company during the period under review**

The company's performance during this year was recorded at 10714.28 Lakhs as compared to the last year Turnover as 13101.70 Lakhs while the other income was increased from 33.70 Lakhs to 62.57 lakhs this year, accordingly the Profit after tax of company was recorded as (525.58) Lakhs as compared to 500.36 Lakhs in last financial year due to reduction in subsidy allocation by the Government of India for the fertilizer industry and the lack of adequate rainfall during the current financial year. Management in upcoming year ensure to keep maintain the profitability from company's products for which whatever be the efforts management will be ensure to do all in future.

**Indian Fertilizer Industry & Company's Contribution toward the same**

The global fertilizer market size reached US\$ 176.4 Billion in 2023. Looking forward, IMARC Group expects the market to reach US\$ 236.9 Billion by 2032, exhibiting a growth rate (CAGR) of 3.2% during 2024-2032. The burgeoning population expansion, surging food demand, economic development in emerging markets, rising income levels, government policies and subsidies, rising research and development (R&D) activities, and rapid advancements in agricultural technology are some of the factors supporting the market growth.



## INDIAN FERTILIZER MARKET

India is the second-largest consumer and the third-largest producer of Fertilizers globally. The Indian fertilizer ecosystem comprises the private, Government and cooperative sectors. Over the years, the fertilizer sector in India has played a major role in shaping the Indian farms and driving agricultural prosperity.

The Indian fertilizer industry is on a robust growth trajectory, expected to reach a market size of Rs 1.38 lakh crore by 2032, with a Compound Annual Growth Rate (CAGR) of 4.2 per cent from 2024 to 2032, according to the latest report by IMARC Group. This growth underscores the sector's vital role in supporting India's agricultural productivity and food security.

In 2023, the Indian fertilizer market size stood at Rs 94,210 crore, driven by growing population, rapid urbanization, increased agricultural demands and strategic governmental interventions.

Other than this, the expanding income levels of individuals in rural India, in confluence with the easy availability of credit, is positively influencing the market growth. Besides this, contract farming is gaining popularity across the region in which farming inputs in terms of technology and training are provided to the farmer by the contractor. Along with this, governments and non-governmental organizations (NGOs) of various nations are formulating awareness programs and workshops to spread awareness among farmers about the usage and advantages of fertilizers. Furthermore, the **advent of nano-fertilizers (NFs)** that help maintain flat green grounds and fields is creating lucrative growth opportunities for the key players operating in the industry. The government has emphasized producing nano liquid urea domestically, aiming to stabilize fertilizer prices. The geopolitical landscape has further influenced India's fertilizer market.

Also, India's position as the world's second-largest producer of fruits and vegetables, next only to China, underpins the fertilizer industry's growth.

Government initiatives like direct income support schemes from both central and state governments have also bolstered farmer liquidity, enhancing their ability to invest in fertilizers.

It has always been in the agenda of the Government to ensure food and nutritional security to the teeming population.

In the landscape of India's agricultural and fertiliser sectors, Fiscal Year 2023-24 stands out as a beacon of success of strategies implemented by Ministry of Fertilisers, adorned with remarkable achievements and significant milestones. The nation has witnessed a remarkable surge in both

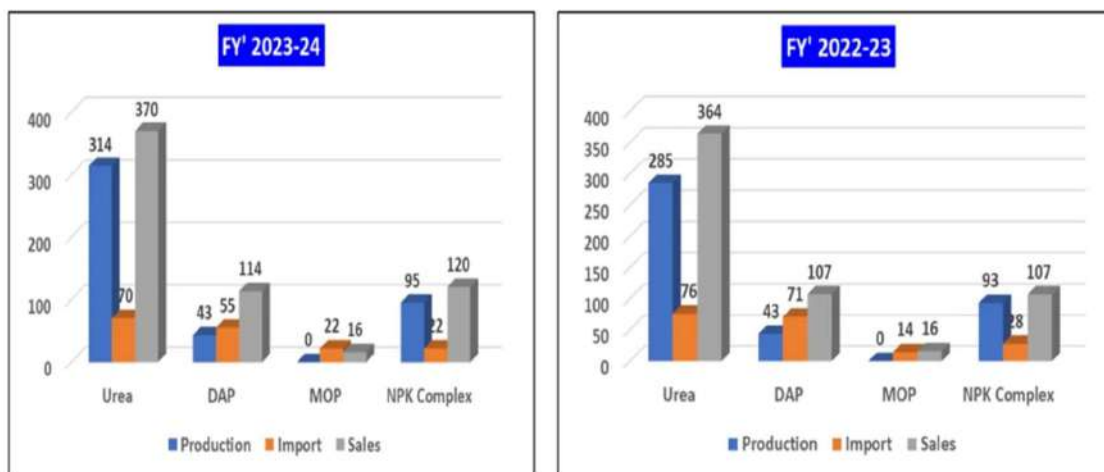
production and sales of key fertilisers, propelling the total production to an impressive 45.2 million tons.

FertiliserIndia.com									
Fertilizer Production, Import & Sales in India (Qty. in Lac Tons) & Variation in %age									
Fertilizer	FY' 2023-24			FY' 2022-23			Variation over 2022 - 23 (in %age)		
	Production	Import	Sales	Production	Import	Sales	Production	Import	Sales
Urea	314	70	370	285	76	364	10	-7	2
DAP	43	55	114	43	71	107	-1	-22	6
MOP	0	22	16	0	14	16	0	53	2
NPK Complex	95	22	120	93	28	107	3	-21	12
<b>All India Total</b>	<b>452</b>	<b>169</b>	<b>620</b>	<b>421</b>	<b>188</b>	<b>594</b>	<b>7</b>	<b>-10</b>	<b>4</b>

# Availability is excluding O.B. as on 1st April 2023

Leading this charge is Urea, spearheading the fertilizer production with a monumental output of 31.4 million tons. closely trailing behind are the essential NPKs, contributing 9.5 million tons, and DAP, with a notable contribution of 4.3 million tons.

During Fiscal Year 2023-24, India experienced a notable growth in sales across key fertilizers, with Urea, DAP, MOP, and NPKs boasting impressive increases of 2%, 6%, 2%, and an outstanding 12%, respectively, compared to the previous year. Notably, NPK sales surged significantly, showcasing excellent growth compared to the preceding year.



\*(Quantity in Lac Tonnes)

In Fiscal Year 2023-24, India's fertilizer import dynamics experienced notable shifts, marked by a discernible decline of 7% in Urea, 22% in DAP, and 21% in NPKs imports compared to the preceding year. Conversely, MOP surged with an impressive growth rate of 52%. This trend seamlessly aligns

with the government's vision under the Aatma Nirbhar Bharat initiative, emphasizing reduced dependence on imports and the promotion of indigenous alternatives. India's urea imports have also come down with the coming up of new production plants.

This shift in import patterns reflects a concerted effort to bolster domestic production and promote self-sufficiency in the fertilizer sector. It underscores India's commitment to harnessing its vast agricultural resources and leveraging indigenous capabilities to meet the nation's fertilizer requirements. As India continues to prioritize local production and reduce reliance on imports, such developments pave the way for a more resilient and self-reliant agricultural ecosystem, in line with the overarching goals of sustainable development and economic sovereignty.

India's fertilizer industry is thriving, not just marking increases in production and sales, but serving as a testament to the nation's steadfast dedication to bolstering agriculture, meeting growing demands, and nurturing a future of prosperous farms.

Comparing season-wise consumption of fertilizer products in 2023-24, it has been observed that all the products have shown higher consumption during kharif 2023 compared to kharif 2022. However, in rabi 2023-24, consumption of all fertilizers has been showing a downward trend compared to rabi 2022-23.

As of January 31, 2024, the Indian government had provided a total of ₹1,70,923 crore in fertilizer subsidies for the 2023-2024 fiscal year, which is more than the revised estimates. The total estimated outlay for the period between 2022-2023 and 2024-2025 is over ₹3.68 lakh crore.

#### **Urea subsidy**

On urea, the minister said urea is provided to the farmers at a statutorily notified price.

The price of a 45 kg bag of urea is Rs 242 per bag (exclusive of charges towards neem coating and taxes as applicable). the expenditure incurred on subsidy on fertilizers for the last five years stood at Rs 73435.21 crore in 2018-19, Rs 83,466.51 crore in 2019-20, Rs 131229.50 crore in 2020-21, Rs 157640.63 crore in 2021-22 and Rs 2,54,798.88 crore during 2022-23 fiscal year.

Subsidy on urea went up to over ₹1.30-lakh crore as against RE of ₹1.29-lakh crore. However, it is still lower than the Budget Estimate of over ₹1.35-lakh crore.

#### **News and Developments into the Market:**

- Programs such as PM-KISAN and PM-Garib Kalyan Yojana have received endorsements from the United Nations Development Programme for their contributions to food security.
- Union Minister of Health and Family Welfare Minister Mansukh Mandaviya announced plans to increase the number of nano liquid urea production plants from nine to thirteen by 2025.

These plants are projected to produce 44 crore bottles of 500 ml nano urea and di-ammonium phosphate (DAP).

- Aligning with the Atmanirbhar Bharat initiative, India's dependency on fertilizer imports has decreased markedly. In FY24, urea imports declined by 7 per cent, DAP by 22 per cent, and NPKs by 21 per cent. This reduction is a significant step towards self-sufficiency and economic resilience.
- The government has mandated 100 per cent Neem coating on all subsidized agricultural grade urea to enhance nutrient efficiency, improve crop yield, and maintain soil health, while also preventing the diversion of urea for non-agricultural purposes.
- India has also established itself as a global leader in nano agricultural inputs, including nano fertilizers and micro-nutrients, promoting environmental sustainability without compromising crop yields. The Indian government aims to achieve self-sufficiency in urea production by 2025-26 through increased local production of nano urea.
- Additionally, the Paramparagat Krishi Vikas Yojana (PKVY) promotes organic farming, offering Rs 50,000 per hectare for three years, with INR 31,000 directly allocated to farmers for organic inputs. The potential market for organic and bio fertilizers is poised for expansion.
- Climate change poses a significant challenge, with projections suggesting a potential 19.3 per cent reduction in wheat yields by 2050 and 40 per cent by 2080. To address this, the National Mission for Sustainable Agriculture (NMSA) is implementing strategies to make Indian agriculture more resilient to climate change. The government is also focused on reviving closed fertilizer plants in Talcher, Ramagundam, Gorakhpur, Sindri, and Barauni, and on educating farmers about balanced fertilizer use, crop productivity, and the benefits of cost-effective subsidized fertilizers.
- Urea Subsidy Scheme: DOF vide its publication dated 13.07.2023 informed about Continuation of ongoing Urea subsidy scheme until March 31, 2025. Total estimated outlay pegged at over ₹3.68-lakh crore. The actual expenditure is expected to vary based on the prices of natural gas and other inputs used for the production of urea.
- 2024 Interim Budget: The Indian Budget for the fiscal year 2024-25 (FY25) sets aside ₹1.64 trillion for fertilizer subsidy. This allocation reflects a decline from the revised estimate of ₹1.88 trillion allocated in FY24, this cut is part of a larger subsidy bill reduction of 7.8%. signaling a focused approach towards fiscal discipline while ensuring continued support for the agricultural sector.

Continuous research and innovation are essential for developing new types of fertilizers and improving existing ones.

Indian fertilizer market can be categorized into complex fertilizers, DAP, MOP, urea, SSP, and others. Among these, Di-Ammonium Phosphate (DAP) is currently dominating market growth. DAP is a widely used fertilizer due to its high nutrient content, particularly phosphorus, and nitrogen, which are essential for enhancing crop yield and plant health, thus influencing the market growth. The popularity

of DAP can be attributed to its versatility, making it suitable for various crops and soil types across different regions of India.

The Indian fertilizer market has several major players, including Chambal Fertilisers and Chemicals Limited, Coromandel International Limited, Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC), Gujarat State Fertilizers & Chemicals Limited (GSFC), Indian Farmers Fertiliser Cooperative Limited (IFFCO), National Fertilizers Limited (NFL), Rashtriya Chemicals and Fertilizers Limited (RCFL) and Yara Fertilisers India Private Limited.

#### **Indian Fertilizer Market Trends/Drivers:**

- **Population growth and increased food demand:** With a burgeoning global population, the agricultural sector faces the challenge of producing more food using limited arable land. As a result, the demand for fertilizers continues to surge to boost crop productivity and ensure high food security has heightened the demand for food, compelling farmers to adopt modern agricultural practices to maximize crop yields.
- **The emerging technological advancements:** Advancements in agricultural technology, including precision farming, are revolutionizing the industry. In addition, farmers can precisely apply fertilizers based on specific soil conditions and crop needs, reducing wastage and maximizing efficiency. Moreover, innovations in fertilizer formulations, such as controlled-release fertilizers, enable gradual nutrient release, resulting in improved nutrient absorption by plants and reduced environmental impact. Besides this, the incorporation of drones to identify specific areas that require fertilizer application optimizes fertilizer usage and minimizes environmental impact
- **The implementation of government initiatives:** GoI is providing financial support and incentives to farmers to encourage the adoption of modern agricultural practices, including the use of fertilizers. Moreover, subsidies lower cost for farmers, making them more accessible and affordable, implementing programs that promote the balanced use of fertilizers to prevent over-application, investing in research and development (R&D) initiatives to support the development of new and improved fertilizer formulations, technologies, and farming practices.

#### **Challenges (Risks and Concerns):**

- Government policies and subsidies significantly influence the fertilizer market. Changes in government policies, such as the reduction or elimination of fertilizer subsidies, can have adverse effects on the fertilizer market by impacting demand and profitability. The interplay between government regulations and subsidies can shape the usage and production of fertilizers on a regional and global scale.
- The international market is quite volatile and ups and downs in prices of raw materials and finished products are observed from time to time. About 80% of feedstock i.e. natural gas for

production of urea is imported. More than 90% of phosphatic fertilizers is met by import either in the form of raw materials or finished products and 100% demand of MOP is met by import.

- While India strides towards achieving self-sufficiency in urea production, it remains reliant on imports to fulfill its demand for rock phosphate, a vital ingredient for manufacturing DAP and NPK fertilizers. Despite domestic advancements, the nation imports approximately 5 million tonnes of phosphate rock, 2.5 million tonnes of phosphoric acid, and 3 million tonnes of DAP annually. Notably, around 60% of the diammonium phosphate supply and a significant portion of urea and NPK fertilizers—25% and 15%, respectively—are sourced from international markets, highlighting India's ongoing dependence on imports to meet its agricultural needs.
- Fertilizer demand and purchases:  
Demand, in turn, is driven by fertilizer prices, crop economics, currencies, cycles, economic activity, and macro factors like subsidy programs. Crop economics consist of factors like crop inventory, crop demand and supply, and crop prices, which depend on economic activity, food consumption, diet patterns, crop yields, nutrient application, weather, plantation, and energy consumption.
- The cost of raw material input: Expenses generally depend on changes in mining costs and fluctuations in raw material prices, which vary by location. Fluctuations in raw material prices or input prices depend on supply and demand dynamics for the specific raw material, which are affected by macro-economic activity, weather, and industry-specific trends. Movements in input price can impact fertilizer prices—and therefore demand too.
- The fertilizer business is highly seasonal and such seasonality may affect our operating results.
- We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes and bio-medical wastes.
- We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business and any failure or delay in obtaining the same in a timely manner may affect our operations.
- Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could result in operations.
- On number of occasions, the government has admitted about problem of over-application of urea in the country and that the consumption of nitrogen in India is much higher than many other countries in the world.

#### **Government measures to address the hassle**

- PM PRANAM scheme: PM Programme for Restoration, Awareness Generation, Nourishment and Amelioration of Mother – Earth (PMPRANAM) was launched to incentivize States/ Union Territories to promote trade fertilizers and balanced use of chemical fertilizers.



- Neem-lined urea: The government has delivered 100% Neem Coating on all backed agricultural grade urea in the country with the intention to boost nutrient efficiency, crop yield, soil health and check the diversion of agricultural grade urea for non-agricultural activities.
- Sulfur Coated Urea (Urea Gold) was brought to overcome the sulfur deficiency in the soil and decrease the enter value of the farmers.
- Nano Urea: It is a liquid fertilizer advanced by IFFCO. It is an alternative to conventional urea.

### Way Ahead

- There is a need to inspire farmers to adopt balanced nutrient management practices through awareness campaigns, training programs, and extension services.
- Providing statistics on soil health, crop nutrient necessities, and the adverse outcomes of overuse can help farmers make informed decisions about fertilizer application.
- Encouragement of the manufacturing and use of opportunity and eco-friendly fertilizers which include biofertilizers, green manure, compost and so on can reduce dependency on imports and make contributions to sustainable agricultural practices.

### FUTURE OUTLOOK

As per the government trend over fertilizer sector of India in the form of increase in subsidy scheme over fertilizers products we may see a positive growth in production and sales of fertilizers in India also the governments encouragement toward foreign joint ventures will probably make a good result in future and India will become one of the most fertilizer producer in world economy, apart of that Indian culture is closely related with farmers and their dependency is on agriculture sector which Indian government always want to empowered so it keep always a scope for all fertilizers manufacturers in India toward the more productions and sales.

### NUTRIENT BASED SUBSIDY (NBS) SCHEME

Under the NBS regime – fertilizers are provided to the farmers at subsidized rates based on the nutrients (N, P, K & S) contained in these fertilizers.

***Government provided nearly Rs 1.71 trillion as fertilizer subsidy till Jan in 2023-24.***

In Fiscal Year 2023-24 (FY24), the fertilizer subsidy has exceeded Revised Estimates (RE) by over ₹6,500 crore.

***Government had implemented nutrient-based subsidy policy w.e.f. April 1, 2010 all over the country, which has now been extended till 2025-26.***

Under the NBS policy, a fixed rate of subsidy (in ₹ per kg basis) is announced on nutrients namely

nitrogen (N), phosphate (P), potash (K) and sulphur (S) by the government on annual/bi-annual basis. The per kg subsidy rates on the nutrient N, P, K, S is converted into per tonne subsidy on the various P&K fertilizers covered under NBS policy.

Any variant of the fertilizers covered under the subsidy scheme with micronutrients namely boron and zinc, is eligible for a separate per tonne subsidy to encourage their application along with primary nutrients. At present 25 grades of P&K fertilizers namely DAP, MAP, TSP, MOP, ammonium sulphate, SSP, PDM and 18 grades of NPKS complex fertilizers are covered under the NBS Policy. Under the NBS regime, MRP of P&K fertilizers has been left open and fertilizer manufacturers/marketers are allowed to fix the MRP at reasonable rates.

#### **Updates in connection with the NBS policy:**

- Online Submission of Audited Cost data from 2023-13 onwards to examine and monitor the reasonableness of MRPS under the NBS Scheme
- Nutrient Based Subsidy (NBS) rates for Phosphatic and Potassic (P&K) fertilizers for Rabi 2023-24 (from 1 Oct 2023 upto 31 March 2024) under NBS Scheme: An expenditure of Rs.22,303 crore was expected on NBS. The subsidy on P&K fertilizers will be provided based on approved rates for Rabi 2023-24 (applicable from 01.10.2023 to 31.03.2024) to ensure smooth availability of these fertilizers to the farmers at affordable prices and Rationalization of subsidy on P&K fertilizers in view of recent trends in the international prices of fertilizers and inputs.
- Nutrient Based Subsidy (NBS) rates for Phosphatic and Potassic (P&K) fertilizers for Kharif 2024 (from 1 April 2024 upto 30 September 2024) under NBS Scheme: The tentative budgetary requirement for Kharif season 2024 would be approximately Rs.24,420 crore. This landmark announcement encompasses adjustments in subsidy rates for Phosphatic and Potassic (P&K) fertilizers, along with the introduction of three new fertilizer grades under the NBS scheme. The subsidy would be provided to the fertilizer companies as per approved and notified rates so that fertilizers are made available to farmers at affordable prices. For the 2024 Kharif season, the subsidy rates have been set as follows: Nitrogen (N) at ₹47.02 per kg, phosphatic (P) at ₹28.72 per kg, potassic (K) at ₹2.38 per kg, and Sulphur (S) at ₹1.89 per kg. The subsidy on phosphatic fertilisers has been raised to ₹28.72 per kg from ₹20.82 per kg in the 2023 Rabi season. Meanwhile, the subsidy rates for nitrogen (N), potassic (K), and Sulphur (S) remain unchanged.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control system which provide for automatic checks and balances. The Audit committee reviews the effectiveness and efficiency of these systems to ensure that all the assets are protected against loss and that the financial and operational information is complete and accurate, in addition

of external audit, company has also appointed Internal Auditor to list out any deficiency or loop holes in company's Internal Control and financial reporting, Audits are finalized and conducted based on the internal risk assessment. Significant findings are brought to the notice of the Audit committee of the Board and corrective measures recommended for implementation. Our work opportunities and competitive compensation policy helps us in attracting and retaining our personnel.

Apart of the same company was also conducted with PDIL (Project Development India Limited a Govt. authorized unit for Audit) which conducted audit for company's overall production process report to the concerned department.

### **HEALTH, SAFETY, SECURITY AND ENVIRONMENT**

Health, safety, security and environment have always been an integral part of our value system, we always having concern about Health safety and security of our Employees, workers at their work place, we are aiming at "Zero Accident" as goal of our company, when the matter is about health and safety, company always follow these some important measure

- Identification of hazard and risk present in work environment and its rectification.
- Continuous monitoring of unsafe condition and unsafe acts through safety inspection.
- Safety induction training for all employees and specific job safety awareness programs on a continuous basis.

Our factory are well equipped with required facilities including machinery, crane, conveyor belt, other handling equipments to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. We are having enough greenery at our plant location and also having modern and efficient system to dispose of factory waste, mainly we focus on re- made process of waste and scrap and we always keep in mind about optimum use of energy resources and conservation of natural resources, company is continuously visited by pollution control officers and, we will do it good, if they found any lack of safety measure and other element to protect the surrounding environment of the company.

### **CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among other things, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors.

**Annexure to the Board Report**

**Annexure- 'B'**

**FORM NO. AOC -1**

(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 statement of subsidiaries or associate  
companies or joint ventures**

**Part A – Subsidiaries: NOT APPLICABLE**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	The date since when subsidiary was acquired	-
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	-
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-
4.	Share capital	-
5.	Reserves and surplus	-
6.	Total assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	-
14.	Extent of shareholding (in percentage)	-

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

**Part B – Associates**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

SL. No.	Particulars	Details
1.	Name of Associates	Shri Tulsi Phosphate Limited
2.	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2024
3.	Date on which the Associate was associated or acquired	11 <sup>th</sup> September, 2024
4.	Shares of Associate held by the company on the year end	
	(a) No. of Shares held	2900000
	(b) Amount of Investment in Associate	290 Lakhs
	(c) Extent of holding %	34.35%
5.	Description of how there is significant influence	<ul style="list-style-type: none"> <li>○ There is significant influence due to shareholding in the associates company</li> <li>○ Directors of the associate are relatives of directors of Agro Phos (India Limited) namely Raj Kumar Gupta and Vishnu Kant Gupta.</li> </ul>
6.	Reason why the associate is not consolidated	-
7.	Networth attributable to shareholding as per latest audited Balance Sheet	265.03 Lacs
8.	Profit or Loss for the year	
	i. Considered in Consolidation	2.33 Lacs
	ii. Not Considered in Consolidation	-

**FORM NO. AOC -2**

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: **None**

SL. No.	Particulars	Details
15.	Name (s) of the related party & nature of relationship	-

16.	Nature of contracts/arrangements/transaction	-
17.	Duration of the contracts/arrangements/transaction	-
18.	Salient terms of the contracts or arrangements or transaction including the value, if any	-
19.	Justification for entering into such contracts or arrangements or transactions'	-
20.	Date of approval by the Board	-
21.	Amount paid as advances, if any	-
22.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis: As per Note No. 42  
Related party Transaction of financial Statement

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s. Vinod Trading Co. Relative of KMP is able to exercise significant Influence.
2.	Nature of contracts/arrangements/transaction	Sales
3.	Duration of the contracts/arrangements/transaction	One Year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale: 12,81,000/-
5.	Date of approval by the Board	30.05.2023
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Mahadhan Phosphate Pvt. Ltd.
2.	Nature of contracts/arrangements/transaction	Sale/Purchase of Goods
3.	Duration of the contracts/arrangements/transaction	One Year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales: 89,29,658/- Purchase: 28,79,600
5.	Date of approval by the Board	30.05.2023 and 30.08.2023
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Suhane Agro India Pvt. Ltd. Relative of KMP is able to exercise significant Influence.
2.	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
3.	Duration of the contracts/ arrangements /transaction	One Year



4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales: 7,67,60,585/- Purchase: 1,36,11,230/-
5.	Date of approval by the Board	30.05.2023
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s. Madhav Farmtech Corporation Pvt. Ltd. (formerly known as Madhav Sales Corporation Pvt. Ltd.) Relative of KMP is able to exercise Significant Influence
2.	Nature of contracts/arrangements/transaction	Sales of Goods
3.	Duration of the contracts/arrangements/transaction	One Year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale: 23,49,596/-
5.	Date of approval by the Board	30.05.2023
6.	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Vinod Sales Corporation
2.	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
3.	Duration of the contracts/arrangements/transaction	One Year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales : 11,63,700/- Purchase: 23,76,885/-
5.	Date of approval by the Board	30.05.2023
6.	Amount paid as advances, if any	-

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s Abhay Sales Corporation Relative of KMP is able to exercise Significant Influence
2.	Nature of contracts/arrangements/transaction	Purchase/ Sale of Goods
3.	Duration of the contracts/arrangements/transaction	One Year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales : 3,90,52,260/- Purchase: 3,24,51,090/-
5.	Date of approval by the Board	30.05.2023
6.	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s. Madhav Agro-Chem Private Limited Relative of KMP is able to exercise Significant Influence
2.	Nature of contracts/arrangements/transaction	Purchase of Goods
3.	Duration of the contracts/arrangements/transaction	One Year
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase: 1,56,52,000/-
5.	Date of approval by the Board	30.05.2023
6.	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s. APIndia Biotech Private Limited Relative of KMP is able to exercise Significant Influence
2.	Nature of contracts/arrangements/transaction	Sale of Goods
3.	Duration of the contracts/arrangements/transaction	The concerned Related Party became Related party (RP) of the Company on 05th June, 2023. The transaction took place prior to 05.06.2023. Subsequently, in the ensuing meetings of Audit Committee and Board of Directors, the transactions with the concerned RP were approved and duly noted.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales: 7,69,50,000/-
5.	Date of approval by the Board	03.08.2023
6.	Amount given as advances, if any (for sale of Goods)	NA

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	M/s. APIndia Biotech Private Limited Relative of KMP is able to exercise Significant Influence
2.	Nature of contracts/arrangements/transaction	Purchase of Goods
3.	Duration of the contracts/arrangements/transaction	One Year During the few transactions, the concerned company was not Related party, however, it

		became related party on 05.06.2023
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase: 16,83,53,77,418/-
5.	Date of approval by the Board	03.08.2023 and 10.11.2023
6.	Amount given as advances, if any (for sale of Goods)	NA

All the transactions mentioned above is as per the Limit prescribe U/s 188 of Companies Act, 2013 and Reg. 23 of SEBI(LODR), Regulations, 2015.

Under Regulation 23(4) of SEBI (LODR) Regulations 2015, Prior approval of the Shareholders in case of Material Related Party Transaction with One of the Related Party was not obtained namely APindia Biotech Private Limited as it was imperative to engage in transactions with this related party as there was a shortage of rock phosphate in the market, and we were facing scarcity in the procurement of rock phosphate from the relevant market. Transaction with the Related Party did not have a negative impact on the company's financial position and transactions with the related party were in the ordinary course of business and on arm 's length basis. Also, waiting for shareholders' approval was not viable. Therefore, shareholders' approval will be sought at the upcoming general meeting of the Company.

**For and on behalf of the Board of Directors of  
AGRO PHOS (INDIA) LIMITED**

Date: 03.09.2024

Sd/-

Sd/-

Place: Indore

**RAJ KUMAR GUPTA  
MANAGING DIRECTOR  
DIN:00244925**

**VISHNU KANT GUPTA  
WHOLE-TIME DIRECTOR  
DIN: 05233476**

**Annexure to the Board Report**

**Annexure- 'C'**

**CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE  
EARING AND OUTGO**

**A. Conservation of Energy:**

**1. CONSERVATION OF ENERGY:**

The steps taken or impact on conservation of energy:

The company has energy conservation cell which consistently monitor all the energy conservation efforts and ensure implementation of its energy management policy. we are taking every possible efforts to conserve the energy consumption at our plants as well as our administrative office.

The company has taken below mentioned steps at its plant for conservation of energy during the year under review:

Efforts were made to reduce Electrical energy in our different lines by:

- (i) Installation of energy efficient machines.
- (II) Installation of energy efficient electronic equipments.
- (III) Replace the old electronic equipments with new on timely basis.
- (IV) Effectively monitor our system of annual maintenance of plants.
- (v) Engaged highly qualified manpower to operate the electronic equipments and power with more efficiency.

There was reduction in energy consumption on account of aforesaid steps taken by the company.

The steps taken by the company for utilising alternate source of energy:

The available resources of energy are sufficient hence company was not needed and not utilize any alternate source of energy during the reporting financial year.

Capital Investment on energy conservation equipment during the year: NIL

**B. Technology Absorption**

With intent to reduce paper work and to promote efficiency and time saving during the year company was using an IT Software for accounting and other related activities both at corporate office and plants of the company, which was considered as Technology updation on part of company, the company was also paying the running cost for the said software facility apart of it's purchasing cost and except the same company also uses various technological resources from time to time during the year.

**C. Foreign Exchange Earnings and Outgo**

The Company's manufacturing process involve use of imported raw material amount of which is considered in USD hence The Company uses foreign currency forward exchange contracts to hedge its exposure in foreign currency related to firm commitment and highly probable forecasted transactions.

During the year foreign exchange and outgo of the Company as follows

(Figures in Lacs)

<b>Particular</b>	<b>Amount in INR Lacs</b>
Foreign Currency Earning	0.00
Foreign Currency Outgo	1381.34

The above foreign currency outgo was against import of Raw Material during the year. except as mentioned above no other foreign currency exposure during the year under review.

Annexure to the Board  
Report Annexure 'D'

**MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

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

To,

The Members,

**AGRO PHOS (INDIA) LIMITED**

**CIN- L24123MP2002PLC015285**

**M-87, TRADE CENTRE 18M, SOUTH**

**TUKOGANJ, INDORE (MP) 452001 IN**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AGRO PHOS (INDIA) LIMITED** (hereinafter called 'the company'). The 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.

The Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis, We have adopted such methods and procedure and based on our verification of the **AGRO PHOS (INDIA) LIMITED** 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 31<sup>st</sup> March, 2024 has 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 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;  
(Applicable for the review period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;



- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable for the review period)
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable for the review period)**
- (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; **(Not Applicable for the review period)**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable for the review period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable for the review period)**
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.

Further all the listing compliances and checks are been carried out in the reference with Secretarial Compliance Report along with all the observations made as uploaded on the stock exchange.

(vi) The Company has informed that following laws specifically applicable to the company.

- (a) Fertilizer Control Order 1985
- (b) The Essential Commodities Act, 1955
- (c) Fertilizer Subsidy Policy for Phosphatic & Potassic (P&K) Fertilizers

I have relied on the representation made by company and its officers for the systems and processes formed by the company to monitor and ensure the compliances under the other applicable laws specifically applicable to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above except to the extent as mentioned below:

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1.	Intimation for closure of trading window for quarter ended on 30.06.2023	Clause 4 (1) of Schedule B read with Regulation 9 of PIT Regulations, 2015	-	-	-	The intimation for closure of trading window has not been complied properly.	-	Company was supposed to intimate the stock exchange on or before the end of quarter but it has delayed 6 days in submitting the intimation. The intimation for quarter ended on 30.06.2023 was submitted on 6th July 2023.	As per Response of the Management of the Company: Due to Technical issues and reasons Company has intimated the same with the delay of 6 Days	As per Response of the Management: Due to Technical issues and reasons Company has intimated the same with the delay of 6 Days
2.	Disclosure of encumbered shares	31(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares	-	-	-	The intimation by the director has not been filed within the stipulated time	-	Mr. Raj Kumar Gupta, Managing Director of the company delayed in submitting the disclosure to the stock exchange by 18 days. The last date for	The management can attribute the delay to an unexpected internal administrative oversight and procedural delays.	The management can attribute the delay to an unexpected internal administrative oversight and procedural delays.

		and Takeover s) Regulatio ns, 2011				limit		submission was 07.04.2023 but the disclosure was submitted on 26.04.2023		
3.	Disclosure of acquisitio n and disposal	Regulatio n 29(1) of SEBI (SAST) Regulatio ns, 2011	-	-	-	The intimatio n for acquisitio n of shares is not complied properly	-	The company was supposed to intimate the stock exchange within 2 working days of receipt of intimation of acquisition of shares or voting rights in the target company. The date of event was 20.12.2023, however the company submitted the intimation on 09.01.2024	The management can attribute the delay to an unexpected internal administrative oversight and procedural delays.	The management can attribute the delay to an unexpected internal administrative oversight and procedural delays.
4.	Prior Approval of the Sharehold ers in case of Material related Party Transactio n	Regulatio n 23(4) of SEBI (LODR) Regulatio ns 2015				Prior Approval was not taken for material related party Transacti on,	-	Company has not taken the prior approval of the Shareholders in case of Material Related Party Transaction with One of the Related Party thereby has violated the Regulation 23(4) of SEBI (LODR) Regulations	Due to the absence of the Compliance Officer cum Company Secretary, the requirement to obtain prior approval from the shareholders for material transactions was overlooked. Consequently, shareholders' approval will	Company has not taken the prior approval of the Shareholders in case of Material Related Party Transaction with One of the Related Party thereby has violated the Regulation 23(4) of SEBI (LODR) Regulations

								2015.	be sought at the upcoming general meeting of the Company.	2015.
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**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors including Independent Directors and Women Director.

During the year, Mrs. Vidhi Jain (DIN: 08178291) has resigned from the post of Independent Director of the company with effect from 10th November, 2023.

Further as per provision of section of 149,150,152 read with Schedule IV and section 161(1) companies Act 2013, the Board of Director of the company has appointed Ms. Shweta Bhamare (DIN: 10499418) as an additional non-executive & Independent Director by passing resolution in board meeting held on dated 09<sup>th</sup> February 2024.

During the year Ms. Reena Saluja was appointed as Company Secretary in the Board Meeting held on 21<sup>st</sup> September, 2023.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**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 of the company, there were instances of:

**1. Related Party Transaction**

The Company has entered into some related party transactions on the terms and conditions as may be decided by the Board of Directors of the Company in their Board Meetings and all transactions are as per the section 188 of the Companies Act, 2013 and at arm's length basis.

National Stock Exchange has raised query for the quarter ended on 30<sup>th</sup> September 2023 vide Email dated 08th January, 2024 that the value of the Related Party Transaction as approved by the audit committee in the RPT XBRL is not provided by the company.

**Management Reply:** The Company submitted related party transactions for the quarter ended 30th September, 2023 to the Exchange on 10th November, 2023 pursuant to Regulation 23(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. We wish to inform you that the value of all transactions reported during the reported period is approved by the audit committee. The column of Value of the related party transaction as approved by the audit committee has been not filled as a consequence of an oversight error in XBRL reporting.

## **2. Appointment of Cost Auditor**

Company has appointed M/s M.P. Turkhia & Associates, Cost Accountants as Cost Auditor of the Company under section 148 of the Companies Act, 2013, read with Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014, to conduct audit of the cost accounts maintained by the Company in respect of Fertilizers Products manufactured for the financial year 2023-24 by passing of the resolution in the Board Meeting held on 03<sup>rd</sup> August 2023.

## **3. Appointment of Internal Auditor**

M/s Pankaj Somaiya & Associates LLP, Chartered accountants is appointed as an Internal Auditor of the Company in Board Meeting held on 03<sup>rd</sup> August 2023 to conduct the internal audit of the Company for the Financial Year 2023-24, as required under Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014.

## **4. Appointment of Secretarial Auditor**

The company has appointed M/s Neelesh Gupta & company (CP.6846) as Secretarial auditor of company by passing a Board resolution in meeting held on 3<sup>rd</sup> August, 2023 to conduct the Secretarial audit of the Company for the Financial Year 2022-23 and 2023-24, as required under Section 204 of the Companies Act.

## **5. Investment of the Companies**

During the year the Board of Directors of the Company has approved investment in the 35,00,000 equity shares of Rs. 10 each of Shri Tulsi Phosphate Limited” in their meeting held on 05th September 2023 and Consequently during the year, Shri Tulsi Phosphate Limited has become the Associate Company of Agro Phos (India ) Limited by way of allotment of 29 Lakh Equity Share of Rs. 10 each amounting to 34.35% of the total Equity share capital of Shri Tulsi Phosphate Limited

During the year the Board of Directors of the Company in their meeting held on 03<sup>rd</sup> August 2023 has approved investment made in the 20,00,000 equity shares of Rs. 10 each of M/s AP India Biotech Private

Limited” and Company has made investment of the same and has been allotted 20,00,000 Equity Shares amounting to 11.95% of the Total Equity Share Capital of the Company.

#### **7. Regarding Applicability of CSR**

For the year 23-24, the company is required to spent approximately Rs. 11.95 Lacs as 2% of the average net profit of Company in three immediately preceding financial years as Corporate Social Responsibility as per Section 135(5) of the Companies Act, 2013. The same was approved by board in Board meeting dated 14th February, 2024 however, Company is having some unspent amount from Previous years from 2015-16 to 2018-19 of Rs.8.91 Lacs) and during the F.Y. 2023-24 the company have invested INR 11.85 Lacs into one Charitable Trust namely “ Karmaputra Charitable Trust” a Non- Profit making registered charitable trust which is involved in feeding the needy people with healthy and nutritious meal across India. The Company has also spent amount of INR 0.80 lacs which was amount relating to unspent amount from previous year 2022-23 Lacs into Karmaputra Charitable Trust” a Non- Profit making registered charitable trust which is involved in feeding the needy people with healthy and nutritious meal across India.

**Date: 30.08.2024**

**Place: Indore**

**UDIN: F006381F001086658**

**For Neelesh Gupta & Co.  
Company Secretaries  
(Peer Review Certificate No.: 1995/2022)**

**Sd/-  
CS Neelesh Gupta  
Proprietor  
C.P. No.6846**



To,

**The Members,**

**AGRO PHOS (INDIA) LIMITED**

**CIN- L24123MP2002PLC015285**

**M-87, TRADE CENTRE 18M, SOUTH**

**TUKOGANJ, INDORE (MP) 452001 IN**

Our Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2024, of even date is to be read along with this letter.

**Management's Responsibility**

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 operate effectively.

**Auditor's Responsibility**

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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

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.

**Date: 30.08.2024**

**Place: Indore**

**UDIN: F006381F001086658**

**For Neelesh Gupta & Co.**

**Company Secretaries**

**(Peer Review Certificate No.: 1995/2022)**

**Sd/-**

**CS Neelesh Gupta**

**Proprietor**

**C.P. No. 6846**

## Annexure to the Board Report

### Annexure 'E'

#### CORPORATE GOVERNANCE REPORT

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments there to (hereinafter referred to as 'SEBI Listing Regulations'), given below are the corporate governance report of Agro Phos (India) Ltd. for the year 2023-24.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations

#### Company's Philosophy on Corporate Governance

The Corporate Governance philosophy of the Company is driven by the interest of stakeholders, focus on fairness, transparency and business needs of the organization, in view of company's management A corporate governance should always be friendly with applicable laws rules and regulations, each part of corporate Governance i.e. optimum mix of Executive and Non- Executive directors in the composition of Board, constitution of various committees of required non- Executive Directors, Code of Conduct for Directors and Senior Management Personnel, Whistle Blower policy, Code for trading by Insider shall be as per the concerned regulations.

Company's Corporate Governance regime is based on the following key points:

- An optimum Combination of Executive and Non- Executive directors including Independent Directors in the composition of Board, company's board mainly consist Independent Directors as Non-Executive Directors. Currently Company has three Independent Directors out of total six Directors of the Board.
- Constitution of Committees of Board, Board of directors of the Company has diluted its Power through Various Committee, we have Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, as well as CSR Committee and each has composition of directors as member and chairperson as per the required Regulation of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure requirements), Regulations, 2015
- Constitute Various Code i.e. Code of conduct for Directors and Senior Management Personnel, Code of Conduct for prevention of insider trading.
- Policy for Remuneration and other Fees to Executive, Non- Executive as well as KMP's of the company

- More Concern about enhancement of shareholder value, protection of interest of the public shareholders, growth, profitability and stability of business of company.
- Be ensure about well compliance and abide by the various Rules, Regulations and statutes through which company is regulating, the whole structure of the company should be as per the instructions or directions provided under various act's and regulations.

### Board of Directors

In keeping requirement of the Regulations of SEBI(Listing Obligation and Disclosure requirements), Regulations, 2015 the Company's policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management, as on 31<sup>st</sup> March, 2024 company is having an Executive Chairperson who is also director & promoter of the company and rest of the Board Consist One WTD who is also promoter of company, One Non-Executive Non Independent director and three Independent Directors.

The details of the directors, their directorships, membership/chairmanship of the committee, attendance at Board meeting and last AGM, shareholding of each director as at date of report is as follows:

Name, Designation & Category of the Director	Directorship in other public companies	Committee Membership/Chairmanship in other Public companies, including this company		Attendance at Meeting held during the year			No. Equity Shares held in reporting company
		Membership	Chairpersonship	No. of meeting	Attended	AGM Attended	
<b>Promoter Directors</b>							
Raj Kumar Gupta	01 Agro Phos (India) Ltd.	0	0	11	11	Yes	4300435 (21.21%)
Vishnu Kant Gupta	01 Agro Phos (India) Ltd.	0	0	11	11	Yes	1596075 (7.87%)
<b>Non Promoter Non-Executive Director</b>							
Abhishek Kalekar	01 Agro Phos (India) Ltd.	2	0	11	11	Yes	150000 (0.74%)
<b>Independent Director</b>							
Chandresh Kumar Gupta	01 Agro Phos (India) Ltd.	2	2	11	11	Yes	0
*Tushar Dave	01 Agro Phos (India) Ltd.	2	0	11	11	No	0

Shweta Bhamare	01 Agro Phos (India) Ltd.	0	0	3	3	NA	0
**Mahesh Kumar Agarwal	01 Agro Phos (India) Ltd.	2	0	NA	NA	NA	0

\* Mr. Tushar Dave has been resigned from the directorship of the company w.e.f. 02.09.2024

\*\* Mr. Mahesh Kumar Agarwal has been appointed as Independent Director on the Board w.e.f. 17.08.2024

- Excluding Private Companies, Section 8 Companies and Foreign Companies as per Companies Act, 2013 but including Directorship in Agro Phos (India) Limited.
- Committees for this purpose mean Audit Committee and Stakeholders Relationship Committee of Indian public companies, including Committees of Agro Phos (India) Limited.
- Shri. Vishnu Kant Gupta is son of Mr. Raj Kumar Gupta's Brother and except these two no other directors are inter se related with each other.
- All Meetings of the Board of Directors were conducted at the Registered Office of the company situated at M-87, Trade Centre, 18M, South Tukoganj, Indore (MP) 452001.

#### **Familiarization Programme for Independent Directors**

Company has formulated a familiarization programme for independent directors details of which may be referenced from company's website viz [www.agrophos.com](http://www.agrophos.com)

#### **Board confirmation on independent Directors of company**

In the opinion of the Board, all the Independent Directors of the company, fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

#### **Key Board Qualifications, Expertise and Attributes**

The Company's Board is a professional Body with right mix of knowledge, skills and expertise with an optimum combination of Executive and Non-Executive Directors including Independent Directors and Women Director. Besides having financial literacy, experience, leadership qualities, committed to the Company.

The Core Skills/expertise and competencies of Board of directors

As required by Schedule V of the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following is the list of core skills / expertise / competencies identified by the Board of Directors in the context of the Company's business and the said skills are available with the Board of Directors:

**Key Expertise of Directors in business related areas**

Director	Audit & Accounts	Finance	Taxation & Regulatory Laws	Human Resources	Operation & Management	Corporate Governance	Sales & purchase	Business Development	Risk Management	Internal control
Raj Kumar Gupta	√	√	√	√	√	√	√	√	√	√
Vishnu Kant Gupta	√	√	√	√	√	√	√	√	√	√
Abhishek Kalekar	√			√	√	√	√	√		
Vidhi Jain	√	√		√	√	√			√	√
Chandresh Kumar Gupta	√	√	√		√	√	√	√	√	√
Tushar Dave	√	√	√	√	√	√	√	√	√	√
Shweta Bhamare	√	√	√	√	√	√		√	√	√
Mahesh Kumar Agarwal	√	√	√	√	√	√	√	√	√	√

The absence of a mark against a director's name does not necessarily mean the director does not possess the corresponding qualification and skill.

**Remuneration to Directors**

Company is having its Policy on Remuneration to Directors and KMP/ Senior Management Personnel which are uploaded on the company's Website, pursuant to which company's Executive Directors like Managing Director and Whole Time Director are allowed to take remuneration upto the limit as provided under the Companies Act, 2013 and as confirmed by the shareholders of the company, apart from the remuneration company may also provide various facilities to them like medical facility, car, telephone Expenses, Insurance policies or other kind of facilities.

In case of Non-Executive Director they may receive any amount by way of Sitting fees for attending meeting and remuneration provided under the ceiling/limit prescribed under Companies Act, 2013 and such remuneration shall be approved by the Nomination and Remuneration Committee and approved by the Board or Shareholders as the case may be and sitting fees of one director may vary

from sitting fees of other directors as per his terms of appointment.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company

If any Director are serving any professional services apart from his/her Directorship and are getting some amount in revert of the said service than in that case such amount will not be considered under the payment of remuneration or sitting fees.

Here are the details of Remuneration or Sitting Fees provided to Executive and Non-Executive Directors during the year 2023-24:

Director	Designation	Remuneration & Perquisites	Sitting Fees	(In Lacs)
				Total
Mr. Raj Kumar Gupta	Managing Director	54	NA	54
Mr. Vishnu Kant Gupta	Whole Time Director	42	NA	42
Mrs. Vidhi Jain	Independent Director (Resigned w.e.f. 10.11.2023)	-	0.18	0.18
Mr. Chandresh Kumar Gupta	Independent Director	-	0.48	0.48
Mr. Tushar Dave	Independent Director	-	0.48	0.48
Ms. Shweta Bhamare	Independent Director (Appointed w.e.f. 09.02.2024)	-	0.10	0.10

Except as mentioned above Non-Executive directors including independent directors were not having any pecuniary relationship with company during the reporting financial year and Shri. Raj Kumar Gupta and Shri. Vishnu Kant Gupta executive directors of the company is also not having any monetary transaction with company except with their remuneration/ perquisites or reimbursement of expense which they have incurred on behalf of company.

#### Meetings of Board/Committee/ Shareholders:

##### 1. Board Meeting

Total 11 Meetings of the Board were held during the year which were on:

S.NO	DATE OF BOARD MEETING	Total No. of Directors	No. of Directors attended the Meeting
01	30/05/2023	6	6
02	05/06/2023	6	6
03	03/08/2023	6	6

04	05/09/2023	6	6
05	21/09/2023	6	6
06	07/10/2023	6	6
07	10/11/2023	6	6
08	22/12/2023	5	5
09	09/02/2024	6	6
10	14/02/2024	6	6
11	28/03/2024	6	6

No Resolution by circulation is passed during the reporting financial year ended on 31<sup>st</sup> March, 2024.

Time Gap between first Meeting of F.Y. and last Meeting of previous financial year does not exceed one hundred and twenty days.

The Board members are provided with well-structured agenda papers and presentations in advance of the meetings. In case where it is not practicable to forward the document(s) with the agenda papers, the same are circulated before the meeting/placed at the meeting. The Company placed before the board most of the information specified in Part A of Schedule II to the SEBI (LODR) Regulations, 2015 from time to time. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company takes effective steps to rectify instances of non-compliance, if any.

### **2. Independent Directors Meeting:**

A meeting of company's all Independent Directors was held on 05<sup>th</sup> January, 2024 where all the directors under the category of Independent Directors were present and evaluate performance of the board as whole and individually of each director including managing director of the company.

### **3. General Body Meeting**

#### **Annual General Meeting**

Meeting of shareholders of the company, 21<sup>st</sup> Annual General Meeting was held on 30<sup>th</sup> September, 2023 which was duly held and conducted in the manner as provided under Companies Act, 2013 and SEBI (Listing Obligation and Disclosures Requirement) Regulation, 2015, Except the Annual General Meeting no other Meeting of Shareholder was held or conducted during the year under review.

The venue and time of Annual General Meetings (AGM) held during the last three years were:



Date	Time	Venue	Whether any Special Resolution passed
Wednesday 30.09.2021 (19 <sup>th</sup> AGM)	12:30 P.M.	Hotel Surya, 5/5 Surya Circle, Nath Mandir Road, South Tukoganj, Indore-452001, M.P.	Yes 1. Revision in Remuneration of Shri. Raj Kumar Gupta, Managing Director. 2. Revision in Remuneration of Shri. Vishnu kant Gupta, Whole Time Director
Friday 30.09.2022 (20 <sup>th</sup> AGM)	12:30 P.M.	Hotel Surya, 5/5 Surya Circle, Nath Mandir Road, South Tukoganj, Indore-452001, M.P..	Yes 1. Re-appointment of Shri. Raj Kumar Gupta (DIN: 00244925) as Managing Director of the company for a Term of Three Years. 2. To approve the revision in remuneration of Shri. Vishnu Kant Gupta (DIN:05233476) Whole Time Director of the Company.
Saturday 30.09.2023 (21 <sup>st</sup> AGM)	12:30 P.M.	Hotel Surya, 5/5 Surya Circle, Nath Mandir Road, South Tukoganj, Indore-452001, M.P.	No

#### Resolution through Postal Ballot

During the year under review, no resolution of shareholder of company was passed through Postal ballot, as the requirement of the same was not observed.

#### Committees of Board

The Company has following four Committees as follows:

##### (a) Audit Committee:

The Company has constituted Audit Committee as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations 2015 and Companies Act, 2013. The Composition of Audit Committee as on date of report as follows:

Name of director	Nature of Directorship	Designation in the Committee
Mr. Chandresh Kumar Gupta	Independent Director	Chairperson
*Mr. Abhishek Kalekar	Non-Executive Director	Member
**Mr. Tushar Dave (resigned w.e.f 02.09.2024)	Independent Director	Member
***Mahesh Kumar Agarwal	Independent Director	Member

\*The Audit Committee was re-constituted on 22<sup>nd</sup> December, 2023 due to existing member namely Ms. Vidhi Jain resigned from the post of Directorship hence Mr. Abhishek Kalekar, Non-Executive Director of the company was appointed member of Committee.

\*\* Mr. Tushar Dave has been resigned from the directorship (including Board Committee Memberships) of the company w.e.f. 02.09.2024

\*\*\* Mr. Mahesh Kumar Agarwal has been appointed as Independent Director on the Board w.e.f. 17.08.2024 and Mr. Mahesh Kumar Agarwal has been appointed as Member of the Audit Committee w.e.f. 03.09.2024.

During the year under review Audit Committee meet four times and the gap between two meeting did not exceed one hundred and twenty days, the detail of attendance of members are as given below:

S. No.	Date of Meeting	Vidhi Jain Resigned from 10.11.2023	Tushar Dave	Abhishek Kalekar Appointed on 22.12.2023	Chandresh Kumar Gupta
1.	30.05.2023	Yes	Yes	NA	Yes
2.	03.08.2023	Yes	Yes	NA	Yes
3.	10.11.2023	Yes	Yes	NA	Yes
4.	14.02.2024	NA	Yes	Yes	Yes

#### (b) Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of the following Directors of the Company as on date of report:

The Composition of Nomination and Remuneration Committee as on date of report as follows:

Name of director	Nature of Directorship	Designation in the Committee
Mr. Chandresh Kumar Gupta	Independent Director	Chairperson
*Mr. Abhishek Kalekar	Non-Executive Director	Member
**Mr. Tushar Dave (resigned w.e.f 02.09.2024)	Independent Director	Member
***Mahesh Kumar Agarwal	Independent Director	Member

\*The Nomination and Remuneration Committee was re-constituted on 22<sup>nd</sup> December, 2023 due to existing member namely Ms. Vidhi Jain resigned from the post of Directorship hence Mr. Abhishek Kalekar, Non-Executive Director of the company was appointed member of Committee.

\*\* Mr. Tushar Dave has been resigned from the directorship (including Board Committee Memberships) of the company w.e.f. 02.09.2024

\*\*\* Mr. Mahesh Kumar Agarwal has been appointed as Independent Director on the Board w.e.f. 17.08.2024 and Mr. Mahesh Kumar Agarwal has been appointed as Member of the Nomination and Remuneration w.e.f 03.09.2024.

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013.

During the year, three meeting of the Nomination and Remuneration Committee was held and the detail of attendance of members are as given below:

S.No.	Date of Meeting	Vidhi Jain Resigned from 10.11.2023	Tushar Dave	Abhishek Kalekar Appointed on 22.12.2023	Chandresh Kumar Gupta
1.	21.09.2023	Yes	Yes	NA	Yes
2.	30.12.2023	NA	Yes	Yes	Yes
3.	08.02.2023	NA	Yes	Yes	Yes

#### (c) Stakeholders" Relationship Committee

The Company has constituted a Shareholder/Investors Grievance Committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders.

The Composition of Stakeholders Relationship Committee as on date of report as follows:

Name of director	Nature of Directorship	Designation in the Committee
Mr. Chandresh Kumar Gupta	Independent Director	Chairperson
*Mr. Abhishek Kalekar	Non-Executive Director	Member
**Mr. Tushar Dave (resigned w.e.f 02.09.2024)	Independent Director	Member
***Mahesh Kumar Agarwal	Independent Director	Member

\*The Stakeholders Relationship Committee was re-constituted on 22<sup>nd</sup> December, 2023 due to existing member namely Ms. Vidhi Jain resigned from the post of Directorship hence Mr. Abhishek Kalekar, Non-Executive Director of the company was appointed member of Committee.

\*\* Mr. Tushar Dave has been resigned from the directorship (including Board Committee Memberships) of the company w.e.f. 02.09.2024

\*\*\* Mr. Mahesh Kumar Agarwal has been appointed as Independent Director on the Board w.e.f. 17.08.2024 and Mr. Mahesh Kumar Agarwal has been appointed as Member of the Stakeholders Relationship Committee w.e.f 03.09.2024.

The Committee looks into the redressal of stakeholders' grievances related to share transfer, transmission, issue of duplicate share certificates, non-receipt of annual report, etc. all the complaints received during the year from Shareholders, stock exchange SEBI have been dispensed of and no other compliant or query has been pending.

Number of complaints received during the Year: Nil

Number of Complain pending to resolve at the last of the F.Y. : Nil

During the year under review there were 4 meetings of the committee held, detail of attendance of members are as given below:

S. No.	Date of Meeting	Vidhi Jain Resigned from 10.11.2023	Tushar Dave	Abhishek Kalekar Appointed on 22.12.2023	Chandresh Kumar Gupta
1.	30.05.2023	Yes	Yes	NA	Yes
2.	03.08.2023	Yes	Yes	NA	Yes
4.	14.02.2024	NA	Yes	Yes	Yes

#### (d) Corporate Social Responsibility Committee

Company in reporting financial year is required to have CSR Committee, as CSR provisions is applicable on company.

The Corporate Social Responsibility Committee comprises the following Directors:

Name of Director	Nature of Directorship	Designation in the Committee
Mr. Raj kumar Gupta	Chairperson & Managing Director	Chairperson
Mr. Chandresh Kumar Gupta	Independent Director	Member
Mr. Vishnu Kant Gupta	Whole Time Director	Member

During the year one Meeting of the committee was held on 14.03.2024.

#### Disclosures

##### Related Party Transaction

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course

of business and on arm 's length basis.

All the contracts have been approved by Board at their Meeting held on 30.05.2023, 03.08.2023 and 10.11.2023 and for all transaction with related parties, audit committee has given omnibus approval, detailed disclosure of related parties transaction including the detail of transactions with the person or entity belonging to promoter and promoter group who holds 10% or More shareholding in company may be referred from Note No. 42 of financial statements (prepared as per the requirement of IND -AS) as part of this report.

Under Regulation 23(4) of SEBI (LODR) Regulations 2015, Prior approval of the Shareholders in case of Material Related Party Transaction with One of the Related Party was not obtained namely APindia Biotech Private Limited as it was imperative to engage in transactions with this related party as there was a shortage of rock phosphate in the market, and we were facing scarcity in the procurement of rock phosphate from the relevant market. Transaction with the Related Party did not have a negative impact on the company's financial position and transactions with the related party were in the ordinary course of business and on arm 's length basis. Also, waiting for shareholders' approval was not viable. Therefore, shareholders' approval will be sought at the upcoming general meeting of the Company.

**a) Whistle Blower Policy & Affirmation**

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the "Whistle Blower Policy" for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website <http://www.agrophos.com>.

Further it is hereby affirmed that during the year no personnel has been denied access to the audit committee.

**b) Details of compliance with mandatory requirements and adoption of the non- mandatory requirements:**

The Company has complied with the mandatory requirements and also adopted some of the non-mandatory requirements as stipulated under the SEBI (LODR) Regulations, 2015.

**c) Web link where policy for determining „material“ subsidiaries is disclosed:**

The Company does not have any subsidiary.

**e) Web link where policy on dealing with Related Party Transactions is disclosed:**

Company's policy on dealing with related parties are available at website of the company viz <http://www.agrophos.com>.

**f) Details of Non-Compliances**

During the year, the company has not made any Non-Compliance except the following:

- Prior approval of the Shareholders in case of Material Related Party Transaction with One of the Related Party namely APindia Biotech Private Limited under Regulation 23(4) of SEBI (LODR) Regulations 2015 was not obtained as it was imperative to engage in transactions with the related party as there was a shortage of rock phosphate in the market, and we were facing scarcity in the procurement of rock phosphate from the relevant market. Transaction with the Related Party did not have a negative impact on the company's financial position and transactions with the related party were in the ordinary course of business and on arm 's length basis.
- Some delay compliance were observed which were required under SEBI (LODR), 2015 of submission of Intimation for closure of trading window for quarter ended on 30.06.2023 by delay of 6 days due to Technical issues and Disclosure of acquisition under SEBI (SAST) Regulations, 2011 for submission on NSE portal due to oversight and Disclosure of acquisition and disposal by delay of 18 days due to oversight.

**g) Disclosure of commodity price risks and commodity hedging activities:**

The company is exposed to risk of price fluctuation in few raw materials which are being used by company in manufacturing its final products, however no substantial amount is affected as the same is related to a small portion of raw material used.

**h)** In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider for its Directors, Officers and Specified Employees. The said code can be referenced from Company's Website [www.agrophos.com](http://www.agrophos.com)

**i) Reporting of Internal Control**

The company's Internal Auditor is reporting about the Internal control of the company in his reports of internal Audit on quarterly basis to management of the company and as per the said report no observation/qualification or remark on internal control of company was mentioned by the Auditor which required to resolve by the management.

**J) Details of fee paid to Statutory Auditor and Related concern**

During the year company has paid Fees and other pay to statutory Auditor details of which are as follows:

**Rs. in Lakhs**

S No.	Particular	2023-2024
a)	For Statutory audit	3.50
b)	For Tax Audit	1.00
c)	For Other services	0.81

Except as mentioned above company was not paid any amount by way of fee or other pay to Statutory Auditor and also except Auditor company is not dealing with any other person or entity which are connected in any manner with auditor during the year.

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

The disclosure as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' Report of the Company.

**L) Compliance with Code of Conduct**

The Company has adopted code of conduct for directors and senior Management Personnel and the same is posted on the website of the company, declaration on compliance of the said code of conduct by Directors and Senior Management personnel is mentioned in below at the end of Corporate Governance Report.

**Means of Communication**
**a) Financial Results**

As required under SEBI (LODR), Regulations 2015, company is reporting its Quarterly/Half Yearly/Yearly Financial results to stock exchange on timely basis and also published the same in one English and one Hindi Newspaper along with posting on the company's website as required under concerned regulation.

**b) Website of Company**

Company is maintaining its **Website viz. <http://www.agrophos.com>**. on which all required official Press Releases and Financial Results Shareholding Patterns, Notice of Board Meeting, Shareholders Meeting, Postal Ballot, Annual Report etc. have been uploaded, it is a place provided by the company to its stakeholders or outsiders to view company's activities and charter of the company, an investor can get all necessary details about the company and we have also place there detail of company and



its' Contact no. investor mail id, for investor who have any quarry or required any information on company's Part, and we are regular in updating information on website.

**c) Email Communication**

Company has **Email id:** [cs@agrophos.com](mailto:cs@agrophos.com) for investors and for those who are willing to contact with company or want some information or inquiry from company.

**General Shareholder Information**

**a) Financial Year**

Company's Financial Year Start from 01<sup>st</sup> April ends on 31<sup>st</sup> March.

**b) Dividend Payment Date**

No dividend was distributed during the reporting Financial Year 2023-2024 also the Board of Directors of company have not Recommended any divided this year due to loss incurred during the financial year.

**c) Stock Exchange where company's Security is listed**

Name of the Exchange : National Stock Exchange  
 NSE Symbol : AGROPHOS  
 Address : Exchange Plaza, C-1, Block G,  
 Bandra Kurla Complex, Bandra (E)  
 Mumbai – 400 051  
 Tel No: (022) 26598100 - 8114 / 66418100  
 Fax No: (022) 26598120

Company has paid Annual Listing Fees for the year 2023-24 to the stock exchange and no further amount is outstanding now.

**d) Stock Market Data:**

Monthly high and low stock price along with volume of equity shares traded on NSE for the FY 2023-24 is given below:

Month	High (Rs.)	Low (Rs.)	Volume (in lakhs)
April	41.70	31.10	21.43
May	39.70	34.00	8.43
June	38.90	33.85	14.13
July	36.00	33.20	8.14
August	41.40	32.90	27.37

September	48.00	35.80	28.65
October	40.65	33.50	12.48
November	41.05	33.00	16.09
December	47.90	37.00	46.24
January	52.50	42.25	66.06
February	65.75	43.90	84.71
March	47.30	35.10	14.69

**a) Registrar and Share Transfer Agent**

For shares related matters, Members are requested to correspond with the Company's Registrar and Transfer Agents - M/s Bigshare Services Private Limited quoting their Folio No./DP ID & Client ID at the following address:

Name : Bigshare Services Private Limited  
 Address : Office No S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai, Maharashtra 400093 Cont. No: + 91-22-6263 8200, Fax:+91-22-6263 8299  
 Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com),  
[charmi@bigshareonline.com](mailto:charmi@bigshareonline.com)

**b) Share Transfer system**

Trading in Equity Shares of the Company through recognized Stock Exchanges is permitted only in dematerialized form.

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. Physical transfer of shares were not recorded during the year.

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTOR AND  
SENIOR MANAGEMENT BY CHIEF FINANCIAL OFFICER**

**[Regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirement)  
Regulation, 2015]**

Pursuant to Regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has received confirmation from all the Directors and Senior Management Personnel regarding compliance with the Code of Conduct for the year ended March 31, 2024. A declaration by the CFO to this effect, on behalf of all the Board Members and Senior Management for the year ended March 31, 2024 is reproduced below:

In compliance with Regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2024.

**Sd/-**

**Vishnu Kant Gupta**

**Chief Financial Officer**

**Place: Indore**

**Date: 30.05.2024**

**DECLARATION ON COMPLIANCE FOR THE YEAR ENDED 31ST MARCH, 2024**

To  
The Members,  
Agro Phos (India) Limited  
CIN: L24123MP2002PLC015285  
M-87, Trade Centre  
18M, South Tukoganj, Indore, (M.P.) 452001

**Sub: Compliance Certificate for year ended 31.03.2024**

Dear Sir/Madam,

In Compliance with Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby certify that for the Financial Year ended 31.03.2024:

- A. We have reviewed the financial statements and cash flow statements for the year that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulation.
- B. There are to the best of our knowledge and belief, no transaction entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control

system of the company pertaining to financial reporting and have disclosed to the auditor and the committee deficiencies in designing or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to ratify these deficiencies.

D. There is no instance to be indicated to the auditor and Audit Committee in respect of: -

- (1) significant changes in internal control over financial reporting during the year;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) instance of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having role in the company's internal control system over financial reporting.

**For, Agro Phos (India) Limited**

Sd/-

**Vishnu Kant Gupta**

**Chief Financial Officer**

**Place: Indore**

**Date: 30.05.2024**

**ANNEXURE TO CORPORATE GOVERNANCE REPORT**

To

The Members,

Agro Phos (India) Limited

Address: M-87, Trade Centre,

18M South Tukoganj,

Indore (M.P.) 452001

We have examined the compliance of the conditions of Corporate Governance by Agro Phos (India) Limited (“the Company”) for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company.

Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

We further state that such compliance 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.

**Date: 29/08/2024**

**Place: Indore**

**UDIN: F006381F001086614**

**For Neelesh Gupta & Co.**

**Company Secretaries**

**sd/-**

**CS Neelesh Gupta**

**Proprietor**

**C.P. No.6846**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

**To,**

**The Members of**

**AGRO PHOS (INDIA) LIMITED**

**Registered Office: M-87, Trade Centre 18m, South Tukoganj**

**Indore (MP) 452001**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Agro Phos (India)Limited** having **CIN: L24123MP2002PLC015285** and having registered office at **M-87, Trade Centre 18M, South Tukoganj, Indore (MP) 452001** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 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.



DIN / PAN NO.	NAME	DESIGNATION	DATE OF APPOINTMENT	DATE OF CESSATION
00244925	Raj Kumar Gupta	Managing director	24/09/2002 & Re-appointed on 08/03/2022	-
05233476	Vishnu Kant Gupta	Whole-time director	16/03/2012 & Re-appointed on 11/11/2019	-
08178291	Vidhi Jain	Independent Director	12/07/2018	10/11/2023
07758751	Abhishek Kalekar	Non-Executive Director	08/03/2017	-
07609432	Mahesh Kumar Agarwal	Additional Independent Director	17/08/2024	-
09042779	Chandresh Kumar Gupta	Independent Director	25/01/2021	
02721299	Tushar Dave	Independent Director	30/06/2021	-
10499418	Shweta Bhamare	Additional Independent Director	09/02/2024	

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

**Date: 29/08/2024**  
**Place: Indore**

***For Neelesh Gupta & Co.***  
***Company Secretaries***

*Sd/-*  
**CS Neelesh Gupta**  
**Proprietor**  
**C.P. No.6846**

**Annexure to the Board Report “  
Annexure 'F'  
Annual Report on Corporate Social Responsibility**

**1. A brief outline of the Company’s CSR policy**

We believe that Corporate Social Responsibility (CSR) extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental and social with this intent and for the requirement under sec. 135 company has constituted a CSR committee having optimum composition of Executive and Non-Executive directors as members.

Your company has a CSR Policy which is uploaded on the website of the company at [www.agrophos.com](http://www.agrophos.com)

For the F.Y. 2023-24, the company is required to invest Specified amount i.e Rs. 11,95,217/- as CSR investment, as company falls under the ambit of CSR applicability. During the F.Y. 2023-24, the company have invested INR 12,65,000/- comprising Rs. 11,85,258/- for FY 2023-2024 and Rs. 79,742/- for FY 2022-2023) into one Charitable Trust namely “Karmaputra Charitable Trust” a Non-Profit making registered charitable trust which is involved in feeding the needy people with healthy and nutritious meal across India. An investment of INR 12,65,000/- is made in accordance with the provision of Section 135 of the Companies Act, 2013 and such project is covered under Schedule VII Companies Act, 2013. after the said investment there are still some unspent amounts is remaining which company will try to invest in upcoming year.

Also, Company is having some unspent amount from Previous years from 2015-16 to 2018 of Rs. 8,90,616/-. Recently on 16<sup>th</sup> August, 2024, the Company has spent Rs. 2,00,000 on a donation to the Eye Bank Association of India. This contribution aims to eradicate corneal blindness in India and supports the organization of the National Annual Conference on Cornea and Eye Banking.

To fulfill our social responsibility obligations, we need to spend a total of Rs. 7,00,545/-.The remaining amount will be utilized for the social activities covered under schedule- VII as your company is looking toward more social services, so that we may serve to more areas.

**Brief of the CSR are as mentioned below:**

CSR Vision

Promote sustainable and inclusive development as a responsible corporate citizen.

CSR Objective

Promote a comprehensive and integrated development through social and economic transformation.

**2. The Composition of the CSR Committee**

The Composition of our CSR Committee is as follows:

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
I.	Mr. Raj Kumar Gupta	Chairperson Managing Director	1	1
II.	Mr. Vishnu Kant Gupta	Member Whole-Time Director	1	1
III.	Mr. Chandresh Kumar Gupta	Member Independent Director	1	1

3. The web-link where Composition of CSR committee and CSR Policy are disclosed on the website of the company: [www.agrophos.com](http://www.agrophos.com)
4. 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)- Not applicable.
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 `)	Amount required to be set-off for the Financial Year, if any (in `)
	NIL		

6. Average net profit of the company for last three financial years:

Sl. No.	Financial Year	Net Profit Before Tax (Amount)
1	2022-2023	70693063.00
2	2021-2022	70211119.64
3	2020-2021	38378317.00
	<b>Average Net Profit of previous three financial years</b>	<b>59760833.21</b>

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 11,95,217/-
  - (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: NA
  - (d) Total CSR obligation for the financial year: Rs. 11,95,217/-.(FY 2023-2024)

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year:

- Rs. 11,85,258/- for FY 2023-2024
- Rs. 79,742/- for FY 2022-23

Amount Unspent: Rs. 9,959/- (FY 2023-2024)

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

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NIL	-	-	-	-	-	-	-	-	-	-	-

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount allocated for the project	(7) Amount spent in the current financial Year	(8) Mode of Implementation - Direct (Yes/No).	(9) Mode of Implementation Through Implementing Agency	
				State	District				Name	CSR Registration number
1.	The company have invested INR 12.65 lacs to one Charitable Trust namely "Karmaputra Charitable Trust" a Non-	(i)	Yes	Madhya Pradesh	Indore	12.65 lacs	12.65 lacs (Rs. 11,85,258/- for FY 2023-2024 and Rs. 79,742/- for FY 2022-23)	Direct	-	-

Profit making registered charitable trust which is serving for feeding the needy people with healthy and nutritious meal across India.									
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(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d) : 12.65 lacs (Rs. 11,85,258/- for FY 2023-2024 and Rs. 79,742/- for FY 2022-23)

(g) Excess amount for set off, if any- NIL

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	11,95,217/-
(ii)	Previous year unspent amount	79,742/-
(iii)	Total CSR obligation for the financial year[(i)+(ii)]	11,95,217/-
(iv)	Total amount spent for the Financial Year	12,65,000/- (Rs. 11,85,258/- for FY 2023-2024 and Rs. 79,742/- for FY 2022-23)
(v)	Excess amount spent for the financial year [(iv)-(iii)]	NIL
(vi)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(vii)	Amount available for set off in succeeding financial years [(v)-(vi)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: 79742/- of FY 2021-2022.

(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
<b>NOT APPLICABLE</b>								

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): **Not Applicable**
- b. Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**
- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: **Not Applicable**
- d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Your company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. The CSR initiatives are on the focus areas approved by the Board/Committee benefitting the community. During the year, there is small Shortfall of Amount of Rs. 9,929/- (Nine Thousand Nine Hundred and Twenty Only) and it arose due to clerical error while doing round-off into lacs, however same has been incurred during the next financial year.

We strive to continue serve such services in future and very soon we will completely spend the amount of our CSR Liability.

For and on behalf of the Board of Directors  
Agro Phos (India) Limited

Sd/-  
Raj Kumar Gupta  
Managing Director

**Annexure to The Board Report**  
**Annexure-'G'**

- (i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-2024:

S No.	Name of Director	Designation	Ratio of Remuneration of each Director to median remuneration of employees
1	Raj Kumar Gupta	Managing Director	42.31:1
2	Vishnu Kant Gupta	Whole Time Director and CFO	32.91
3	Abhishek Kalekar	Non-Executive Director	-
4	Vidhi Jain (Resigned on 10.11.2023)	Non- Executive Independent Director	NA
5	Shweta Bhamare (appointed w.e.f 09.02.2024)	Non- Executive Independent Director	NA
6	Chandresh Kumar Gupta	Non- Executive Independent Director	NA
KMP Other than Directors			
1	Reena Saluja	Company Secretary	1.97

Since Independent Directors received no remuneration, except sitting fees for attending Board /Committee meetings, the required details are not applicable.

1. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

<b>Amount in Lacs</b>				
S. No.	Name	As at 31.03.2024	As at 31.03.2023	% Increase in remuneration
1	Mr. Raj Kumar Gupta Managing Director	54.00	54.00	-
2	Mr. Vishnu Kant Gupta Whole Time Director	42.00	42.00	-
3	Vidhi Jain (Independent Director) Resigned on 10.11.2023	0.18	0.40	There was no increase however, Vidhi Jain has resigned on 10.11.2023
4.	Chandresh Kumar Gupta (Independent Director)	0.48	0.48	-
5.	Abhishek Kalekar (Non-Executive Director)	0.00	0.00	-
6.	Tushar Dave (Independent Director)	0.48	0.48	-



7.	Shweta Bhamare (Independent Director) Appointed w.e.f 09.02.2024	0.10	NA	NA
8.	Ms. Reena Saluja appointed w.e.f 21.09.2023 (Company Secretary)	2.51	NA	NA
9.	Mr. Vishnu Kant Gupta (CFO)	0.00	0.00	-

1. Mr. Abhishek Kalekar Non-executive Director was not drawn any amount by way of sitting fee or remuneration during the reporting year and previous financial year.
2. Ms. Vidhi Jain has resigned w.e.f 10.11.2023
3. Ms. Shweta Bhamare was appointed w.e.f 09.02.2024

**(III)**The percentage increase in the median remuneration of employees in the financial year

Median Remuneration 2023-24	Median Remuneration 2022-23	% Increase in the Median Remuneration
127634	115061.50	10.93%

(iv) No. of Permanent Employees on Roll: During the year, there were 154 employees who are on Roll in the Company.

Company has more employees or workers but they are not on permanent basis and are working on contract basis through some other entity.

(v) Average percentile increases 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, the detail is as provided above.

(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the company.



## Independent Auditors Report

To,  
The Members of  
**Agro Phos India Limited**

### Report on the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Agro Phos India Limited** (“the Company”), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2024, and its loss (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

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

Key Audit Matters	Auditor's Response
<p><b>Evaluation of uncertain tax positions</b>  The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of key uncertain tax positions; and</li> <li>• We along with our internal tax experts – <ul style="list-style-type: none"> <li>– Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;</li> <li>– Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li> </ul> </li> </ul> <p>Assessed management's estimate of the possible outcome of the disputed cases</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

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

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

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

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 Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph g(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rules framed there under.
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35 to the financial statements;
  - ii. The Company did not have any long term contract including derivative contract for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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 ("Ultimate Beneficiaries") by or on behalf of the Company or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.(B) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and(C) Based on such audit procedures as 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 (iv) (A) and (iv) (B) contain any material mis-statement.
  - v. The company has not declared or paid dividend during the year hence provision of Section 123 of the Act is not applicable.
  - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that register for property plant and equipment is maintained in software which has no audit trail feature. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- h. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

**For Ashok Khasgiwala & Co. LLP**  
**Chartered Accountants**  
**(Firm Reg. No. 000743C/C400037)**

**CA Ashok Khasgiwala**  
**Partner**  
M. No. 070288

Date: 30.05.2024  
Place: Indore  
UDIN: **24070288BKILMO5292**



## **Annexure A to Independent Auditor's Report**

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Agro Phos India Limited on the financial statements for the year ended 31<sup>st</sup> March, 2024.

- i.
  - a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.  
  
B. The Company has maintained proper records showing full particulars of intangible assets.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a phased program for physical verification of the PPE for all locations. Physical verification of the assets has been carried out during the year pursuant to the programme which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties whether the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
  - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, plant and equipment or intangible assets during the year.
  - e. According to the information and explanations given to us and as explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
  - a. The inventories have been physically verified by the management at reasonable intervals during the year. The coverage and procedures of physical verification of the inventories followed by the management is appropriate in relation to the size of the Company and nature of it's business. On the basis of our examination of the records, no discrepancies of 10% or more in the aggregate for each class of inventory was noticed on physical verification of inventories as compared to book records.
  - b. During the year, the Company has been sanctioned working capital limits in excess of `5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account except those as set out below.

Name of the Bank	Quarter Ended	Amount disclosed as per quarterly return / statement Rs. in Lacs	Amount as per books Rs. in Lacs	Difference Rs. in Lacs
Axis Bank	June 23	5403.72	4675.20	728.52
Axis Bank and canara Bank	Sept 23	6118.30	5278.32	839.98
Axis Bank and canara Bank	Dec 23	4049.41	3987.55	61.86
Axis Bank and canara Bank	March 24	4362.91	4344.35	18.56

iii. During the year the company has not given any guarantee or provided any security or granted any advance in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments during the year and granted unsecured loan to one company in respect of which the requisite information is as below.

Particulars	Rs. in Lacs	
	Loans	Investment
<b>Aggregate amount granted/provided/invested during the year</b>		
(i) Associate Entity / Subsidiary / JV	95.00	290.00
(ii) Others	-	200.00
<b>Balance outstanding as at year end in respect of above</b>		
(i) Associate Entity / Subsidiary / JV	75.02	290.00
(ii) Others	-	177.40

- b. According to the information and explanation given to us, in our opinion, the investment made and terms and condition of the loans granted are, prima facie, not prejudicial to the interest of the Company.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the repayment of principal and payment of interest is stipulated and repayment or receipts are regular.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amount is not overdue in respect of any loans or advances in the nature of loan from any party as at the year end.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

- f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made and loans granted. The company has provided any security or granted any guarantee in terms of section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules, framed there under. As informed to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii.
- a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities. There were no undisputed statutory dues in arrears, as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable except ESIC amounting to Rs. 0.01 lacs related to 2018-19 outstanding for more than six months not deposited.
- b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Goods and Services tax, provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited with appropriate authorities on account of any dispute except detailed as follows:

<b>Name of the Statute</b>	<b>Nature of Liability</b>	<b># (Amount in Lacs)</b>	<b>Related Period</b>	<b>Forum where dispute is pending</b>
Central Sales Tax Act 1956	Central Sales Tax	13.40	2016-17	M.P. Commercial Tax Appealate Board

# Note: Net of Rs. 8.03 Lacs deposited.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the Order is not applicable to the Company.

- ix. a. According to the records of the company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings or in payment of interest thereon to any lender and hence reporting under para 3(ix) (a) of the Order is not applicable to the Company.
- b. The company is not declared a willful defaulter by any bank or financial institution or other lender.
- c. According to the information and explanations given to us and the records of the Company examined by us, the company has not raised any term loan during the year.
- d. According to the information and explanations given to us and on an overall examination of financial statements of the Company, we report that funds raised for short term basis have not been utilized for long term purpose.
- e. According to the information and explanations given to us and the records of the Company examined by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies.
- f. According to the information and explanations given to us and the records of the Company examined by us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. a. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the company has not raised money by way of initial public offer or further public offer (including debt instruments).
- b. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. a. During the course of our examination of the books of account and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the company noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the management, there are no whistle-blower complaints received by the company during the year.
- xii. In our opinion and according to information and explanation given to us and the records of the Company examined by us, the company is not a Nidhi Company therefore, the provision of para 3 (xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. a. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the provision of section 192 of the Companies Act, 2013 are 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 therefore, the provision of para 3 (xvi) (a) of the Order is not applicable to the company for the year under audit.
- b. The company has not conducted any Non-Banking Financial or Housing Finance activities during the year therefore, the provision of para 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. Therefore, the provision of para 3 (xvi) (c) of the Order is not applicable to the company.
- d. The Group has no CIC. Therefore, the provision of para 3 (xvi) (d) of the Order is not applicable to the company.
- xvii. The company has incurred cash losses of Rs. 527.71 lakhs during the financial year covered by our audit and however has not incurred in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and in our opinion provisions of para 3(xviii) of the order not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a. According to the information and explanations given to us and on the basis of our examination of the records, the company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a fund specified in schedule VII to the Companies Act, 2013 till the date of our audit report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to subsection (5) of section 135 of the Act, has not elapsed till the date of our report. Details of the same are as under :

F.Y.	Amount identified for CSR activities other than on going projects in Lacs	Unpent amount in Lacs	Amount transferred to fund specified in schedule VII to the Act	Due date of transfer to the specified fund	Actual date of transfer	No. of days delay
2023-24	11.95	0.10	-	30.09.2024	-	-

b. There is no on going project under section 135 (5) of the Companies Act 2013.

**For Ashok Khasgiwala & Co. LLP**  
**Chartered Accountants**  
**(Firm Reg. No. 000743C/C400037)**

**CA Ashok Khasgiwala**  
**Partner**  
M. No. 070288

Date: 30.05.2024  
Place: Indore  
UDIN: **24070288BKILMO5292**

## **Annexure B To the Independent Auditor's Report of even date on the Financial Statements of Agro Phos India Limited**

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

We have audited the internal financial controls over financial reporting of Agro Phos India Limited as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



## **Meaning of Internal Financial Controls over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 Ashok Khasgiwala & Co. LLP**  
**Chartered Accountants**  
**(Firm Reg. No. 000743C/C400037)**

**CA Ashok Khasgiwala**  
**Partner**  
M. No. 070288

Date: 30.05.2024  
Place: Indore  
UDIN: **24070288BKILMO5292**

**AGRO PHOS INDIA LIMITED**  
**CIN: L24123MP2002PLC015285**  
**BALANCE SHEET AS AT 31ST MARCH, 2024**

(Figures Rs. in Lacs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	1	2,422.08	2,155.10
(b) Right of use asset	1.1	12.09	13.64
(c) Capital work-in-progress	2	-	283.47
(d) Other Intangible Assets	3	1.47	2.49
<b>(e) Financial Assets</b>			
(i) Investments	4	467.40	33.55
(ii) Others	5	43.70	49.23
(f) Other non-current assets	6	4.00	25.00
<b>Total Non-current assets</b>		<b>2,950.74</b>	<b>2,562.48</b>
<b>(2) Current assets</b>			
(a) Inventories	7	3,397.28	6,128.12
<b>(b) Financial Assets</b>			
(i) Trade receivables	8	1,262.84	1,629.15
(ii) Cash and cash equivalents	9	9.07	13.53
(iii) Bank balances other than (ii) above	10	60.67	267.62
(iv) Others	11	1,236.42	1,255.46
(c) Current Tax Assets (Net)	12	39.22	
(d) Other Current Assets	13	784.20	1,164.17
<b>Total Current assets</b>		<b>6,789.71</b>	<b>10,458.05</b>
<b>Total Assets</b>		<b>9,740.45</b>	<b>13,020.53</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	2,027.41	2,027.41
(b) Other Equity	15	2,664.56	3,177.29
<b>Total Equity</b>		<b>4,691.97</b>	<b>5,204.70</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	16	66.72	118.62
(ii) Others	17	12.76	14.06
(b) Provisions	18	71.75	70.46
(c) Deferred tax liabilities (Net)	19	55.15	242.78
<b>Total Non-Current Liabilities</b>		<b>206.38</b>	<b>445.92</b>
<b>(2) Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	20	2,804.83	2,586.19
(ii) Trade payables	21		
(a) Total outstanding due of Micro and Small Enterprises		346.72	8.36
(b) Total outstanding due other than (a) above		1,293.35	4,473.85
(iii) Other financial liabilities	22	214.72	91.79
(b) Other current liabilities	23	176.90	200.91
(c) Provisions	24	5.59	8.65
(d) Current Tax liabilities (net)	25	-	0.17
<b>Total Current liabilities</b>		<b>4,842.10</b>	<b>7,369.91</b>
<b>Total Equity and Liabilities</b>		<b>9,740.45</b>	<b>13,020.53</b>

The accompanying notes to accounts forming an integral part to the financial statement

1 to 53

General information and material accounting policies

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

**For ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants

(Firm Registration No 0743C/C400037)

**Raj Kumar Gupta**

Managing Director

DIN : 00244925

**Vishnu Kant Gupta**

Whole-Time Director and CFO

DIN : 05233476

**CA Ashok Khasgiwala**

Partner

Membership No.070288

Indore, 30.05.2024

**CS Reena Saluja**

Company Secretary

**AGRO PHOS INDIA LIMITED**  
**CIN: L24123MP2002PLC015285**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024**

(Figures Rs. in Lacs)

Particulars	Note No.	For the year ended 31st March, 2024	For the year ended 31st March, 2023
<b>INCOME</b>			
<b>I</b> Revenue from Operations	26	10,714.28	13,101.70
<b>II</b> Other Income	27	62.57	33.70
<b>III</b> <b>Total Income ( I+II )</b>		<b>10,776.84</b>	<b>13,135.40</b>
<b>IV EXPENSES</b>			
Cost of material consumed	28	6,535.24	10,312.80
Purchases of Stock-in-Trade	29	454.53	576.40
Changes in inventories of finished goods, work-in-progress and stock in trade	30	1,083.75	(1,945.76)
Employee Benefits Expense	31	369.48	405.45
Finance Costs	32	341.32	212.67
Depreciation, amortisation and impairment Expenses	33	173.21	155.57
Other Expenses	34	2,537.47	2,707.23
<b>Total Expenses</b>		<b>11,495.01</b>	<b>12,424.36</b>
<b>V Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>(718.17)</b>	<b>711.04</b>
<b>VI</b> Exceptional Items		-	-
<b>VII Profit/(loss) before tax (V-VI)</b>		<b>(718.17)</b>	<b>711.04</b>
<b>VIII Tax expense</b>	39		
Current Tax		-	230.48
Deferred Tax		(192.59)	(24.57)
Income Tax for Earlier Years		-	4.77
<b>IX Profit/(loss) after tax for the year (VII-VIII)</b>		<b>(525.58)</b>	<b>500.36</b>
<b>X (A) Other Comprehensive Income/(loss)</b>			
<b>(i) Items that will not be reclassified to statement of profit or loss</b>			
Remeasurement of defined benefit obligation		17.79	10.33
Tax thereon		(4.95)	(2.87)
<b>(ii) Items that will be reclassified to statement of profit or loss</b>			
<b>Total other comprehensive income</b>		<b>12.84</b>	<b>7.46</b>
<b>XI Total comprehensive income for the year (VIII+IX)</b>		<b>(512.74)</b>	<b>507.82</b>
<b>XII Earnings per equity share of face value of `10 each</b>			
<b>Basic and Diluted earnings per share</b>			
a Basic (in `)		(2.59)	2.47
b Diluted (in `)		(2.59)	2.47
<b>The accompanying notes to accounts forming an integral part to the financial statement</b>	<b>1 to 53</b>		
<b>General information and material accounting policies</b>	<b>A-B</b>		
As per our report of even date attached. <b>For ASHOK KHASGIWALA &amp; CO. LLP</b> Chartered Accountants (Firm Registration No 0743C/C400037)		<b>For and on behalf of the Board of Directors</b>	
		<b>Raj Kumar Gupta</b> Managing Director DIN : 00244925	<b>Vishnu Kant Gupta</b> Whole-Time Director and CFO DIN : 05233476
<b>CA Ashok Khasgiwala</b> Partner Membership No.070288 Indore, 30.05.2024		<b>CS Reena Saluja</b> Company Secretary	

<b>AGRO PHOS INDIA LIMITED</b>		
<b>( CIN: L24123MP2002PLC015285 )</b>		
<b>Cash Flow Statement for the year ended 31st March, 2024</b>		<b>(Figures Rs. in Lacs)</b>
Particulars	Year Ended	Year Ended
	31.03.2024	31.03.2023
	<b>(Audited)</b>	<b>(Audited)</b>
<b>A. Cash flow from Operating activities</b>		
a. Net Profit/ (Loss) before Tax & Exceptional item	<b>(718.17)</b>	<b>711.04</b>
Adjustment for :		
Depreciation & Amortisation	173.21	155.57
Finance costs	341.32	212.67
Interest Income	(31.78)	(14.08)
(Gain) / Loss on disposal of Property, Plant and Equipment	(0.64)	0.15
(Profit) / Loss on sale of Investment	(1.60)	4.84
Provision /(Reversal of provision) on doubtful debts	(5.36)	9.05
Provision on doubtful advance	-	37.00
Fair Value of Investments	22.60	(4.11)
IND as adjustment from OCI	17.79	10.33
Unrealised gain / (loss) on Foreign currency exchange rate	-	15.14
<b>b. Operating profit/(loss) before working capital changes</b>	<b>(202.60)</b>	<b>1137.60</b>
Adjustment for :		
Trade and Other receivables	584.42	(1,204.52)
Inventories	2,730.83	(2,965.01)
<b>o</b> Trade and other payables	(2,791.47)	2,594.11
<b>c. Cash generated from Operations</b>	<b>321.18</b>	<b>(437.82)</b>
Direct Taxes (paid)/Refund (Net)	(39.39)	(210.63)
<b>Net Cash Flow from Operating activities</b>	<b>281.79</b>	<b>(648.45)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment	(148.78)	(441.92)
Sale of Property, Plant and Equipments	16.26	0.67
Purchase of Investment	(200.00)	(26.23)
Acquisition of Associate	(290.00)	
Sale of Investment	35.15	118.53
Interest Received	38.45	13.09
Changes in fixed deposits not considered as cash and cash Equivalent	206.94	(72.53)
Intercorporate Loan Recovered /(Given)	185.13	(260.15)
<b>Net Cash Flow from Investing activities</b>	<b>(156.85)</b>	<b>(668.54)</b>
<b>C. Cash flow from Financing activities</b>		
Proceeds from Borrowings	387.90	1,472.27
Repayment of Borrowings	(221.17)	(43.82)
Finance cost Paid	(296.13)	(208.15)
<b>Net Cash flow from Financing activities</b>	<b>(129.40)</b>	<b>1,220.30</b>
<b>D. Net Increase / (Decrease)in Cash and Cash Equivalent</b>	<b>(4.46)</b>	<b>(96.69)</b>
Cash and Cash Equivalent at the beginning of the year	13.53	110.23
Cash and Cash Equivalent at the end of the year	9.07	13.53
<b>Cash and Cash Equivalent Comprises :</b>		
Balances with Banks	3.06	4.09
Cash on hand	6.01	9.44
As per our report of even date attached.		<b>For and on behalf of the Board of Directors</b>
<b>For ASHOK KHASGIWALA &amp; CO. LLP</b>		
Chartered Accountants		
(Firm Registration No 0743C/C400037)		
	<b>Raj Kumar Gupta</b>	<b>Vishnu Kant Gupta</b>
	Managing Director	Whole-Time Director & CFO
	DIN : 00244925	DIN : 05233476
<b>CA Ashok Khasgiwala</b>		
Partner		
Membership No.070288		
Indore, 30.05.2024	<b>CS Reena Saluja</b>	
	Company Secretary	

**AGRO PHOS INDIA LIMITED**  
**CIN: L24123MP2002PLC015285**  
**STATEMENT OF CHANGE IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31,2024**

(Figures Rs. in Lacs)

**a. Equity share capital**

Particulars	March 31, 2024	March 31, 2023
<b>Balance at the beginning of the reporting period</b>	2,027.41	2,027.41
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,027.41	2,027.41
Changes in Equity share capital during the year	-	-
<b>Balance at the end of the current reporting period</b>	<b>2,027.41</b>	<b>2,027.41</b>

**b. Other Equity**

**(i) As at March, 2024**

Particulars	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
<b>Balance at the beginning of the current reporting period</b>	20.00	705.60	2451.69	3177.29
Profit/( Loss) for the year	0.00	0.00	-525.58	-525.58
Other Comprehensive Income for the year ( net of tax)			12.85	12.85
<b>Total comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>-512.73</b>	<b>-512.73</b>
<b>Balance at the end of the current reporting period</b>	<b>20.00</b>	<b>705.60</b>	<b>1938.96</b>	<b>2664.56</b>

**b. Other Equity**

**(ii) As at March, 2023**

Particulars	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
<b>Balance at the beginning of the reporting period</b>	20.00	705.60	1943.88	2669.47
Profit/( Loss) for the year	0.00	0.00	500.36	500.36
Dividend			0.00	0.00
Other Comprehensive Income for the year ( net of tax)			7.46	7.46
<b>Total comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>507.82</b>	<b>507.82</b>
<b>Balance at the end of the previous reporting period</b>	<b>20.00</b>	<b>705.60</b>	<b>2451.69</b>	<b>3177.29</b>

The accompanying notes to accounts forming an integral part to the financial statement **1 to 53**

General information and material accounting policies **A-B**

As per our report of even date attached.

**For ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants

(Firm Registration No 0743C/C400037)

**For and on behalf of the Board of Directors**

**Raj Kumar Gupta**

Managing Director

DIN : 00244925

**Vishnu Kant Gupta**

Whole-Time Director and CFO

DIN : 05233476

**CA Ashok Khasgiwala**

Partner

Membership No.070288

Indore, 30.05.2024

**CS Reena Saluja**

Company Secretary

## **AGRO PHOS (INDIA) LIMITED**

### **A. Company Information**

Agro Phos (India) Limited is a Public Limited Company incorporated under the Companies Act, 1956 bearing Corporate Identity No. L24123MP2002PLC015285 dt. 19.09.2002 having registered office at M-87, Trade Centre 18M, South Tukoganj, Indore, (MP) 452001. The Company was initially incorporated as a private limited company and has converted into public limited company w.e.f. 28.02.2004. Initially company established its fertilizer manufacturing facility at Industrial Area, Dewas (M.P.). During the year 2014-15 company also established its new manufacturing facility at Meghnagar Distt. Jhabua (M.P.). The company is also engaged in fertilizer trading. The shares of the company are listed at the National Stock exchange.

The Financial Statements have been approved for issue by the Board of Directors at its meeting held on 30.05.2024.

### **B. Material accounting policies**

#### **i. Statement of compliance**

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

#### **ii. Basis of Preparation**

The financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

## **Functional and presentation currency**

These financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "INR"), which is Company's functional and presentation currency. All amounts disclosed in the Financial Statements including notes thereon have been rounded off to the nearest Rs. in lacs up to two decimals as per the requirement of Schedule III to the Act, unless stated otherwise.

## **iii. Use of Estimates, Judgments and Assumptions**

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on amount recognized in the financial statements are:

- i. Allowance for bad and doubtful trade receivable.
- ii. Recognition and measurement of provision and contingencies.
- iii. Depreciation/ Amortisation and useful lives of Property, plant and equipment / Intangible Assets.
- iv. Recognition of deferred tax.
- v. Income Taxes.
- vi. Measurement of defined benefit obligation.
- vii. Impairment of Non-financial assets and financial assets.
- viii. Fair value of financial instruments.

## **iv. Revenue**

### **Recognition**

The company recognised revenue i.e. account for a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods or services to be transferred;
- (c) the entity can identify the payment terms for the goods or services to be transferred;
- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

## **Measurement**

When (or as) a performance obligation is satisfied, company recognise as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

The transaction price is the amount that the entity expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some taxes on sales). The consideration promised may include fixed amounts, variable amounts, or both.

### **i. Sale of goods**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Further, the revenue amount is adjusted for the time value of money if that contract contains a significant financing component.

### **ii. Interest and Dividend**

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

### **v. Inventories**

Inventories are valued at lower of cost and net realizable value, except scrap is valued at net realizable value. Cost of inventory is arrived at by using FIFO Method. Cost of inventory is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

### **vi. Property, Plant and Equipment**

#### **a. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (if any).

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, acquisition or construction cost including borrowing costs, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.



## **b. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and costs of the item can be measured reliably.

## **c. Depreciation**

Depreciation on property, plant and equipment is provided using Straight line method (SLM) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

The estimated useful lives, residual value and depreciation method are reviewed at the end of each balance sheet date, any changes therein are considered as changes in estimate and accordingly accounted for prospectively.

## **e. Capital Work In progress**

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

## **vii. Intangible Assets**

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. 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 recognised in the statement of profit and loss when the asset is derecognised.

## **Recognition and measurement**

Intangible assets are held at cost less accumulated amortisation and impairment losses. Intangible assets developed or acquired with finite useful life are amortised on straight line basis over the useful life of asset.

## **Subsequent expenditure**

Subsequent expenditure is capitalised only when when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured or development stage is achieved. All other expenditure, including expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit or loss.

## **Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit or loss. Computer software are amortised over their useful life of 5 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

## **viii. Employee benefits**

### **i. Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **ii. Defined benefit plans**

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The company pays gratuity to the employees who have completed five years of service with company at the time when the employee leaves the company as per the payment of gratuity act 1972.

Remeasurement of the net defined benefit plans in respect of post-employment are charged to other comprehensive income. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

### **iii. Other employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

### **iv. Defined Contribution Plan**

The company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

## **ix. Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income or a business combination, or items recognised directly in equity.

### **i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### **ii. Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets and liabilities are reviewed at the end of each reporting period.

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### **x. Foreign currency transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are recognised in statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured based on historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognised in statement of profit and loss.

#### **xi. Borrowing cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

Borrowing cost consist of interest and amortization of ancillary cost incurred in connection with the arrangement of borrowed funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **xii. Cash and Cash Equivalent**

Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdraft are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

#### **xiii. Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

#### **xiv. Earning Per Share**

- i. Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares , adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.
- ii. Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

#### **xv. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but its existence is disclosed in the financial statements where an inflow of economic benefits is probable.

#### **xvi. Right of Use Assets**

Lease hold land are amortised over period of lease and considered as Right of Use assets and classified accordingly.

#### **xvii. Impairment of Non-Financial Assets**

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in statement of profit and loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been in place had there been no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss, taking into account the normal depreciation/amortization.

## **xviii. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

### **i. Financial assets**

#### **Classification**

The Company classifies financial assets in the following measurement categories :

- a. Those measured at amortised cost and
- b. Those measured subsequently at fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### **Initial recognition and measurement**

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset are adjusted to the fair value in case of financial assets not recorded at fair value through 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.

#### **Measured at amortised cost**

A financial asset 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

### **Measured at fair value through other comprehensive income (FVOCI)**

A financial asset is measured at FVOCI 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.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

### **Financial Asset at fair value through profit and loss (FVTPL)**

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the group company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI 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').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### **Derecognition**

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

i. The rights to receive cash flows from the asset have expired, or

ii. 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.

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

iv. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

### **Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i. Trade receivables which do not contain a significant financing component.

The application of simplified approach recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

## **ii. Financial liabilities**

### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised costs.

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, financial guarantee contracts and derivative financial instruments.

#### **Financial liabilities at fair value through profit or loss.**

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

#### **Gains or losses on liabilities held for trading are recognised in the profit or loss.**

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

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to interest-bearing loans and borrowings.

#### **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 from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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 or loss.

#### **Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and when the company has a legally enforceable right to set off the amount and it intends either to settle them on net basis or to realize the asset and settle the liability simultaneously.

## **xix. Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## **xx. Government Grants**

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

Subsidy for fertilisers is recognized as per the rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time. Subsidy income recognized only when goods finally sold to end user / farmer and bill generated through IMFS System.

## **C. Standard issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## Notes forming part of financial statements

(Figures Rs. in Lacs)

## Note - 1 Property, Plant and Equipment

## A. TANGIBLE ASSETS

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
<b>a. Gross Carrying Amount</b>						
<b>As at 01 April, 2022</b>	1444.49	999.08	24.15	134.56	25.55	2627.83
Additions	90.24	28.27	0.00	103.76	3.15	225.43
Deduction/Adjustments				0.88		0.88
<b>As at March 31, 2023</b>	1534.74	1027.35	24.15	237.45	28.70	2852.38
Additions	180.32	242.83	4.83	16.25	8.96	453.20
Deduction/Adjustments				33.54		33.54
<b>As at March 31, 2024</b>	<b>1715.06</b>	<b>1270.18</b>	<b>28.99</b>	<b>220.16</b>	<b>37.66</b>	<b>3272.04</b>

<b>b. Accumulated depreciation and impairment</b>						
<b>As at 01 April, 2022</b>	<b>134.11</b>	<b>348.22</b>	<b>11.96</b>	<b>32.02</b>	<b>18.12</b>	<b>544.43</b>
Depreciation charge for the year	50.06	76.98	2.30	20.78	2.80	152.91
Deduction/Adjustments	0.00	0.00	0.00	0.06	0.00	0.06
<b>As at March 31, 2023</b>	<b>184.16</b>	<b>425.20</b>	<b>14.25</b>	<b>52.74</b>	<b>20.92</b>	<b>697.28</b>
Depreciation charge for the year	56.39	81.01	2.41	27.43	3.35	170.59
Deduction/Adjustments				17.92		17.92
<b>As at March 31, 2024</b>	<b>240.56</b>	<b>506.21</b>	<b>16.66</b>	<b>62.25</b>	<b>24.27</b>	<b>849.96</b>

<b>c. Net Carrying Amount</b>						
<b>As at March 31, 2023</b>	<b>1350.57</b>	<b>602.15</b>	<b>9.90</b>	<b>184.71</b>	<b>7.78</b>	<b>2,155.10</b>
<b>As at March 31, 2024</b>	<b>1,474.50</b>	<b>763.97</b>	<b>12.32</b>	<b>157.91</b>	<b>13.38</b>	<b>2,422.08</b>

**Note:**

1. Title deeds of all immovable properties are held in name of the Company.
2. No revaluation of Property, Plant and Equipment has been carried out during the year.

<b>Note 1.1 : RIGHT OF USE ASSETS</b>	
<b>Particulars</b>	<b>Land - Lease hold</b>
<b>Gross carrying amount</b>	
<b>As at 01 April, 2022</b>	19.87
Additions	-
Disposals/Adjustments	-
<b>As at March 31, 2023</b>	19.87
Additions	-
Disposals/Adjustments	-
<b>As at March 31, 2024</b>	<b>19.87</b>
<b>Accumulated Depreciation and Impairment</b>	
<b>As at 01 April, 2022</b>	<b>4.67</b>
Depreciation for the year	1.56
Disposals/Adjustments	0.00
<b>As at March 31, 2023</b>	<b>6.23</b>
Depreciation for the year	1.56
Disposals/Adjustments	0.00
<b>As at March 31, 2024</b>	<b>7.78</b>
<b>Net Carrying Value</b>	
<b>As at March 31, 2023</b>	<b>13.64</b>
<b>As at March 31, 2024</b>	<b>12.09</b>

<b>Note 2 : CAPITAL WORK-IN-PROGRESS</b>					
<b>Particulars</b>	<b>Building</b>	<b>Plant &amp; Machinery</b>	<b>Office Equipments</b>	<b>Furniture</b>	<b>Total</b>
<b>As at 01 April, 2022</b>	<b>71.94</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>71.94</b>
Additions	83.22	133.86	3.31	4.83	225.23
Deduction/Adjustments	13.71	0.00	0.00	0.00	13.71
<b>As at March 31, 2023</b>	<b>141.46</b>	<b>133.86</b>	<b>3.31</b>	<b>4.83</b>	<b>283.47</b>
Additions	38.87	97.95	0.00	0.00	136.82
Deduction/Adjustments	180.32	231.81	3.31	4.83	420.28
<b>As at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Capital Work-in-Progress Ageing Schedule**

<b>Particulars</b>	<b>Amount in CWIP for a period of</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
<b>As at 31st March, 2024</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>As at 31st March, 2023</b>					
Projects in progress	225.23	37.54	20.70	0.00	<b>283.47</b>
Projects temporarily suspended	-	-	-	-	-

<b>Note-3 : Intangible Assets</b>	
<b>Particulars</b>	<b>Computer Software</b>
<b>a. Gross carrying amount</b>	
<b>As at 01 April, 2022</b>	<b>5.25</b>
Additions	0.97
Disposals/Adjustments	0.00
<b>As at March 31, 2023</b>	<b>6.22</b>
Additions	0.05
Deduction/Adjustments	0.00
<b>As at March 31, 2024</b>	<b>6.27</b>
<b>b. Accumulated Amortisation</b>	
<b>As at 01 April, 2022</b>	<b>2.63</b>
Amortisation During the year	1.10
Additions	-
Deduction/Adjustments	-
<b>As at March 31, 2023</b>	<b>3.73</b>
Amortisation During the year	1.06
Additions	-
Deduction/Adjustments	0.00
<b>As at March 31, 2024</b>	<b>4.79</b>
<b>c. Net Carrying Amount</b>	
<b>As at March 31, 2023</b>	<b>2.49</b>
<b>As at March 31, 2024</b>	<b>1.47</b>

Particulars	As at Mar 31, 2024	As at March 31, 2023
<b>Note - 4 Non -Current Investments</b>		
<b>Investment in Equity Instruments: Measured at cost In Associate Company Unquoted</b>		
29,00,000 (Previous Year Nil ) Equity shares of Rs.10/- each fully paid up in Shri Tulsi Phosphate Limited	290.00	-
	<b>290.00</b>	<b>-</b>
<b>Investment in Equity Instruments - Other than in subsidiary, associate and Joint Venture companies (Measured at Fair value through Profit &amp; Loss (FVTPNL) Unquoted</b>		
20,00,000 (Previous Year Nil ) Equity shares of Rs.10/- each fully paid up in APIndia Biotech Private Limited	177.40	-
	<b>177.40</b>	<b>-</b>
<b>Investment in Mutual Funds At Fair value through Profit and Loss (FVTPNL) Unquoted</b>		
Nil (Previous Year 99995 Units) Franklin India Balanced Advantage Fund - Gr	-	10.09
Nil (Previous Year 228571.444 units) Nippon India Flexi Cap Fund - Gr	-	23.46
	<b>-</b>	<b>33.55</b>
<b>Grand Total</b>	<b>467.40</b>	<b>33.55</b>
Aggregate Amount of Quoted Investments and market value thereof	-	-
Aggregate Amount of Unquoted Investments	467.40	33.55
Aggregate Amount of Provision for diminution in value of investments	-	-
<b>Note - 5 Other Financial Assets</b>		
Security Deposits	43.22	37.83
Balance with Banks in Deposit Accounts with original maturity of more than 12 months (earmarked)	0.47	0.47
Other receivable	-	10.93
	<b>43.70</b>	<b>49.23</b>
<b>Note -6 Other Non-Current Assets</b>		
Capital Advance	4.00	25.00
	<b>4.00</b>	<b>25.00</b>
<b>Note -7 Inventories</b>		
Raw Materials (including packing material's)	1125.80	2772.89
Work-in-progress	729.89	1836.19
Finished goods	1204.24	1399.78
Stock- in- Trade ( in respect of goods acquired for trading)	337.35	119.26
	<b>3,397.28</b>	<b>6,128.12</b>
i) Inventories are valued at lower of cost and net realisable value, except scrap, which is valued at net realisable value.		

**Note - 8 Trade Receivables**

Unsecured, considered good	1217.42	1609.65
Which have significant increase in credit risk	45.42	19.50
Credit Impaired	18.45	23.81
	<b>1,281.29</b>	<b>1,652.96</b>
Less: Provision for doubtful debts	18.45	23.81
	<b>1,262.84</b>	<b>1,629.15</b>

(i) Trade Receivables includes debts due from firms/private companies in which directors are interested Rs. 646.06 Lacs (Previous Year Rs.433.55 Lacs)

**Note - 9 Cash and Cash Equivalents**

Balances with Banks		
In Current Accounts	3.06	4.09
Cash on hand	6.01	9.44
	<b>9.07</b>	<b>13.53</b>

**Note - 10 Bank Balances Other Than Cash and Cash Equivalents Above**

Dividend Accounts earmarked	0.44	0.44
In Deposit Accounts with original maturity		
More than 3 months but less than or equal to 12 months (earmarked)	60.24	267.18
	<b>60.67</b>	<b>267.62</b>

**Note - 11 Other Financial Assets**

Accrued interest	0.94	7.62
Subsidy Receivable	1002.99	750.49
Security Deposits	157.46	237.21
Intercorporate Loan - To Related Party	75.02	260.15
	<b>1,236.42</b>	<b>1,255.46</b>

**Note -12 Current Tax Assets (Net)**

Advance tax (Net of Provision for Taxation)	39.22	0.00
	<b>39.22</b>	<b>-</b>

**Note -13 Other Current Assets**

Advance against supply	297.09	229.18
Balance with Government Authorities	469.05	921.20
Other Advance*	55.07	50.79
Less : Provisions for doubtful advance	-37.00	-37.00
	18.07	13.79
	<b>784.20</b>	<b>1,164.17</b>

(\* Includes Tour advance to employees, salary advance etc.)

## Notes forming part of financial statements

(Figures Rs. in Lacs)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Note - 14 Equity Share Capital</b>		
<b>(a) Authorised</b>		
21000000 (Previous Year 21000000 ) Equity share of Rs. 10/- each	2,100.00	2,100.00
	<b>2,100.00</b>	<b>-</b>
<b>(b) Issued, Subscribed and paid-up</b>		
20274115 (Previous Year 20274115) Equity share of Rs. 10/- each fully paid up	2,027.41	2,027.41
	<b>2,027.41</b>	<b>2,027.41</b>

## 14.1 The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares :</b>				
Equity Shares at the beginning of the year	20274115	2,027.41	20,274,115	2027.41
Add: Shares issued during the year	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>20,274,115</b>	<b>2,027.41</b>	<b>20,274,115</b>	<b>2,027.41</b>

## 14.2 Terms / Rights attached to Equity Shares :

The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

## 14.3 The details of shareholders' holding more than 5 % Shares:

EQUITY SHARES	As at March 31, 2024		As at 31st March 2023	
	No. of Shares	% age of holding	No. of Shares	% age of holding
Raj Kumar Gupta	4,300,435	21.21	4,300,435	21.21
Vishnu Kant Gupta	1,596,075	7.87	1,596,075	7.87
Ramesh Chand Suhane	1,795,050	8.85	1,795,050	8.85

## 14.4 The details of Shares held by Promoters as at 31st March, 2024:

Promoter Name	No. of Shares	% of total shares	% Change during the year
Raj Kumar Gupta	4,300,435	21.21	-
Vishnu Kant Gupta	1,596,075	7.87	-
<b>Total</b>	<b>5,896,510</b>	<b>29.08</b>	<b>-</b>

## The details of Shares held by Promoters as at 31st March, 2023:

Promoter Name	No. of Shares	% of total shares	
Raj Kumar Gupta	4,300,435	21.21	
Vishnu Kant Gupta	1,596,075	7.87	
<b>Total</b>	<b>5,896,510</b>	<b>29.08</b>	

14.5 For a period of five years immediately preceding the date of Balance Sheet i.e. 31st March, 2024 the company has :-

- (i) Not allotted shares as fully paid up pursuant to contract (s) without payment being received in cash.
- (ii) Not allotted any shares as fully paid up by way of bonus shares.
- (iii) Not bought back any shares .

## Notes forming part of financial statements

(Figures Rs. in Lacs)

Particulars	As at Mar 31, 2024	As at March 31, 2023
<b>Note - 15 Other Equity</b>		
<b>A Capital Reserve</b>		
Balance as at the beginning of the year	20.00	20.00
<b>Balance as at the end of the year</b>	<b>20.00</b>	<b>20.00</b>
<b>B Securities Premium</b>		
Balance as at the beginning of the year	705.60	705.60
Add : Received during the year	-	-
<b>Balance as at the end of the year</b>	<b>705.60</b>	<b>705.60</b>
<b>C Retained Earnings</b>		
<b>Balance as at the beginning of the year</b>		
Balance as at the beginning of the year	2,451.69	1943.88
Add: Net Profit/(Loss) for the year	(525.58)	500.36
Less: Remeasurement of the defined benefit plans through OCI (Net of tax)	12.85	7.46
<b>Balance as at the end of the year</b>	<b>1,938.96</b>	<b>2,451.69</b>
<b>Total Other equity</b>	<b>2,664.56</b>	<b>3,177.29</b>
<b>NATURE AND PURPOSE OF RESERVES:</b>		
<b>(I) Securities Premium</b>	Securities Premium Reserve is created on recording of premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.	
<b>(II) Retained Earnings</b>	The same is created out of profits over the years and shall be utilised as per the provisions of the Act.	

<b>Note - 16 Borrowings</b>		
<b>A Secured</b>		
<b>Term Loans from Banks</b>		
a.From Banks (refer note A below)	126.55	245.82
Less : Shown under current maturities of Long Term Debt	59.83	127.20
	<b>66.72</b>	<b>118.62</b>
b.From Others (refer note B below)	-	1.78
Less : Shown under current maturities of Long Term Debt	-	1.78
	<b>66.72</b>	<b>118.62</b>
	<b>66.72</b>	<b>118.62</b>

**Note: (i) Nature of Security and terms of repayment for secured borrowings**

A	Name of the lender	Nature of Security	Terms of Repayment	Rate of interest
	Term loan from Axis Bank, Sanctioned amount Rs.289 lacs, Outstanding amount Rs.31.99 lacs (PY Rs.121.32 lacs)	Secured by extension of second charge by way of hypothecation on primary securities as specified in Note 20. And secured by personal guarantee of directors.	Repayable in 35 monthly installments of Rs.8.03 and 1 installment of Rs.8.03. ie., moratorium period of 12 months from the date of first disbursement.	9.65% p.a.(Pre.Year 9.65%)
	Term loan from Yes Bank, Sanctioned amount Rs. 16 lacs, Outstanding amount Rs.1.96 lacs (PY Rs.5.61 lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs.0.34 lacs (including interest) each, commenced from October, 2019 and last intsalment due in September 2024	9.5% p.a. (Prev Yr 9.5% p.a.)



Term loan from Union Bank , Sanctioned amount Rs. 15.80 lacs, Outstanding amount Rs. 12.15 lacs (PY Rs. 13.72 lacs)	Secured by hypothecation of asset purchased.	Repayable in 84 monthly instalments of Rs. 0.24 lacs (including interest) each, commenced from March , 2022 and last intsalment due in February 2029.	7.40% p.a. floating (Pre.Year 7.40% floating)
Term loan from Union Bank , Sanctioned amount Rs. 15.00 lacs, Outstanding amount Rs. 12.11 lacs (PY Rs. 13.39 lacs /-)	Secured by hypothecation of asset purchased.	Repayable in 84 monthly instalments of Rs. 0.23 lacs (including interest) each, commenced from April, 2022 and last intsalment due in March 2029.	7.40% p.a. floating (Pre.Year 7.40% floating)
Term loan from Axis Bank , Sanctioned amount Rs. 27.10 lacs, Outstanding amount Rs. 6.72 lacs (PY Rs. 16.20 lacs)	Secured by hypothecation of asset purchased.	Repayable in 35 monthly instalments of Rs. 0.86 lacs (including interest) each, commenced from January, 2022 and last intsalment due in November 2024.	7.46% p.a.(Pre.Year 7.46% )
Term loan from HDFC Bank limited, Sanctioned amount Rs. 80 lacs, Outstanding amount Rs. 61.61 lacs (PY Rs.75.58 lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 1.61 lacs (including interest) each, commenced from December, 2022 and last intsalment due in November 2027.	7.80% p.a.(Pre.Year 7.80%)

**B**

Name of the lender	Nature of Security	Terms of Repayment	Rate of interest
Term loan from Kotak Mahindra Prime Limited, Sanctioned amount Rs. 15 lacs, Outstanding amount Rs. Nil (PY Rs. 0.31 lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 0.31 lacs (including interest) each, commenced from May, 2018 and last intsalment due in April 2023.	Nil (Pre Year 8.34%)
Term loan from Kotak Mahindra Prime Limited, Sanctioned amount Rs. 9.60 lacs, Outstanding amount Rs. Nil (PY Rs. 1.47 lacs)	Secured by hypothecation of asset purchased.	Repayable in 36 monthly instalments of Rs. 0.30 lacs (including interest) each, commenced from August, 2020 and last intsalment due in August 2023.	Nil (Pre.Year 8.09%)

(ii)

Secured long term borrowings aggregating to Rs.31.99 lacs (Previous year Rs. 121.32 lacs) [including interest accrued but not due Rs. Nil (Previous year Rs. Nil) ] are secured by personal guarantee of directors.

**Note - 17 Others Non Current Financial Liabilities**

Dealership Deposit	12.76	14.06
	<b>12.76</b>	<b>14.06</b>

**Note -18 Provisions**

Provision for employee benefits		
Provision for Gratuity (Refer note- 41 (B) )	71.75	70.46
	<b>71.75</b>	<b>70.46</b>

**Note - 19 Deferred Tax Liabilities (Net)**

<b>Deferred Tax Liabilities</b>		
Depreciation on property, plant & equipment	282.56	284.00
<b>Total (A)</b>	<b>282.56</b>	<b>284.00</b>

**Deferred Tax Assets**

Due to Business Loss	175.40	0.00
Provision for Doubtful Debts & Advance	15.43	6.62
Loss on Fair Value of Investment	2.49	-
Other Timing Difference	21.52	22.01

**Total (B)****214.83****28.63****Deferred Tax Liabilities (Net)****67.73****255.37****MAT Credit Entitlement**

12.58

12.58

**Net Deffred Tax Liability/( Assets)****55.15****242.78**

## Notes forming part of financial statements

(Figures Rs. in Lacs)

Particulars	As at Mar 31, 2024	As at March 31, 2023
<b>Note - 20 Borrowings</b>		
<b>Secured</b>		
<b>Loans repayable on demand</b>		
Working Capital Loans from bank	2745.00	2357.09
Current maturities of long-term debt (Refer note 16)	59.83	128.98
<b>Unsecured</b>		
Temporary Overdraft from bank (Repayable on demand)	0.00	100.12
	<b>2,804.83</b>	<b>2,586.19</b>
Note :		
<b>I</b> Working Capital Loans from Axis Bank Rs. 1788.97 lacs (Pre.Year - March 2023 Rs. 1611.18 lacs) is secured by :		
a) Hypothecation of stocks of raw materials, finished goods, stores and spares, stock in process, packing materials and book debts, and all other movable fixed assets, both present and future, of the Company and personal guarantee of Directors and carry ROI 9.50% p.a. (Previous Year 9.65 % p.a.)		
b) Further secured by Equitable Mortgage on following property:		
1. Factory land and building situated at 13A/2, Dewas Industrial Area.		
2. 135-A,138-A,136-A,136-A II & 137-A ,AKVN Industrial Road Meghnagar , Dist. Jhabua, Madhya Pradesh in the name of Agro Phos (India) Limited.		
3. Residential House situated at A-7, Mangal Murti Nagar, Navlakha Main Road, Indore in the name of Mrs. Uma Gupta.		
4. Residential House situated at WA-12, Sector A, Scheme No. 94, Ring Road, Indore in the name of Ms. Shraddha Gupta.		
5. Office premises situated at M-91-92, Trade Center, 18 South Tukoganj, Indore		
Working Capital Loans from Canara Bank Rs. 956.02 lacs (Pre.Year -March 2023 Rs. 745.91 lacs) are secured by :		
<b>II</b>		
a) Secured by hypothecation of Inventories & Book debts and carry ROI 10.65% p.a. (Previous Year 9.65% p.a.)		
b) Further secured by Equitable Mortgage on following properties:		
1. Survey no. 9/13/3 situated at Village Lasudia Mori Patwari Halka no. 17 (New 45), District and Tehsil Indore		
2. Survey no. 9/13/4 situated at Village Lasudia Mori Patwari Halka No. 17 (New 45), District and Tehsil Indore		
3. Office premises situated at M-86, M-87/A , M-87/B, M-88/A , M-88/B, Trade Center, 18 South Tukoganj, Indore		
<b>III</b> Temporary overdraft from Axis Bank Rs. Nil (Pre.Year Rs. 100.12 lacs) repayable on demand and carry ROI Nil (Previous year 11.15 % p.a.)		
<b>Note - 21 Trade Payables</b>		
(a) Total outstanding due of Micro and Small Enterprises (Refer note 36)	346.72	8.36
(b) Total outstanding due other than (a) above	1293.35	4473.85
	<b>1,640.07</b>	<b>4,482.20</b>

**Note - 22 Other Financial Liabilities**

Interest accrued and due	55.03	9.84
Unclaimed Dividends (refer note (i) below)	0.44	0.44
Other Liabilities *	159.26	81.51
	<b>214.72</b>	<b>91.79</b>

**Note:**

(i) There are no amounts due for payment to the Investor Education and Protection Fund under the Companies Act, 2013.

\* other liabilities includes liabilities for expenses, salary payable etc.

**Note - 23 Other Current Liabilities**

Advances from customers	166.31	187.03
Statutory Dues	10.59	13.88
	<b>176.90</b>	<b>200.91</b>

**Note - 24 Provisions**

(i) Provision for Gratuity (Refer note- 41 (B) )	4.94	8.43
(ii) Provision for Compensated absences*	0.65	0.22
	<b>5.59</b>	<b>8.65</b>

**Note - 25 Current Tax liabilities (net)**

Provision for taxation	0.00	0.17
	-	<b>0.17</b>

Notes forming part of financial statements

Figures Rs. In Lacs

Particulars	For the Year 2023-24	For the year 2022- 23
<b>Note - 26 Revenue From Operations</b>		
Sales of products	6554.45	7182.12
Subsidy on SSP	4159.83	5919.58
	<b>10,714.28</b>	<b>13,101.70</b>
<b>Note - 27 Other Income</b>		
Interest Income (at amortised cost)	31.78	14.08
Net Gain on Foreign Currency Transactions and Translations	0.60	0.00
Profit on Sale of Investment	1.60	0.00
Net Gain on Sale of Property, Plant & Equipment	0.64	0.00
Sundry Balance Write Back	19.79	11.15
Net gain on Fair value of Investment	0.00	4.11
Reversal of Bad & Doubtful Debts Provision	5.36	0.00
Other Non-Operating Income	0.00	0.12
Miscellaneous Income	2.82	4.25
	<b>62.57</b>	<b>33.70</b>
<b>Note - 28 Cost of Materials Consumed</b>		
a) Raw Material	6278.32	9846.76
b) Packing Material	256.92	466.04
	<b>6,535.24</b>	<b>10,312.80</b>

<b>Note - 29 Purchases of Stock-in-Trade</b>		
Purchases of Stock-in-Trade	454.53	576.40
	<b>454.53</b>	<b>576.40</b>
<b>Note - 30 Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade</b>		
<b>Inventory at the beginning of the Year</b>		
Finished Goods	1,399.78	720.59
Work in Progress	1,836.19	361.13
Stock In Trade	119.26	327.75
	<b>3,355.23</b>	<b>1,409.48</b>
<b>Inventory at the end of the year</b>		
Finished Goods	1204.24	1399.78
Work in Progress	729.89	1836.19
Stock In Trade	337.35	119.26
	<b>2,271.48</b>	<b>3,355.23</b>

Net (Increase) / Decrease in Inventories

**1,083.75**

**(1,945.76)**

**Note - 31 Employee Benefits Expense**

Salary, Wages and Bonus

346.91

385.97

Contribution to Provident and Other Funds

12.20

13.45

Staff Welfare expenses

10.37

6.03

**369.48**

**405.45**

**Note - 32 Finance Costs**

Interest Expense

313.14

168.82

Other borrowing costs

28.18

43.85

**341.32**

**212.67**

**Note - 33 Depreciation, Amortization and impairment**

Depreciation and Amortisation

173.21

155.57

**173.21**

**155.57**

**Note - 34 Other Expenses**

Power and Fuel

318.94

606.83

Stores, Spares and Consumables

64.72

57.40

Processing Charges

84.59

135.53

Rent

34.46

19.75

Repairs to Machinery

105.42

143.90

Repairs to Buildings

12.10

49.04

Repairs to Others

46.50

51.64

Insurance

56.68

56.33

Rates & Taxes excluding taxes on income

51.54

17.44

Factory Expenses

5.18

2.70

Legal and Professional Charges

54.82

50.14

Travelling & Conveyance Expenses

34.49

60.69

Vehicle Expenses

17.65

14.65

Selling and Distribution expenses

67.19

104.94

Freight and Forwarding

1488.85

1073.12

CSR Expenditure

12.65

9.51

Net Loss on Foreign Currency Transactions and

Translations

0.00

53.04

Provision for Doubtful Advance

0.00

37.00

Bad & Doubtful Debts Provision

0.00

9.05

Loss on sale of Investment

0.00

4.84

Bad Debts Written off

0.00

49.26

Loss on Fair Value of Investment

22.60

0.00

Miscellaneous Expenses

59.08

100.44

**2,537.47**

**2,707.23**

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**NOTE: 35 - CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at 31st March,2024	As at 31st March,2023
<b>a. Contingent Liability</b>		
Sales Tax demand disputed in appeal	21.43	13.40
i) The company does not expect any reimbursements in respect of the above contingent liabilities.		
ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters due to pending resolution of the arbitration/ appellate proceeding. Further, the liability mentioned in above includes interest except in cases where the Company has determined that the possibility of such levy is remote.		
<b>b. Capital commitments</b>	-	34.00

**NOTE: 36 - DISCLOSURE REQUIRED UNDER SECTION 22 OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

- a. Trade Payables includes Rs. 346.72 lacs (Previous year Rs. 8.36 lacs) amount due to Micro and Small enterprises registered under the Micro, Small and Medium Enterprises Development Act,2006 (MSMED).
- b. The detail of amount outstanding to Micro and Small Enterprises are as under:

Particular	As at 31st March,2024	As at 31st March,2023
Principle amount due and remain unpaid	34.67	8.36
Interest due on above and unpaid interest	55.03	4.24
Interest paid	-	1.92
Interest payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	4.94	-
Interest accrued and remaining unpaid	50.09	-
Amount of further interest remaining due and payable in succeeding years	55.03	-

- c. The information has been determined to the extent such parties have been identified on the basis of information available with the company.

**NOTE: 37 - PAYMENT TO AUDITOR**

Particular	2023-24	2022-23
a. For Statutory audit	3.50	3.50
b. For Tax Audit	1.00	1.00
c. For Other services	0.81	1.01
d. For Cost audit	1.20	1.20
e. Reimbursement of expenses	0.05	0.00

**NOTE: 38 - EARNING PER SHARE (EPS)**

Particular	2023-24	2022-23
<b>Basic and diluted earnings per share :</b>		
a. Net Profit after tax	-525.58	500.36
c. Weighted average number of equity shares	20274115	20274115
d. Nominal value of ordinary share (Rs.)	10.00	10.00
e. Basic and diluted earning per share	(2.59)	2.47

**NOTE: 39**

The company is required to spent Rs. 11.95 Lacs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 for the year ended 31st March 2024 calculated as per section 198 of the companies Act 2013. However, the company had spent Rs. 12.65 lacs (out of which Rs. 0.80 Lacs spent for unspent amount related to F.Y. 2022-23 and remaining Rs. 11.85 Lacs spent for F.Y. 2023-24).

The expenditure required by the company for complying with provision for CSR expenditure u/s 135 of companies Act 2013 are as under :

	<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
i.	Amount required to be spent by the company during the year	11.95	10.31
ii.	Amount of expenditure incurred	12.65 (Rs. 0.80 Lacs spent for unspent amount related to F.Y. 2022-23)	9.51
iii.	Shortfall at the end of the year	0.10	0.80
iv.	Total of previous years shortfall	-	-
v.	Reason for shortfall	Shortfall arosed due to clerical error while doing round-off into lacs, however, same will be incurred during the next financial year.	Shortfall arosed due to some Calculation errors on the Part of Mangement of Company. However, same will be incurred during the next financial year.
vi.	Nature of CSR activities	Feeding the needy people with healthy and nutritious meal across India.	Taking care of Cows by feeding them, by maintaining them on daily basis and providing them required medication in case if need arises.



Notes forming part of financial statements

(Figures Rs. in Lacs)

**Note 40 : Tax Expenses**

**Tax expenses recognised in the statement of Profit and Loss**

<b>I. Income tax related to items recognised directly in profit or loss of the statement of profit and loss during the year</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Current Tax on profit for the year	0.00	230.48
MAT credit	0.00	-12.58
Deferred Tax	-192.59	-11.99
Income Tax for earlier years	0.00	4.77
<b>Tax expenses for the year charged in Profit &amp; Loss (a)</b>	<b>(192.59)</b>	<b>210.68</b>
<b>Deferred tax recognized in Other Comprehensive Income (OCI) (b)</b>	<b>-4.95</b>	<b>-2.87</b>
<b>Total Tax expenses for the year (a+b)</b>	<b>(197.54)</b>	<b>207.80</b>
<b>Reconciliation of effective tax rate</b>		
Profit before tax	-718.17	711.04
Applicable Tax Rate	27.82%	27.82%
Computed tax expense	0.00	198.54
Adjustments for taxes for		
- Allowance for expenses/income	0.00	-39.69
- Disallowance for expenses/income	0.00	71.63
MAT Credit entitlement	0.00	-12.58
Deferred Tax on Account of PPE	1.43	-4.33
Deferred tax on account of other Financial assets and other items	191.15	-7.66
Income Tax for earlier years	0.00	4.77
Income tax as per statement of profit and loss	<b>(192.59)</b>	<b>210.67</b>
Effective Tax Rate	26.82%	29.63%

**The movement in Deferred tax assets and liabilities during the year ended March 31st, 2024 and March 31st, 2023**

<b>Particulars</b>	<b>Opening Balance</b>	<b>Recognition in Profit or Loss</b>	<b>Recognition in OCI</b>	<b>Closing Balance</b>
<b>For the Year 2023-24</b>				
<b>Deferred Tax Liabilities</b>				
Depreciation on Property, Plant & Equipments	284.00	(1.44)	-	282.56
<b>I.</b>	<b>284.00</b>	<b>(1.44)</b>	<b>-</b>	<b>282.56</b>
<b>Deferred Tax Assets</b>				
Due to Business Loss	-	175.40	-	175.40
Provision for Doubtful Debts & advances	6.62	8.80	-	15.43
Loss on Fair Value of Investment	-	2.49	-	2.49
Other Timing Differences	22.01	4.46	(4.95)	21.52
<b>II.</b>	<b>28.63</b>	<b>191.15</b>	<b>(4.95)</b>	<b>214.83</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>255.37</b>	<b>(192.59)</b>	<b>(4.95)</b>	<b>67.73</b>
<b>For the Year 2022-23</b>				
<b>Deferred Tax Liabilities</b>				
Depreciation on Property, Plant & Equipments	288.33	(4.33)	-	284.00
<b>I.</b>	<b>288.33</b>	<b>(4.33)</b>	<b>-</b>	<b>284.00</b>
<b>Deferred Tax Assets</b>				
Provision for Doubtful Debts & advances	4.11	2.52	-	6.62
Other Timing Differences	19.74	5.14	(2.87)	22.01
<b>II.</b>	<b>23.85</b>	<b>7.66</b>	<b>(2.87)</b>	<b>28.63</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>264.48</b>	<b>(11.99)</b>	<b>(2.87)</b>	<b>255.37</b>

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**NOTE: 41 - DISCLOSURE AS PER IND AS 19 - EMPLOYEE BENEFITS**

**A. Defined Contribution Plans**

Contribution to Defined Contribution plans, recognised as expense for the year is as under:

Particulars	2023-24	2022-23
Employer's contribution to Provident Fund	10.20	11.11
Employer's contribution to ESIC	1.58	1.86

**B. Gratuity - Defined Benefit plans**

Particulars	2023-24	2022-23
<b>I. Reconciliation of defined benefit obligation.</b>		
Liability at the beginning of the year	78.89	70.87
Current Service Cost	9.99	13.17
Interest Cost	5.60	5.17
Remeasurement due to :		
Actuarial loss/ (gain) arising change in financial assumptions	0.00	0.00
Actuarial loss/ (gain) arising change in demographic assumptions	0.00	0.00
Actuarial loss/ (gain) arising on account of experience adjustments	-17.79	-10.33
Benefit Paid	0.00	0.00
<b>Defined benefit obligation at the end of the year</b>	<b>76.69</b>	<b>78.89</b>
<b>II. Reconciliation of opening and closing balance of fair value of plan assets.</b>		
Fair value of plan assets at the beginning of the year	-	-
Interest on plan assets	-	-
<b>Other</b>	-	-
Contributions Paid by Employer	-	-
Benefit Paid from Fund	-	-
<b>Included in OCI</b>	-	-
actuarial (Gains)/Losses on Obligation for the period	-	-
Return on Plan Assets Excluding Interest Income	-	-
<b>Fair value of plan asset at the end of the year</b>	-	-
<b>III. Amount Recognized in the Balance Sheet</b>		
Present Value of funded defined benefit obligation	76.69	78.89
Fair Value of Plan Assets at the end of the year	-	-
Net funded obligation	76.69	78.89
Present value of unfunded defined benefit obligation	-	-
Amount not recognised due to asset limit	-	-
<b>Net defined benefit liability / (asset) recognised in Balance sheet</b>	<b>76.69</b>	<b>78.89</b>
<b>Net defined benefit liability / (asset) is bifurcated as below :</b>		
<b>Current</b>	4.94	8.43
<b>Non - Current</b>	71.75	70.46
<b>IV. Expense Recognised in Statement of Profit &amp; Loss</b>		
Current Service Cost	9.99	13.17
Net Interest Cost	5.60	5.17
Administrative expenses	-	-
Past Service Cost	-	-
Actuarial (Gain)/ Loss on settlement	-	-
Expense Recognized in P&L	<b>15.59</b>	<b>18.34</b>
<b>V. Amount Recognised in Other Comprehensive Income (OCI)</b>		
Opening amount recognised in OCI outside profit and loss account	-	-
Remeasurement due to :		
Changes in financial assumptions	-	-
Changes in demographic assumptions	-	-
Experience adjustments	(17.79)	(10.33)
Actual return on plan assets less interest on plan assets	-	-
<b>Closing amount recognised in OCI outside profit and loss account</b>	<b>(17.79)</b>	<b>(10.33)</b>
<b>VI. Net defined liability / (asset) reconciliation</b>		
Opening Net defined benefit liability / (asset)	<b>78.89</b>	<b>70.87</b>
Expense charged to profit and loss account	<b>15.59</b>	<b>18.34</b>
Employers Contribution	-	-
Amount recognised outside Profit& loss	<b>(17.79)</b>	<b>(10.33)</b>
Impact of liability assumed or settled	-	-
<b>Closing net defined benefit liability / (asset)</b>	<b>76.69</b>	<b>78.89</b>
<b>VII. Assumptions</b>		
The following were the principal actuarial assumptions at the reporting date ( expressed as weighted averages)		
<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Discount Rate	7.10%	7.30%
Salary Escalation Rate	7.00%	7.00%
Attrition Rate	5.00%	5.00%

**VIII Sensitivity analysis**

Reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

Particulars	31-Mar-24		31-Mar-23	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Change in discounting rate	68.71	86.00	70.70	88.54
Change in Salary escalation rate	85.92	68.63	88.47	70.61
Withdrawal Rate	76.75	76.62	78.97	78.80

**NOTE: 42 - RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES****Disclosure of transactions with related parties as per Ind AS -24 :****A. List of related parties and their relationships****(i) Key Managerial Personnel & Other Directors**

Mr. Raj Kumar Gupta	Managing Director
Mr. Vishnu Kant Gupta	Whole Time Director/Chief Financial Officer
Mr. Abhishek Kalekar	Non-Executive Director
Ms. Reena Saluja	Company Secretary (w.e.f. 21.09.2023)

**(ii) Entity where control exists**

Shri Tulsi Phosphate Limited	Associate Company (w.e.f. 11.09.2023)
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**(iii) Entity where person, close member or Key Managerial Personnel (KMP) has significant influence and with whom transactions have taken place**

Name of Person / entity	Relation
Mrs. Uma Gupta	Relative of KMP
Mr. Abhay Gupta	Relative of KMP
Mrs. Shradhha Gupta	Relative of KMP
M/s. Suhane Agro India Pvt Ltd.	Relative of KMP able to exercise significant influence
M/s. Madhav Agro-Chem Pvt. Ltd.	Relative of KMP able to exercise significant influence
M/s. Vinod Trading Co.	Relative of KMP able to exercise significant influence
M/s. Mahadhan Phosphate Pvt. Ltd.	Relative of KMP able to exercise significant influence
M/s. Madhav Farmtech Corporation Pvt. Ltd. (formerly known as M/s. Madhav Sales Corporation Pvt. Ltd.)	Relative of KMP able to exercise significant influence
M/s Vinod Sales Corporations	Relative of KMP able to exercise significant influence
M/s Abhay Sales Corporation	Relative of KMP able to exercise significant influence
M/s. Shri Tulsi Phosphate Limited	Relative of KMP able to exercise significant influence (upto 34.35%)
M/s. APIndia Biotech Private Limited	Relative of KMP able to exercise significant influence

**B. Transactions carried out with related parties referred in A above****(Figures Rs. in Lacs)**

Nature of Transaction	As at 31.03.2024	As at 31.03.2023
<b>Managerial Remuneration</b>		
Raj Kumar Gupta	54.00	54.00
Vishnu Kant Gupta	42.00	42.00
<b>Salary Paid</b>		
Mrs Uma Gupta	12.00	12.00
Mrs Shradhha Gupta	12.00	12.00
Abhay Gupta	18.00	18.00
Sumit Sharma	0.00	4.66
Reena Saluja	2.51	0.00
<b>Purchase of Goods</b>		
Mahadhan Phosphate Pvt. Ltd.	28.80	22.24
Suhane Agro India Pvt Ltd.	136.11	29.93
Madhav Agrochem Pvt Ltd	156.52	0.00
M/s Vinod sales corporation	23.77	0.00
M/s Abhay Sales Corporations	324.51	0.00
M/s. APIndia Biotech Pvt. Ltd.	1683.77	0.00
<b>Sales of Goods</b>		
M/s. Vinod Trading Co.	12.81	75.36
Suhane Agro India Pvt Ltd.	767.61	841.85
M/s Vinod sales corporation	11.64	4.52
Madhav Farmtech Corporation Pvt. Ltd. (formerly known as Madhav Sales Corporation Pvt. Ltd.)	23.50	16.20
Mahadhan Phosphate Pvt. Ltd.	89.30	102.47
M/s Abhay Sales Corporations	390.52	765.49
M/s. APIndia Biotech Pvt. Ltd.	769.50	0.00
<b>Loans &amp; Advances</b>		
M/s Shri Tulsi Phosphate Limited	95.00	260.15

<b>Investment Made</b>		
M/s Shri Tulsi Phosphate Limited	290.00	0.00
M/s. APIIndia Biotech Pvt. Ltd.	200.00	0.00

<b>Balance with related parties</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Trade Receivables</b>		
Mahadhan Phosphate Pvt. Ltd.	0.00	25.05
M/s Abhay Sales Corporation	0.00	188.45
M/s. Madhav Farmtech Corporation Pvt. Ltd. (formerly known as M/s. Madhav Sales Corporation Pvt. Ltd.)	0.00	43.48
M/s. Suhane Agro India Pvt Ltd.	360.56	157.21
M/s Vinod Trading Co.	0.00	19.35
M/s. APIIndia Biotech Pvt. Ltd.	285.50	0.00
<b>Trade Payables</b>		
M/s. APIIndia Biotech Pvt. Ltd.	1026.24	0.00
<b>Advance from Customers</b>		
M/s Abhay Sales Corporation	46.16	0.00
M/s Vinod Trading Co.	7.84	0.00
M/s Shri Tulsi Phosphate Limited	0.67	0.00
<b>Advance to Suppliers</b>		
Madhav Agrochem Pvt. Ltd.	84.57	0.00
<b>Remuneration Outstanding</b>		
Mr. Vishnu Kant Gupta	16.57	7.91
Mr. Raj Kumar Gupta	32.95	8.48
Mrs. Uma Gupta	6.42	1.26
Mrs. Shradha Gupta	4.49	1.26
Mr. Abhay Gupta	9.01	9.56
Mr. Sumit Sharma	0.00	0.26
Ms. Reena Saluja	0.38	0.00
<b>Loans &amp; Advances</b>		
M/s Shri Tulsi Phosphate Limited	75.02	260.15
<b>Investment Outstanding</b>		
M/s Shri Tulsi Phosphate Limited	290.00	0.00
M/s. APIIndia Biotech Pvt. Ltd.	177.40	0.00

Notes forming part of financial statements

(Figures Rs. in Lacs)

**NOTE: 43 - FINANCIAL INSTRUMENTS BY CATEGORY AND FAIR VALUE HIERARCHY**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(i) March 31, 2024 (Amount)	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
(i) Investments	177.40	-	290.00	467.40	-	177.40	-	177.40
(ii) Trade receivables	-	-	1262.84	1262.84	-	-	-	0.00
(iii) Cash and cash equivalents	-	-	9.07	9.07	-	-	-	0.00
(iv) Bank Balance other than above	-	-	60.67	60.67	-	-	-	0.00
(v) Others	-	-	1280.12	1280.12	-	-	-	0.00
	<b>177.40</b>	<b>-</b>	<b>2902.70</b>	<b>3080.10</b>	<b>-</b>	<b>177.40</b>	<b>-</b>	<b>177.40</b>
<b>Financial liabilities</b>								
(i) Borrowings	-	-	2871.55	2871.55	-	-	-	-
(ii) Trade payables	-	-	1640.07	1640.07	-	-	-	-
(iii) Other Financial liability	-	-	227.48	227.48	-	-	-	-
	<b>-</b>	<b>-</b>	<b>4739.10</b>	<b>4739.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(i) March 31, 2023 (Amount)	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
(i) Investments	33.55	-	0.00	33.55	-	33.55	-	33.55
(ii) Trade receivables	-	-	1629.15	1629.15	-	-	-	-
(iii) Cash and cash equivalents	-	-	13.53	13.53	-	-	-	-
(iv) Bank Balance other than above	-	-	267.62	267.62	-	-	-	-
(v) Others	-	-	1304.69	1304.69	-	-	-	-
	<b>33.55</b>	<b>-</b>	<b>3214.99</b>	<b>3248.54</b>	<b>-</b>	<b>33.55</b>	<b>-</b>	<b>33.55</b>
<b>Financial liabilities</b>								
(i) Borrowings	-	-	2704.81	2704.81	-	-	-	-
(ii) Trade payables	-	-	4482.20	4482.20	-	-	-	-
(iii) Other Financial liability	-	-	105.85	105.85	-	-	-	-
	<b>-</b>	<b>-</b>	<b>7292.87</b>	<b>7292.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**B. Measurement of fair values**

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**NOTE: 44 - FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT**

**Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest rate risk;
  - (c) Commodity risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

**Risk management framework**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. These policies and processes are reviewed by management regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

**(i) Market risk**

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

**i(a) Currency risk**

The fluctuation in foreign currency exchange rates may have impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchangerates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

Particulars	As at 31st March 2024	As at 31st March 2023
	Foreign Currency Exposure in INR	Foreign Currency Exposure in INR
<b>Receivable net exposure</b>		
Trade receivables	0	0
<b>Receivable net exposure</b>	0	0
<b>Payable net exposure</b>		
Trade payables and other financial liabilities	0	2622.94
<b>Payable net exposure</b>	-	<b>2,622.94</b>
Forward exchange contracts against imports and foreign currency payables	-	-
<b>Payable net exposure</b>	-	<b>2,622.94</b>
<b>Total net exposure on Receivables /(Payables)</b>	-	<b>(2,622.94)</b>

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Particulars	Profit/(Loss) March 31, 2024		Profit/(Loss) March 31, 2023		
	Effect in Indian Rupees	Strengthening	Weakening	Strengthening	Weakening
INR		-	-	(26.23)	26.23

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**i (b) 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. The company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from bank and financial companies. Currently Company is not using any mitigating factor to cover interest rate risk.

**Interest rate risk exposure -variable rate**

Particulars	As at 31st March 2024	As at 31st March 2023
Borrowing from bank	2871.55	2602.91
Borrowing from financial company(NBFC)	0.00	1.78
	<b>2,871.55</b>	<b>2,604.69</b>

**Interest rate sensitivity**

A reasonably possible change of 1% in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Impact on Profit/(loss) before tax	
	1% Increase	1% Decrease
<b>March 31, 2024</b>		
On account of Variable Rate Borrowings from Banks	(28.72)	28.72
<b>Sensitivity</b>	<b>(28.72)</b>	<b>28.72</b>
<b>March 31, 2023</b>		
On account of Variable Rate Borrowings from Banks	(26.05)	26.05
<b>Sensitivity</b>	<b>(26.05)</b>	<b>26.05</b>

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**(ii) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its

**A. Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers

**Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Past due but not impaired</b>		
Past due 0-90 days	193.44	1061.12
Past due 91-180 days	336.88	205.78
Past due more than 180 days	750.98	386.06
	<b>1281.29</b>	<b>1652.96</b>

**Expected credit loss assessment for customers as at March 31, 2024 and March 31, 2023**

exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances

**The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.**

Particulars	Amount
<b>Balance as at April 1, 2023</b>	23.81
Provision Reversed	-5.36
Provision for Doubtful debts	0.00
<b>Balance as at March 31, 2024</b>	<b>18.45</b>
Particulars	Amount
<b>Balance as at April 1, 2022</b>	14.76
Bad debts written off	-49.26
Reversal of Provision for Doubtful debts	58.31
<b>Balance as at March 31, 2023</b>	<b>23.81</b>

**B. Cash and cash equivalents**

The Company holds cash and cash equivalents with credit worthy banks of Rs. 3.06 lacs as at March 31, 2024, (Rs. 4.09 lacs as at 31st March 2023).The credit worthiness of such banks is evaluated by the management on an ongoing basis and is

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**(iii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

**Exposure to liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturities groupings based on their contractual maturities for:

\* all non derivative financial liabilities

A	As at March 31, 2024	Carrying amount	Contractual cash flows				
		Total	Total	1 year or less	1-2 years	2-5 years	More than 5 years
(i)	<b>Non-derivative financial liabilities</b>						
	Secured Term Loans and Borrowings	2871.55	2871.55	2804.83	20.69	46.03	0.00
	Trade Payables	1640.07	1640.07	1640.07	0.00	0.00	0.00
	Other Financial Liabilities (Repayable on Demand)	227.48	227.48	227.48	-	-	-
		<b>4739.10</b>	<b>4739.10</b>	<b>4672.38</b>	<b>20.69</b>	<b>46.03</b>	<b>0.00</b>

B	As at March 31, 2023	Carrying amount	Contractual cash flows				
		Total	Total	1 year or less	1-2 years	2-5 years	More than 5 years
(i)	<b>Non-derivative financial liabilities</b>						
	Secured term loans and borrowings	2704.81	2704.77	2586.19	72.48	45.16	0.93
	Trade payables	4482.20	4482.25	4423.08	13.20	11.00	34.97
	Other financial liabilities (repayable on demand)	105.85	105.85	105.85	-	-	-
		<b>7292.87</b>	<b>7292.87</b>	<b>7115.12</b>	<b>85.68</b>	<b>56.16</b>	<b>35.90</b>



**NOTE: 45 - CAPITAL MANAGEMENT**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises of Equity share capital and other equity.

The Company's policy is to keep the ratio at optimum level. The Company's adjusted net debt to equity ratio was as follows.

A. Particulars	As at March 31, 2024	As at March 31, 2023
Total liabilities	2926.58	2714.65
Less : Cash and cash equivalent	9.07	13.53
<b>Adjusted net debt</b>	<b>2917.51</b>	<b>2701.12</b>
Total equity	4691.96	5204.70
Adjusted net debt to adjusted equity ratio	0.62	0.52

**B. Dividends****Amount of Dividends approved during the year by shareholders**

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Figures In Rs.	No. of Shares	Figures In Rs.
Equity Shares	20,274,115	-	20,274,115	-

**NOTE: 46 - SEGMENT REPORTING**

The Company is in the business of manufacturing / marketing of Fertilisers. This is the only activity performed and is thus also the main source of risks and returns. 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'. Further, all the customers and assets are located in India. Accordingly, the Company has a single reportable and geographical segment. Hence, the relevant disclosures as per Ind AS 108, "Operating Segments" are not applicable to the Company.

**NOTE: 47 - DISCLOSURE ON FINANCIAL AND DERIVATIVE INSTRUMENTS**

The Company uses foreign currency forward exchange contracts to hedge its exposure in foreign currency related to firm commitment and highly probable forecasted transactions.

- 1 Notional amount of forward contracts entered into by the Company and outstanding - Nil (Previous Year Nil )
- 2 Foreign Currency exposure which are not hedged as at the year end:
  - a. Payable in foreign currency on account of refund of Import of Materials

2023-2024			2022-2023		
Currency	Amount in foreign	Amount in INR Lacs	Currency	Amount in foreign	Amount in INR
USD	-	-	USD	3,190,268	2622.94

- b. Receivables in Foreign currency on account of exports - Nil (Previous Year Nil )

**NOTE: 48 - LEASE****(Where company is lessor)**

The company has not given any assets on operating lease during the year.

The aggregate amount of operating lease income recognized in Statement of profit and Loss is Rs. NIL (Previous Year Rs. NIL)

**(Where company is lessee)**

- a. The Company has adopted Ind AS 116 'Leases' effective from April 1, 2019 and elect not to apply requirements of Ind AS 116 since leases are short - term leases. The aggregate amount of operating lease payments recognized in the statement of profit and loss is Rs. 34.46 Lakhs (Previous Year Rs. 19.75 Lakhs).

- b. Leasehold land are amortized over period of lease and shown as Right of Use asset under Note 1.1

**NOTE: 49- Pursuant to disclosure pertaining to section 186(4) of the Companies Act, 2013****A. Particulars of loan given and outstanding**

Particulars	2023-24		2022-23	
	Loan amount	Amount O/S as at 31-03-2024	Loan amount	Amount O/S as at 31-03-2023
M/S Shri Tulsi Phosphate Ltd.	95.00	75.02	255.00	260.15

**B. Investment Made:**

The same are classified under respective heads (Refer Note 4)

**Notes forming part of financial statements**

(Figures Rs. in Lacs)

**NOTE: 50- TRADE RECEIVABLE AGEING SCHEDULE**

Particulars	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	
<b>31<sup>st</sup> March 2024</b>						
(i) Undisputed Trade receivables – considered good	530.31	455.10	110.06	17.14	104.80	<b>1217.42</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	45.42	<b>45.42</b>
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	18.45	<b>18.45</b>
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>31<sup>st</sup> March 2023</b>						
(i) Undisputed Trade receivables – considered good	1266.90	76.72	51.19	39.50	175.33	<b>1609.65</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	19.50	<b>19.50</b>
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	23.81	<b>23.81</b>
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**NOTE: 51- TRADE PAYABLE AGEING SCHEDULE**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>31<sup>st</sup> March 2024</b>					
(i)MSME	346.72	0.00	0.00	0.00	346.72
(ii)Others	1255.57	11.54	10.63	15.60	1293.35
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv)Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
<b>31<sup>st</sup> March 2023</b>	0.00	0.00	0.00	0.00	0.00
(i) MSME	8.36	0.00	0.00	0.00	8.36
(ii)Others	4414.68	13.20	11.00	34.97	4473.85
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv)Disputed dues – Others	0.00	0.00	0.00	0.00	0.00

Notes forming part of financial statements

NOTE:52 - FINANCIAL RATIOS

(Figures Rs. in Lacs)

Ratio	Numerator	Denominator	Measure	For the Year 2023-24	For the Year 2022-23	% of change from preceding year	Reason for variance
Current Ratio	Current Assets	Current Liabilities	Times	1.40	1.42	-1.25%	-
Debt-Equity Ratio	Total Debt (Borrowings)	Shareholders' Equity	Times	0.61	0.52	17.69%	-
Debt Service Coverage Ratio	Earnings available for debt service = Net profit after taxes + Non cash operating expenses (Depreciation and Amortisation)+ Interest + other adjustments like loss on sale of property, plant and equipment	Debt Service = Interest Expenses + Principal repayment of long term borrowings	Times	-0.53	5.65	-109.45%	Due to loss in Current Financial Year
Return on Equity	Net profit after taxes	Average Shareholder's Equity	Percentage	-10.62%	10.11%	-205.06%	Due to loss in Current Financial Year
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	Times	2.25	2.82	-20.23%	-
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	Times	7.41	9.47	-21.76%	-
Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	Times	2.13	3.83	-44.39%	There was fall in purchase during Current Financial year
Net Capital Turover Ratio	Revenue from Operations	Average Working Capital	Times	4.26	2.95	44.25%	There was fall in sales during Current Financial year
Net Profit Ratio	Profit for the year	Revenue from Operations	Percentage	-4.91%	3.82%	-228.45%	Due to loss in Current Financial Year
Return on Capital Employed	Profit before tax and finance cost	Capital Employed	Percentage	-4.95%	11.33%	-143.65%	Due to loss in Current Financial Year
Return on Investment	Income generated from investment	Average investments	Percentage	-8.38%	5.13%	-263.45%	1. The investments were liquidated in May, 2024. 2. Due to loss in Investment made in Unlisted private concern namely APindia Biotech Private Limited.

**NOTE: 53 - ADDITIONAL REGULATORY INFORMATION**

- i. The company has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs 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.
- ii. The company neither have any Benami property nor any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- iii. The company is not declared wilful defaulter by any bank or financial Institution or other lender.
- iv. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- v. The company has not made any investments in subsidiary company hence compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- vi. (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- ix. The company has borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts except following differences:

Name of the Bank	Quarter Ended	Amount Disclosed as per quarterly statements Rs. in Lacs	Amount as per books Rs. in Lacs	Difference	Reason for difference
Axis Bank Ltd.	Jun-23	5403.72	4675.20	728.52	This difference is due to Subsidy receivables considered on accrued Basis in Stock Statement , whereas in books considered on realizable basis

Axis Bank Ltd. And Canara Bank	Sep-23	6118.30	5278.32	839.98	This difference is due to Subsidy receivables considered on accrued Basis in Stock Statement , whereas in books considered on realizable basis
Axis Bank Ltd. And Canara Bank	Dec-23	4049.41	3987.55	61.86	Difference due to stock valuation as per books
Axis Bank Ltd. And Canara Bank	Mar-24	4362.91	4344.35	18.56	Difference due to stock valuation as per audited books

Name of the Bank	Quarter Ended	Amount Disclosed as per quarterly statements Rs. in Lacs	Amount as per books Rs. in Lacs	Difference	Reason for difference
Axis Bank Ltd.	Jun-22	4078.38	4091.35	-12.97	I. Stock Rs. 10.16 Lacs excess, II. Trade Receivables Rs. 23.13 Lacs short in bank statement
Axis Bank Ltd.	Sep-22	3390.10	3390.14	-0.04	I. Trade Payables Rs. 0.04 Lacs excess in bank statement.
Axis Bank Ltd. And Canara Bank	Dec-22	4085.19	4070.34	14.85	I. Trade Receivables Rs. 2.63 Lacs excess and II. Trade Payables Rs. 12.22 Lacs short in bank statement.
Axis Bank Ltd. And Canara Bank	Mar-23	4316.36	4316.99	-0.63	I. Stock Rs. 1.73 Lacs short, II. Trade Receivables Rs. 1.09 Lacs excess in bank statement.

As per our report of even date attached.

**For and on behalf of the Board of Directors**

**For ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants  
(Firm Registration No 0743C/C400037)

**Raj Kumar Gupta**  
Managing Director  
DIN : 00244925

**Vishnu Kant Gupta**  
Whole-Time Director and CFO  
DIN : 05233476

**CA Ashok Khasgiwala**

Partner  
Membership No.070288  
Indore, 30.05.2024

**CS Reena Saluja**  
Company Secretary



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Independent Auditors Report

To,  
The Members of  
Agro Phos (India) Limited

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Ago Phos (India) Limited ( hereinafter referred to as “the Holding Company”) and its associate comprising the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the associate referred to below in Other Matter paragraph, the aforesaid consolidated financial statements give the information required by 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 as at 31st March, 2024, and their consolidated loss, including consolidated other comprehensive income, consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding company, its associate entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

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

Key Audit Matters	Auditor's Response
<p><b>Evaluation of uncertain tax positions</b>  The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business including direct and indirect tax matters. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements.</p>	<p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of key uncertain tax positions; and</li> <li>• We along with our internal tax experts – <ul style="list-style-type: none"> <li>– Read and analysed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions;</li> <li>– Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and</li> </ul> </li> </ul> <p>Assessed management's estimate of the possible outcome of the disputed cases</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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 for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ( hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, the Consolidated Statement of Changes in Equity and consolidated cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Company's (Indian Accounting Standard) Rules 2015, as amended. The respective Board of Directors of the Holding company and its associate company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding company and its associate company and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Holding company and its associate company are responsible for assessing the ability of the Holding company and its associate company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Holding company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding company and its associate company are responsible for overseeing the financial reporting process of the Holding company and its associate company.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statement 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 Holding company and its associate company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding company and its associate company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding company and its associate company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors



remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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**

The consolidated financial statements include the Holding Company's share of net loss after tax Rs. 2.33 Lacs and total comprehensive income of Rs. (2.33) Lacs for the year ended 31st March, 2024, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate entity and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate entity, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by section 143 (3) of the Act, we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and reports of the other auditor except for the matters stated in the paragraph g(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian accounting standards specified under section 133 of the Act, read with rules framed thereunder.
- e) On the basis of the written representations received from the directors of the Holding company, as on 31<sup>st</sup> March 2024 taken on records by the Board of Directors of the Holding Company and the reports of the statutory auditor of its Associate company incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on 31<sup>st</sup> march, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Associate Company incorporated in India and the operating effectiveness of such controls, refer to our separate report in “Annexure A”; and
- 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 in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Holding company and its associate – refer note 35 to the consolidated financial statements;
  - ii. The Holding company and its associate company did not have any long term contract including derivative contract for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding company and its associate company incorporated in India.
  - iv. a) The Management of the Holding Company and an Associate company which is incorporated in India and whose financial statements have been audited under the Act, have represented to us and to the other auditor of associate that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 associate to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company or associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
b) The Management of the Holding Company and an associate company which is incorporated in India and whose financial statements have been audited under the Act, have represented to us and to other auditor of associate company that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding company or associate company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding company or associate company shall, whether, directly or indirectly, lend to 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 have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the associate company which are incorporated in India and whose

financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.

- v. The Holding company and its associate company has not declared or paid dividend during the year hence provision of Section 123 of the Act not applicable.
- vi. Based on our examination which included test checks, performed by us on the Company and its subsidiary incorporated in India, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the register for property plant and equipment is maintained by holding company in software which has no audit trail feature. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- h) With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such associate company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its associate company incorporated in India to its directors is in accordance with the provisions of Section 197 read with schedule V to the Act.

- i) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the auditors of the associate company included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO report.

**For Ashok Khasgiwala & Co. LLP**  
**Chartered Accountants**  
**(Firm Reg. No.000743C/C400037)**

**Place :INDORE**  
**Date : 30.05.2024**  
**UDIN : 24070288BKILMP7752**

**CA Ashok Khasgiwala**  
**Partner**  
**M. No. 070288**

## **Annexure A To the Independent Auditor's Report of even date on the Consolidated Financial Statements of Ago Phos India Limited**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting of Ago Phos India Limited ("the Holding Company") and its associate company which are companies incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company and its associate company which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding Company and its Associate which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and obtained by 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 Company's internal financial controls over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Holding Company and its Associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

## **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to an associate company, which is company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

**For Ashok Khasgiwala & Co. LLP**  
**Chartered Accountants**  
**(Firm Reg. No.000743C/C400037)**

**Place :INDORE**  
**Date : 30.05.2024**  
**UDIN : 24070288BKILMP7752**

**CA Ashok Khasgiwala**  
**Partner**  
**M. No. 070288**

**AGRO PHOS INDIA LIMITED**  
**CIN: L24123MP2002PLC015285**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024**

(Figures Rs. in Lacs)

Particulars	Note No.	As at March 31, 2024
<b>I. ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, Plant and Equipment	1	2,422.08
(b) Right of use asset	1.1	12.09
(c) Capital work-in-progress	2	-
(d) Other Intangible Assets	3	1.47
(e) Financial Assets		
(i) Investments	4	601.37
(ii) Others	5	43.70
(f) Other non-current assets	6	4.00
<b>Total Non-current assets</b>		<b>3,084.71</b>
<b>(2) Current assets</b>		
(a) Inventories	7	3,397.28
(b) Financial Assets		
(i) Trade receivables	8	1,262.84
(ii) Cash and cash equivalents	9	9.07
(iii) Bank balances other than (ii) above	10	60.67
(iv) Others	11	1,236.42
(c) Current Tax Assets (Net)	12	39.22
(d) Other Current Assets	13	784.20
<b>Total Current assets</b>		<b>6,789.71</b>
<b>Total Assets</b>		<b>9,874.42</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	14	2,027.41
(b) Other Equity	15	2,798.52
<b>Total Equity</b>		<b>4,825.93</b>
<b>LIABILITIES</b>		
<b>(1) Non-Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	16	66.72
(ii) Others	17	12.76
(b) Provisions	18	71.75
(c) Deferred tax liabilities (Net)	19	55.15
<b>Total Non-Current Liabilities</b>		<b>206.38</b>
<b>(2) Current liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	20	2,804.83
(ii) Trade payables	21	
(a) Total outstanding due of Micro and Small Enterprises		346.72
(b) Total outstanding due other than (a) above		1,293.35
(iii) Other financial liabilities	22	214.72
(b) Other current liabilities	23	176.90
(c) Provisions	24	5.59
(d) Current Tax liabilities (net)	25	-
<b>Total Current liabilities</b>		<b>4,842.10</b>
<b>Total Equity and Liabilities</b>		<b>9,874.42</b>

The accompanying notes to accounts forming an integral part to the financial statement

1 to 50

General information and material accounting policies

A-B

As per our report of even date attached.

For and on behalf of the Board of Directors

**For ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants

(Firm Registration No 0743C/C400037)

**Raj Kumar Gupta**  
Managing Director  
DIN : 00244925

**Vishnu Kant Gupta**  
Whole-Time Director and CFO  
DIN : 05233476

**CA Ashok Khasgiwala**

Partner

Membership No.070288

Indore, 30.05.2024

**CS Reena Saluja**  
Company Secretary

**AGRO PHOS INDIA LIMITED**  
**CIN: L24123MP2002PLC015285**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024**

(Figures Rs. in Lacs)

Particulars	Note No.	For the year ended 31st March, 2024
<b>INCOME</b>		
<b>I</b> Revenue from Operations	26	10,714.28
<b>II</b> Other Income	27	62.57
<b>III</b> <b>Total Income ( I+II )</b>		<b>10,776.84</b>
<b>IV EXPENSES</b>		
Cost of material consumed	28	6,535.24
Purchases of Stock-in-Trade	29	454.53
Changes in inventories of finished goods, work-in-progress and stock in trade	30	1,083.75
Employee Benefits Expense	31	369.48
Finance Costs	32	341.32
Depreciation, amortisation and impairment Expenses	33	173.21
Other Expenses	34	2,537.47
<b>Total Expenses</b>		<b>11,495.01</b>
<b>V Profit from continuing operations before share of profit of associates and joint venture and income tax(III-IV)</b>		<b>(718.17)</b>
<b>VI Share of Profit/(loss) of Associates and Joint Ventures</b>		(2.33)
<b>VII Profit/ (loss)m before exceptional items and tax (V+VI)</b>		<b>(720.50)</b>
<b>VIII</b> Exceptional Items		-
<b>IX Profit/(loss) before tax (V-VI)</b>		<b>(720.50)</b>
<b>X Tax expense</b>	39	
Current Tax		-
Deferred Tax		(192.59)
Income Tax for Earlier Years		-
<b>XI Profit/(loss) after tax for the year (VII-VIII)</b>		<b>(527.91)</b>
<b>XII (A) Other Comprehensive Income/(loss)</b>		
<b>(i) Items that will not be reclassified to statement of profit or loss</b>		
Remeasurement of defined benefit obligation		17.79
Tax thereon		(4.95)
<b>XIII (ii) Items that will be reclassified to statement of profit or loss</b>		-
<b>Total other comprehensive income</b>		<b>12.84</b>
<b>XIV Total comprehensive income for the year (VIII+IX)</b>		<b>(515.07)</b>
<b>XV Earnings per equity share of face value of `10 each</b>		
<b>Basic and Diluted earnings per share</b>		
a Basic (in Rs. `)		(2.59)
b Diluted (in Rs. `)		(2.59)
<b>The accompanying notes to accounts forming an integral part to the financial statement</b>	<b>1 to 50</b>	
<b>General information and material accounting policies</b>	<b>A-B</b>	
As per our report of even date attached. <b>For ASHOK KHASGIWALA &amp; CO. LLP</b> Chartered Accountants (Firm Registration No 0743C/C400037)	<b>For and on behalf of the Board of Directors</b>	
	<b>Raj Kumar Gupta</b> Managing Director DIN : 00244925	<b>Vishnu Kant Gupta</b> Whole-Time Director and CFO DIN : 05233476
<b>CA Ashok Khasgiwala</b> Partner Membership No.070288 Indore, 30.05.2024	<b>CS Reena Saluja</b> Company Secretary	

<b>AGRO PHOS INDIA LIMITED</b>	
<b>( CIN: L24123MP2002PLC015285 )</b>	
<b>Consolidated Cash Flow Statement for the year ended 31st March, 2024</b>	
<b>(Figures Rs. in Lacs)</b>	
Particulars	Year Ended
	<b>31.03.2024</b>
	<b>(Audited)</b>
<b>A. Cash flow from Operating activities</b>	
a. Net Profit/ (Loss) before Tax & Exceptional item	<b>(718.17)</b>
Adjustment for :	
Depreciation & Amortisation	173.21
Finance costs	341.32
Interest Income	(31.78)
(Gain) / Loss on disposal of Property, Plant and Equipment	(0.64)
(Profit) / Loss on sale of Investment	(1.60)
Provision /(Reversal of provision) on doubtful debts	(5.36)
Provision on doubtful advance	-
Fair Value of Investments	22.60
IND as adjustment from OCI	17.79
Unrealised gain / (loss) on Foreign currency exchange rate	-
<b>b. Operating profit/(loss) before working capital changes</b>	<b>(202.60)</b>
Adjustment for :	
Trade and Other receivables	584.42
Inventories	2,730.83
<b>01 Trade and other payables</b>	<b>(2,791.47)</b>
<b>c. Cash generated from Operations</b>	<b>321.18</b>
Direct Taxes (paid)/Refund (Net)	(39.39)
<b>Net Cash Flow from Operating activities</b>	<b>281.79</b>
<b>B. Cash flow from investing activities</b>	
Purchase of Property, Plant and Equipment	(148.78)
Sale of Property, Plant and Equipments	16.26
Purchase of Investment	(200.00)
Acquisition of Associate	(290.00)
Sale of Investment	35.15
Interest Received	38.45
Changes in fixed deposits not considered as cash and cash Equivalent	206.94
Intercompany Loan Recovered /(Given)	185.13
<b>Net Cash Flow from Investing activities</b>	<b>(156.85)</b>
<b>C. Cash flow from Financing activities</b>	
Proceeds from Borrowings	387.90
Repayment of Borrowings	(221.17)
Finance cost Paid	(296.13)
<b>Net Cash flow from Financing activities</b>	<b>(129.40)</b>
<b>D. Net Increase / (Decrease)in Cash and Cash Equivalent (A+B+C)</b>	<b>(4.46)</b>
Cash and Cash Equivalent at the beginning of the year	13.53
Cash and Cash Equivalent at the end of the year	9.07
<b>Increase / (Decrease)in Cash and Cash Equivalent</b>	<b>(4.46)</b>
<b>Cash and Cash Equivalent Comprises :</b>	
Balances with Banks	3.06
Cash on hand	6.01

The accompanying notes to accounts forming an integral part to the financial statement

1 to 50

General information and material accounting policies

A-B

As per our report of even date attached.

For **ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants

(Firm Registration No 0743C/C400037)

For and on behalf of the Board of Directors

**Raj Kumar Gupta**  
Managing Director

DIN : 00244925

**Vishnu Kant Gupta**  
Whole-Time Director and  
CFO

DIN : 05233476

**CA Ashok Khasgiwala**  
Partner  
Membership No.070288  
Indore, 30.05.2024

**CS Reena Saluja**  
Company Secretary



**AGRO PHOS INDIA LIMITED**  
**CIN: L24123MP2002PLC015285**  
**STATEMENT OF CHANGE IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31,2024**

(Figures Rs. in Lacs)

**a. Equity share capital**

Particulars	March 31, 2024
<b>Balance at the beginning of the reporting period</b>	2,027.41
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	2,027.41
Changes in Equity share capital during the year	-
<b>Balance at the end of the current reporting period</b>	<b>2,027.41</b>

**b. Other Equity**

**(i) As at March, 2024**

Particulars	Reserves and Surplus			
	Capital Reserve	Securities Premium Reserve	Retained Earnings	Total
<b>Balance at the beginning of the current reporting period</b>	20.00	705.60	2451.69	3177.29
Profit/( Loss) for the year	0.00	0.00	-527.91	-527.91
Other Comprehensive Income for the year ( net of tax)	0.00	0.00	12.85	12.85
<b>Total comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>-515.07</b>	<b>-515.07</b>
Gain on Investment in Associate Company	136.30	0.00	0.00	136.30
<b>Balance at the end of the current reporting period</b>	<b>156.30</b>	<b>705.60</b>	<b>1936.62</b>	<b>2798.52</b>

The accompanying notes to accounts forming an integral part to the financial statement **1 to 50**

General information and material accounting policies **A-B**

As per our report of even date attached.

**For ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants

(Firm Registration No 0743C/C400037)

**For and on behalf of the Board of Directors**

**Raj Kumar Gupta**

Managing Director

DIN : 00244925

**Vishnu Kant Gupta**

Whole-Time Director and CFO

DIN : 05233476

**CA Ashok Khasgiwala**

Partner

Membership No.070288

Indore, 30.05.2024

**CS Reena Saluja**

Company Secretary

**NOTE - - Details of Group Companies**

Agro Phos India Ltd ("The Company") has 1 Associate ("The Group"), as given in the following table:

Name of Company/Firm	Relationship	Country of Incorporation
Shri Tulsi Phosphate Ltd	Associate	India

Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiaries/Associates/Joint Ventures.

Particulars	Net Assets (Total Assests less Total Liability)		Share in Profit and Loss		Share in Other comprehensive income		Share in Total Comprehensive Income	
	Year ended March 31, 2024		Year ended March 31, 2024		Year ended March 31, 2024		Year ended March 31, 2024	
	As % of Consolidated Net Asset	Amount	As % of consolidated share in Profit and Loss	Amount	As % of Consolidate d share in Other comprehensiv e income	Amount	As % of Consolidated Total Comprehensive Income	Amount
<b>Parent Company</b>								
Agro Phos India Ltd	100.00	4,825.94	99.56	(525.58)	100.00	12.84	99.55	(512.74)
<b>Associates</b>								
Shri Tulsi Phosphate Ltd			0.44	(2.33)	-	-	0.45	(2.33)
<b>Total</b>	<b>100.00</b>	<b>4,825.94</b>	<b>100.00</b>	<b>(527.91)</b>	<b>100.00</b>	<b>12.84</b>	<b>100.00</b>	<b>(515.07)</b>

## AGRO PHOS (INDIA) LIMITED

### A. Company Information

Agro Phos (India) Limited is a Public Limited Company incorporated under the Companies Act, 1956 bearing Corporate Identity No. L24123MP2002PLC015285 dt. 19.09.2002 having registered office at M-87, Trade Centre 18M, South Tukoganj, Indore, (MP) 452001. The Company was initially incorporated as a private limited company and has converted into public limited company w.e.f. 28.02.2004. Initially company established its fertilizer manufacturing facility at Industrial Area, Dewas (M.P.). During the year 2014-15, the company also established its new manufacturing facility at Meghnagar Distt. Jhabua (M.P.). The company is also engaged in fertilizer trading. The shares of the company are listed at the National Stock exchange.

The consolidated financial statements as at March 31, 2024 presents the financial position of the Parent as well as its interest in an associate company.

The Company has the following associate company :

Name of Associate	% age of Holding
Shri Tulsi Phosphate Ltd.	34.35%

The Financial Statements have been approved for issue by the Board of Directors at its meeting held on 30.05.2024.

### B. Statement of consolidated Material accounting policies

#### i. Statement of compliance

The Consolidated financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto issued by Ministry of Corporate Affairs under section 133 of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied and accounting principles generally accepted in India except where compliance with other statutory promulgations require a different treatment.

#### ii. Basis of Preparation

The consolidated financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has

ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

### **Functional and presentation currency**

These consolidated financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "INR"), which is Company's functional and presentation currency. All amounts disclosed in the Financial Statements including notes thereon have been rounded off to the nearest Rs. in lacs up to two decimals as per the requirement of Schedule III to the Act, unless stated otherwise.

### **iii. Use of Estimates, Judgments and Assumptions**

The preparation of consolidated financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect on amount recognized in the financial statements are:

- i. Allowance for bad and doubtful trade receivable.
- ii. Recognition and measurement of provision and contingencies.
- iii. Depreciation/ Amortisation and useful lives of Property, plant and equipment / Intangible Assets.
- iv. Recognition of deferred tax.
- v. Income Taxes.
- vi. Measurement of defined benefit obligation.
- vii. Impairment of Non-financial assets and financial assets.
- viii. Fair value of financial instruments.

### **iv. Revenue**

#### **Recognition**

The company recognised revenue i.e. account for a contract with a customer only when all of the following criteria are met:

- (a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- (b) the entity can identify each party's rights regarding the goods or services to be transferred;
- (c) the entity can identify the payment terms for the goods or services to be transferred;

- (d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and
- (e) it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due. The amount of consideration to which the entity will be entitled may be less than the price stated in the contract if the consideration is variable because the entity may offer the customer a price concession.

## **Measurement**

When (or as) a performance obligation is satisfied, company recognise as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

The transaction price is the amount that the entity expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some taxes on sales). The consideration promised may include fixed amounts, variable amounts, or both.

### **i. Sale of goods**

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Further, the revenue amount is adjusted for the time value of money if that contract contains a significant financing component.

### **ii. Interest and Dividend**

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.

### **v. Inventories**

Inventories are valued at lower of cost and net realizable value, except scrap is valued at net realizable value. Cost of inventory is arrived at by using FIFO Method. Cost of inventory is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

## **vi. Property, Plant and Equipment**

### **a. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses (if any).

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, acquisition or construction cost including borrowing costs, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit or loss.

### **b. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and costs of the item can be measured reliably.

### **c. Depreciation**

Depreciation on property, plant and equipment is provided using Straight line method (SLM) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

The estimated useful lives, residual value and depreciation method are reviewed at the end of each balance sheet date, any changes therein are considered as changes in estimate and accordingly accounted for prospectively.

### **e. Capital Work In progress**

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

## **vii. Intangible Assets**

Identifiable intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. 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 recognised in the statement of profit and loss when the asset is derecognised.

### **Recognition and measurement**

Intangible assets are held at cost less accumulated amortisation and impairment losses. Intangible assets developed or acquired with finite useful life are amortised on straight line basis over the useful life of asset.

### **Subsequent expenditure**

Subsequent expenditure is capitalised only when when it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured or development stage is achieved. All other expenditure, including expenditure on internally generated goodwill and brands, when incurred is recognised in statement of profit or loss.

### **Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit or loss. Computer software are amortised over their useful life of 5 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

## **viii. Employee benefits**

### **i. Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **ii. Defined benefit plans**

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The company pays gratuity to the employees who have completed five years of service with company at the time when the employee leaves the company as per the payment of gratuity act 1972.

Remeasurement of the net defined benefit plans in respect of post-employment are charged to other comprehensive income. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs; and
- Net interest expense or income

### **iii. Other employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

### **iv. Defined Contribution Plan**

The company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

### **ix. Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income or a business combination, or items recognised directly in equity.

#### **i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **ii. Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets and liabilities are reviewed at the end of each reporting period.

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



Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

#### **x. Foreign currency transactions**

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are recognised in statement of profit and loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

Non-monetary items that are measured based on historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognised in statement of profit and loss.

#### **xi. Borrowing cost**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the statement of profit and loss in the period in which they are incurred.

Borrowing cost consist of interest and amortization of ancillary cost incurred in connection with the arrangement of borrowed funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **xii. Cash and Cash Equivalent**

Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdraft are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

### **xiii. Cash Flow Statement**

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

### **xiv. Earning Per Share**

- i. Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares , adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.
- ii. Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

### **xv. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized, but its existence is disclosed in the financial statements where an inflow of economic benefits is probable.

## **xvi. Impairment of Non-Financial Assets**

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in statement of profit and loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been in place had there been no impairment loss recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss, taking into account the normal depreciation/amortization.

## **xvii. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

### **i. Financial assets**

#### **Classification**

The Company classifies financial assets in the following measurement categories :

- a. Those measured at amortised cost and
- b. Those measured subsequently at fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

#### **Initial recognition and measurement**

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset are adjusted to the fair value in case of financial assets not recorded at fair value through 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.

### **Measured at amortised cost**

A financial asset 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 statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

### **Measured at fair value through other comprehensive income (FVOCI)**

A financial asset is measured at FVOCI 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.

Financial assets included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

### **Financial Asset at fair value through profit and loss (FVTPL)**

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the group company may elect to classify a financial asset, which otherwise meets amortized cost or FVOCI 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').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### **Derecognition**

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

- i. The rights to receive cash flows from the asset have expired, or
- ii. 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.
- iii. When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

### **Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i. Trade receivables which do not contain a significant financing component.

The application of simplified approach recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

- ii. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

### **ii. Financial liabilities**

#### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised costs.

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, financial guarantee contracts and derivative financial instruments.

### **Financial liabilities at fair value through profit or loss.**

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

### **Gains or losses on liabilities held for trading are recognised in the profit or loss.**

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

### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to interest-bearing loans and borrowings.

### **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 from the same lender on substantially

different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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 or loss.

### **Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and when the company has a legally enforceable right to set off the amount and it intends either to settle them on net basis or to realize the asset and settle the liability simultaneously.

### **xviii. Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### **xix. Government Grants**

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

Subsidy for fertilisers is recognized as per the rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time. Subsidy income recognized only when goods finally sold to end user / farmer and bill generated through IMFS System.

**xx) Basis of Consolidation**

**a) The Consolidated financial statements relate to Agrophos India Ltd ( the Company) and its associate is as under :**

<b>Entity</b>	<b>Basis of Consolidation</b>	<b>Country of Incorporation</b>	<b>% age of Shareholding of the Company</b>	<b>% age of Share in Consolidated Profit /( Loss)</b>
Shri Tulsi Phosphate Ltd	Associate	India	34.35%	34.35%

b) The consolidated Financial Statements have been prepared in accordance with Ind AS 28 and 110 as notified under section 133 of the Companies Act, 2013 read with Rule 4 of Companies (Indian Accounting Standards) Rule 2015 as amended and recognized accounting practices and policies on the following basis :

- i) The financial statements of Associates have been consolidated using the Equity method of accounting.
- ii) Any gain or loss resulting from upstream or downstream between entity and its associate are recognised in the entity's financial statements only to the extent of unrelated investor's interest in associate.
- iii) Figures pertaining to the associate have been reclassified to bring them in line with parent Company's financial statements.
- iv) The excess of / shortfall in the cost to the Company of its investment over the Company's portion of equity as at the date of investment is recognized in the consolidated financial statements as goodwill / capital reserve.
- v) The Consolidated Financial Statements have been prepared using uniform accounting policy for like transactions and other events in similar circumstances.

**C. Standard issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



**Note - 1 Property, Plant and Equipment****A. TANGIBLE ASSETS**

Particulars	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
<b>a. Gross Carrying Amount</b>						
<b>As at 1st April, 2023</b>	1534.74	1027.35	24.15	237.45	28.70	2852.38
Additions	180.32	242.83	4.83	16.25	8.96	453.20
Deduction/Adjustments				33.54		33.54
<b>As at March 31, 2024</b>	<b>1715.06</b>	<b>1270.18</b>	<b>28.99</b>	<b>220.16</b>	<b>37.66</b>	<b>3272.04</b>
<b>b. Accumulated depreciation and impairment</b>						
<b>As at 1st April, 2023</b>	<b>184.16</b>	<b>425.20</b>	<b>14.25</b>	<b>52.74</b>	<b>20.92</b>	<b>697.28</b>
Depreciation charge for the year	56.39	81.01	2.41	27.43	3.35	170.59
Deduction/Adjustments				17.92		17.92
<b>As at March 31, 2024</b>	<b>240.56</b>	<b>506.21</b>	<b>16.66</b>	<b>62.25</b>	<b>24.27</b>	<b>849.96</b>
<b>c. Net Carrying Amount</b>						
<b>As at March 31, 2024</b>	<b>1,474.50</b>	<b>763.97</b>	<b>12.32</b>	<b>157.91</b>	<b>13.38</b>	<b>2,422.08</b>

**Note:**

1. No revaluation of Property, Plant and Equipment has been carried out during the year.

<b>Note 1.1 : RIGHT OF USE ASSETS</b>	
Particulars	Land - Lease hold
<b>Gross carrying amount</b>	
<b>As at 1st April, 2023</b>	19.87
Additions	-
Disposals/Adjustments	-
<b>As at March 31, 2024</b>	<b>19.87</b>
<b>Accumulated Depreciation and Impairment</b>	
<b>As at 01 April, 2023</b>	<b>6.23</b>
Depreciation for the year	1.56
Disposals/Adjustments	0.00
<b>As at March 31, 2024</b>	<b>7.78</b>
<b>Net Carrying Value</b>	
<b>As at March 31, 2024</b>	<b>12.09</b>

<b>Note 2 : CAPITAL WORK-IN-PROGRESS</b>					
<b>Particulars</b>	<b>Building</b>	<b>Plant &amp; Machinery</b>	<b>Office Equipments</b>	<b>Furniture</b>	<b>Total</b>
<b>As at 1st April, 2023</b>	<b>141.46</b>	<b>133.86</b>	<b>3.31</b>	<b>4.83</b>	<b>283.47</b>
Additions	38.87	97.95	0.00	0.00	136.82
Deduction/Adjustments	180.32	231.81	3.31	4.83	420.28
<b>As at March 31, 2024</b>	-	-	-	-	-

**Capital Work-in-Progress Ageing Schedule**

<b>Particulars</b>	<b>Amount in CWIP for a period of</b>				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
<b>As at 31st March, 2024</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

<b>Note-3 : Intangible Assets</b>	
<b>Particulars</b>	<b>Computer Software</b>
<b>a. Gross carrying amount</b>	
<b>As at 1st April, 2023</b>	<b>6.22</b>
Additions	0.05
Deduction/Adjustments	0.00
<b>As at March 31, 2024</b>	<b>6.27</b>
<b>b. Accumulated Amortisation</b>	
<b>As at 1st April, 2023</b>	<b>3.73</b>
Amortisation During the year	1.06
Additions	
Deduction/Adjustments	0.00
<b>As at March 31, 2024</b>	<b>4.79</b>
<b>c. Net Carrying Amount</b>	
<b>As at March 31, 2024</b>	<b>1.47</b>

## Notes forming part of Consolidated financial statements

(Figures Rs. in Lacs)

Particulars	As at Mar 31, 2024
<b>Note - 4 Non -Current Investments</b>	
<b>Investment in Equity Instruments: (Measured at Fair value through Profit &amp; Loss (FVTPNL) In Associate Company Unquoted</b>	
29,00,000 Equity shares of Rs.10/- each fully paid up in Shri Tulsi Phosphate Limited	426.30
Add : Goodwill / (capital reserve)	-
Add /(Less) : Share in profit /(loss)	(2.33)
	<b>423.97</b>
<b>Investment in Equity Instruments - Other than in subsidiary, associate and Joint Venture companies (Measured at Fair value through Profit &amp; Loss (FVTPNL) Unquoted</b>	
20,00,000 Equity shares of Rs.10/- each fully paid up in APIndia Biotech Private Limited	177.40
	<b>177.40</b>
<b>Grand Total</b>	<b>601.37</b>
Aggregate Amount of Quoted Investments and market value thereof	-
Aggregate Amount of Unquoted Investments	601.37
Aggregate Amount of Provision for diminution in value of investments	-
<b>Note - 5 Other Financial Assets</b>	
Security Deposits	43.22
Balance with Banks in Deposit Accounts with original maturity of more than 12 months (earmarked)	0.47
Other receivable	-
	<b>43.70</b>
<b>Note -6 Other Non-Current Assets</b>	
Capital Advance	4.00
	<b>4.00</b>
<b>Note -7 Inventories</b>	
Raw Materials (including packing material's)	1125.80
Work-in-progress	729.89
Finished goods	1204.24
Stock- in- Trade ( in respect of goods acquired for trading)	337.35
	<b>3,397.28</b>
i) Inventories are valued at lower of cost and net realisable value, except scrap, which is valued at net realisable value.	

<b>Note - 8 Trade Receivables</b>		
Unsecured, considered good		1217.42
Which have significant increase in credit risk		45.42
Credit Impaired		18.45
		<b>1,281.29</b>
Less: Provision for doubtful debts		18.45
		<b>1,262.84</b>
(i) Trade Receivables includes debts due from firms/private companies in which directors are interested Rs. 646.06 Lacs		
<b>Note - 9 Cash and Cash Equivalents</b>		
Balances with Banks		
In Current Accounts		3.06
Cash on hand		6.01
		<b>9.07</b>
<b>Note - 10 Bank Balances Other Than Cash and Cash Equivalents Above</b>		
Dividend Accounts earmarked		0.44
In Deposit Accounts with original maturity		
More than 3 months but less than or equal to 12 months (earmarked)		60.24
		<b>60.67</b>
<b>Note - 11 Other Financial Assets</b>		
Accrued interest		0.94
Subsidy Receivable		1002.99
Security Deposits		157.46
Intercompany Loan - To Related Party		75.02
		<b>1,236.42</b>
<b>Note -12 Current Tax Assets (Net)</b>		
Advance tax (Net of Provision for Taxation)		39.22
		<b>39.22</b>
<b>Note -13 Other Current Assets</b>		
Advance against supply		297.09
Balance with Government Authorities		469.05
Other Advance*		55.07
Less : Provisions for doubtful advance		-37.00
		18.07
		<b>784.20</b>
(* Includes Tour advance to employees, salary advance etc.)		

Particulars	As at March 31, 2024
<b>Note - 14 Equity Share Capital</b>	
(a) <b>Authorised</b>	
21000000 (Previous Year 21000000 ) Equity share of Rs. 10/- each	2,100.00
	-
(b) <b>Issued, Subscribed and paid-up</b>	
20274115 (Previous Year 20274115) Equity share of Rs. 10/- each fully paid up	2,027.41
	<b>2,027.41</b>

## 14.1 The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at March 31, 2024	
	No. of Shares	Amount
<b>Equity Shares :</b>		
Equity Shares at the beginning of the year	20,274,115	2027.41
Add: Shares issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>20,274,115</b>	<b>2,027.41</b>

## 14.2 Terms / Rights attached to Equity Shares :

The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

## 14.3 The details of shareholders' holding more than 5 % Shares:

EQUITY SHARES	As at 31st March 2024	
	No. of Shares	% age of holding
Raj Kumar Gupta	4,300,435	21.21
Vishnu Kant Gupta	1,596,075	7.87
Ramesh Chand Suhane	1,795,050	8.85

## 14.4 The details of Shares held by Promoters as at 31st March, 2024:

Promoter Name	No. of Shares	% of total shares	% Change during the year
Raj Kumar Gupta	4,300,435	21.21	-
Vishnu Kant Gupta	1,596,075	7.87	-
<b>Total</b>	<b>5,896,510</b>	<b>29.08</b>	-

14.5 For a period of five years immediately preceding the date of Balance Sheet i.e. 31st March, 2024 the company has :-

- (i) Not allotted shares as fully paid up pursuant to contract (s) without payment being received in cash.
- (ii) Not allotted any shares as fully paid up by way of bonus shares.
- (iii) Not bought back any shares .

Particulars	As at Mar 31, 2024		
<b>Note - 15 Other Equity</b>			
<b>A Capital Reserve</b>			
Balance as at the beginning of the year	20.00		
<b>Balance as at the end of the year</b>	<b>20.00</b>		
<b>B Securities Premium</b>			
Balance as at the beginning of the year	705.60		
Add : Received during the year	-		
<b>Balance as at the end of the year</b>	<b>705.60</b>		
<b>C Retained Earnings</b>			
<b>Balance as at the beginning of the year</b>	2,451.59		
Balance as at the beginning of the year	2,451.59		
Add: Net Profit/(Loss) for the year	(527.91)		
Less: Remeasurement of the defined benefit plans through OCI (Net of tax)	12.85		
Add: Gain on Investment in Associate Company	136.30		
<b>Balance as at the end of the year</b>	<b>2,072.83</b>		
<b>Total Other equity</b>	<b>2,798.43</b>		
<b>NATURE AND PURPOSE OF RESERVES:</b>			
<b>(I) Securities Premium</b>	Securities Premium Reserve is created on recording of premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.		
<b>(II) Retained Earnings</b>	The same is created out of profits over the years and shall be utilised as per the provisions of the Act.		
<b>Note - 16 Borrowings</b>			
<b>A Secured</b>			
<b>Term Loans from Banks</b>			
a.From Banks (refer note A below)	126.55		
Less : Shown under current maturities of Long Term Debt	59.83		
	<b>66.72</b>		
	<b>66.72</b>		
	<b>66.72</b>		
<b>Note: (i) Nature of Security and terms of repayment for secured borrowings</b>			
<b>A</b>			
Name of the lender	Nature of Security	Terms of Repayment	Rate of interest
Term loan from Axis Bank, Sanctioned amount Rs.289 lacs, Outstanding amount Rs.31.99 lacs	Secured by extension of second charge by way of hypothecation on primary securities as specified in Note 20. And secured by personal guarantee of directors.	Repayable in 35 monthly installments of Rs.8.03 and 1 installment of Rs.8.03. ie., moratorium period of 12 months from the date of first disbursement.	9.65% p.a.
Term loan from Yes Bank, Sanctioned amount Rs. 16 lacs, Outstanding amount Rs.1.96 lacs	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs.0.34 lacs (including interest) each, commenced from October, 2019 and last instalment due in September 2024	9.5% p.a.

Term loan from Union Bank , Sanctioned amount Rs. 15.80 lacs, Outstanding amount Rs. 12.15 lacs	Secured by hypothecation of asset purchased.	Repayable in 84 monthly instalments of Rs. 0.24 lacs (including interest) each, commenced from March , 2022 and last intsalment due in February 2029.	7.40% p.a. floating
Term loan from Union Bank , Sanctioned amount Rs. 15.00 lacs, Outstanding amount Rs. 12.11 lacs	Secured by hypothecation of asset purchased.	Repayable in 84 monthly instalments of Rs. 0.23 lacs (including interest) each, commenced from April, 2022 and last intsalment due in March 2029.	7.40% p.a. floating
Term loan from Axis Bank , Sanctioned amount Rs. 27.10 lacs, Outstanding amount Rs. 6.72 lacs	Secured by hypothecation of asset purchased.	Repayable in 35 monthly instalments of Rs. 0.86 lacs (including interest) each, commenced from January, 2022 and last intsalment due in November 2024.	7.46% p.a.
Term loan from HDFC Bank limited, Sanctioned amount Rs. 80 lacs, Outstanding amount Rs. 61.61 lacs (PY Rs.75.58 lacs)	Secured by hypothecation of asset purchased.	Repayable in 60 monthly instalments of Rs. 1.61 lacs (including interest) each, commenced from December, 2022 and last intsalment due in November 2027.	7.80% p.a.

**Note - 17 Others Non Current Financial Liabilities**

Dealership Deposit	12.76
	<b>12.76</b>

**Note -18 Provisions**

Provision for employee benefits	
Provision for Gratuity (Refer note- 41 (B) )	71.75
	<b>71.75</b>

**Note - 19 Deferred Tax Liabilities (Net)**

**Deferred Tax Liabilities**

Depreciation on property, plant & equipment	282.56
<b>Total (A)</b>	<b>282.56</b>

**Deferred Tax Assets**

Due to Business Loss	175.40
Provision for Doubtful Debts & Advance	15.43
Loss on Fair Value of Investment	2.49
Other Timing Difference	21.52

<b>Total (B)</b>	<b>214.83</b>
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<b>Deferred Tax Liabilities (Net)</b>	<b>67.73</b>
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<b>MAT Credit Entitlement</b>	12.58
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<b>Net Defrred Tax Liability/( Assets)</b>	<b>55.15</b>
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## Notes forming part of Consolidated financial statements

(Figures Rs. in Lacs)

Particulars	As at Mar 31, 2024
<b>Note - 20 Borrowings</b>	
<b>Secured</b>	
<b>Loans repayable on demand</b>	
Working Capital Loans from bank	2745.00
Current maturities of long-term debt (Refer note 16)	59.83
	<b>2,804.83</b>
<u>Note :</u>	
<b>I</b> Working Capital Loans from Axis Bank Rs. 1788.97 lacs is secured by :	
a) Hypothecation of stocks of raw materials, finished goods, stores and spares, stock in process, packing materials and book debts, and all other movable fixed assets, both present and future, of the Company and personal guarantee of Directors and carry ROI 9.50% p.a.	
b) Further secured by Equitable Mortgage on following property:	
1. Factory land and building situated at 13A/2, Dewas Industrial Area.	
2. 135-A,138-A,136-A,136-A II & 137-A ,AKVN Industrial Road Meghnagar , Dist. Jhabua, Madhya Pradesh in the name of Agro Phos (India) Limited.	
3. Residential House situated at A-7, Mangal Murti Nagar, Navlakha Main Road, Indore in the name of Mrs. Uma Gupta.	
4. Residential House situated at WA-12, Sector A, Scheme No. 94, Ring Road, Indore in the name of Ms. Shraddha Gupta.	
5. Office premises situated at M-91-92, Trade Center, 18 South Tukoganj, Indore	
<hr/>	
Working Capital Loans from Canara Bank Rs. 956.02 lacs are secured by :	
<b>II</b>	
a) Secured by hypothecation of Inventories & Book debts and carry ROI 10.65% p.a.	
b) Further secured by Equitable Mortgage on following properties:	
1. Survey no. 9/13/3 situated at Village Lasudia Mori Patwari Halka no. 17 (New 45), District and Tehsil Indore	
2. Survey no. 9/13/4 situated at Village Lasudia Mori Patwari Halka No. 17 (New 45), District and Tehsil Indore	
3. Office premises situated at M-86, M-87/A , M-87/B, M-88/A , M-88/B, Trade Center, 18 South Tukoganj, Indore	
<hr/>	
<b>Note - 21 Trade Payables</b>	
(a) Total outstanding due of Micro and Small Enterprises	346.72
(b) Total outstanding due other than (a) above	1293.35
	<b>1,640.07</b>
<b>Note - 22 Other Financial Liabilities</b>	



Interest accrued and due	55.03
Unclaimed Dividends (refer note (i) below)	0.44
Other Liabilities *	159.26
	<b>214.72</b>

**Note:**

(i) There are no amounts due for payment to the Investor Education and Protection Fund under the Companies Act, 2013.

\* other liabilities includes liabilities for expenses, salary payable etc.

**Note - 23 Other Current Liabilities**

Advances from customers	166.31
Statutory Dues	10.59
	<b>176.90</b>

**Note - 24 Provisions**

(i) Provision for Gratuity (Refer note- 39 (B) )	4.94
(ii) Provision for Compensated absences*	0.65
	<b>5.59</b>

**Note - 25 Current Tax liabilities (net)**

Provision for taxation	0.00
	-

## Notes forming part of Consolidated financial statements

Figures Rs. In Lacs

Particulars	For the Year 2023-24
<b>Note - 26 Revenue From Operations</b>	
Sales of products	6554.45
Subsidy on SSP	4159.83
	<b>10,714.28</b>
<b>Note - 27 Other Income</b>	
Interest Income (at amortised cost)	31.78
Net Gain on Foreign Currency Transactions and Translations	0.60
Profit on Sale of Investment	1.60
Net Gain on Sale of Property, Plant & Equipment	0.64
Sundry Balance Write Back	19.79
Net gain on Fair value of Investment	0.00
Reversal of Bad & Doubtful Debts Provision	5.36
Other Non-Operating Income	0.00
Miscellaneous Income	2.82
	<b>62.57</b>
<b>Note - 28 Cost of Materials Consumed</b>	
a) Raw Material	6278.32
b) Packing Material	256.92
	<b>6,535.24</b>
<b>Note - 29 Purchases of Stock-in-Trade</b>	
Purchases of Stock-in-Trade	454.53
	<b>454.53</b>
<b>Note - 30 Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade</b>	
<b>Inventory at the beginning of the Year</b>	
Finished Goods	1,399.78
Work in Progress	1,836.19
Stock In Trade	119.26
	<b>3,355.23</b>
<b>Inventory at the end of the year</b>	
Finished Goods	1204.24
Work in Progress	729.89
Stock In Trade	337.35
	-

Net (Increase) / Decrease in Inventories	<b>3,355.23</b>
<b>Note - 31 Employee Benefits Expense</b>	
Salary, Wages and Bonus	346.91
Contribution to Provident and Other Funds	12.20
Staff Welfare expenses	10.37
	<b>369.48</b>

<b>Note - 32 Finance Costs</b>	
Interest Expense	313.14
Other borrowing costs	28.18
	<b>341.32</b>

<b>Note - 33 Depreciation, Amortization and impairment</b>	
Depreciation and Amortisation	173.21
	<b>173.21</b>

<b>Note - 34 Other Expenses</b>	
Power and Fuel	318.94
Stores, Spares and Consumables	64.72
Processing Charges	84.59
Rent	34.46
Repairs to Machinery	105.42
Repairs to Buildings	12.10
Repairs to Others	46.50
Insurance	56.68
Rates & Taxes excluding taxes on income	51.54
Factory Expenses	5.18
Legal and Professional Charges	54.82
Travelling & Conveyance Expenses	34.49
Vehicle Expenses	17.65
Selling and Distribution expenses	67.19
Freight and Forwarding	1488.85
CSR Expenditure	12.65
Net Loss on Foreign Currency Transactions and Translations	0.00
Provision for Doubtful Advance	0.00
Bad & Doubtful Debts Provision	0.00
Loss on sale of Investment	0.00
Bad Debts Written off	0.00
Loss on Fair Value of Investment	22.60
Miscellaneous Expenses	59.08
	<b>2,537.47</b>

**Notes forming part of Consolidated financial statements**

(Figures Rs. in Lacs)

**NOTE: 35 - CONTINGENT LIABILITIES AND COMMITMENTS**

Particulars	As at 31st March,2024
<b>a. Contingent Liability</b>	
Sales Tax demand disputed in appeal	21.43
i) The company does not expect any reimbursements in respect of the above contingent liabilities.	
ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of above matters due to pending resolution of the arbitration/ appellate proceeding. Further, the liability mentioned in above includes interest except in cases where the Company has determined that the possibility of such levy is remote.	
<b>b. Capital commitments</b>	-

**NOTE: 36 - EARNING PER SHARE (EPS)**

Particular	2023-24
<b>Basic and diluted earnings per share :</b>	
a. Net Profit after tax	-527.91
c. Weighted average number of equity shares	20274115
d. Nominal value of ordinary share (Rs.)	10.00
e. Basic and diluted earning per share	(2.59)

**NOTE: 37**

The company is required to spent Rs. 11.95 Lacs towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 for the year ended 31st March 2024 calculated as per section 198 of the companies Act 2013. However, the company had spent Rs. 12.65 lacs (out of which Rs. 0.80 Lacs spent for unspent amount related to F.Y. 2022-23 and remaining Rs. 11.85 Lacs spent for F.Y. 2023-24).

The expenditure required by the company for complying with provision for CSR expenditure u/s 135 of companies Act 2013 are as under :

	Particulars	2023-24
i.	Amount required to be spent by the company during the year	11.95
ii.	Amount of expenditure incurred	12.65 (Rs. 0.80 Lacs spent for unspent amount related to F.Y. 2022-23)
iii.	Shortfall at the end of the year	0.10
iv.	Reason for shortfall	Shortfall arosed due to clerical error while doing round-off into lacs, however, same will be incurred during the next financial year.
v.	Nature of CSR activities	Feeding the needy people with healthy and nutritious meal across India.

**Notes forming part of Consolidated financial statements**  
(Figures Rs. in Lacs)

**Note 38 : Tax Expenses**

**Tax expenses recognised in the statement of Profit and Loss**

<b>I. Income tax related to items recognised directly in profit or loss of the statement of profit and loss during the year</b>	<b>As at March 31, 2024</b>
Current Tax on profit for the year	0.00
MAT credit	0.00
Deferred Tax	-192.59
Income Tax for earlier years	0.00
<b>Tax expenses for the year charged in Profit &amp; Loss (a)</b>	<b>(192.59)</b>
<b>Deferred tax recognized in Other Comprehensive Income (OCI) (b)</b>	<b>-4.95</b>
<b>Total Tax expenses for the year (a+b)</b>	<b>(197.54)</b>
<b>Reconciliation of effective tax rate</b>	
Profit before tax	-720.50
Applicable Tax Rate	27.82%
Computed tax expense	0.00
Adjustments for taxes for	
- Allowance for expenses/income	0.00
- Disallowance for expenses/income	0.00
MAT Credit entitlement	0.00
Deferred Tax on Account of PPE	1.43
Deferred tax on account of other Financial assets and other items	191.15
Income Tax for earlier years	0.00
Income tax as per statement of profit and loss	<b>(192.59)</b>
Effective Tax Rate	26.73%

**The movement in Deferred tax assets and liabilities during the year ended March 31st, 2024**

<b>Particulars</b>	<b>Opening Balance</b>	<b>Recognition in Profit or Loss</b>	<b>Recognition in OCI</b>	<b>Closing Balance</b>
<b>For the Year 2023-24</b>				
<b>Deferred Tax Liabilities</b>				
Depreciation on Property, Plant & Equipments	284.00	(1.44)	-	282.56
<b>I.</b>	<b>284.00</b>	<b>(1.44)</b>	<b>-</b>	<b>282.56</b>
<b>Deferred Tax Assets</b>				
Due to Business Loss	-	175.40	-	175.40
Provision for Doubtful Debts & advances	6.62	8.80	-	15.43
Loss on Fair Value of Investment	-	2.49	-	2.49
Other Timing Differences	22.01	4.46	(4.95)	21.52
<b>II.</b>	<b>28.63</b>	<b>191.15</b>	<b>(4.95)</b>	<b>214.83</b>
<b>Deferred Tax Liabilities (Net)</b>	<b>255.37</b>	<b>(192.59)</b>	<b>(4.95)</b>	<b>67.73</b>

**Notes forming part of Consolidated financial statements**  
(Figures Rs. in Lacs)

**NOTE: 39 - DISCLOSURE AS PER IND AS 19 - EMPLOYEE BENEFITS**

**A. Defined Contribution Plans**

Contribution to Defined Contribution plans, recognised as expense for the year is as under:

Particulars	2023-24
Employer's contribution to Provident Fund	10.20
Employer's contribution to ESIC	1.58

**B. Gratuity - Defined Benefit plans**

Particulars	2023-24
<b>I. Reconciliation of defined benefit obligation.</b>	
Liability at the beginning of the year	78.89
Current Service Cost	9.99
Interest Cost	5.60
Remeasurement due to :	
Actuarial loss/ (gain) arising change in financial assumptions	0.00
Actuarial loss/ (gain) arising change in demographic assumptions	0.00
Actuarial loss/ (gain) arising on account of experience adjustments	-17.79
Benefit Paid	0.00
<b>Defined benefit obligation at the end of the year</b>	<b>76.69</b>
<b>II. Reconciliation of opening and closing balance of fair value of plan assets.</b>	
Fair value of plan assets at the beginning of the year	-
Interest on plan assets	-
<b>Other</b>	-
Contributions Paid by Employer	-
Benefit Paid from Fund	-
<b>Included in OCI</b>	-
actuarial (Gains)/Losses on Obligation for the period	-
Return on Plan Assets Excluding Interest Income	-
<b>Fair value of plan asset at the end of the year</b>	-
<b>III. Amount Recognized in the Balance Sheet</b>	
Present Value of funded defined benefit obligation	76.69
Fair Value of Plan Assets at the end of the year	-
Net funded obligation	76.69
Present value of unfunded defined benefit obligation	-
Amount not recognised due to asset limit	-
<b>Net defined benefit liability / (asset) recognised in Balance sheet</b>	<b>76.69</b>
<b>Net defined benefit liability / (asset) is bifurcated as below :</b>	
<b>Current</b>	4.94
<b>Non - Current</b>	71.75
<b>IV. Expense Recognised in Statement of Profit &amp; Loss</b>	
Current Service Cost	9.99
Net Interest Cost	5.60
Administrative expenses	-
Past Service Cost	-
Actuarial (Gain)/ Loss on settlement	-
Expense Recognized in P&L	<b>15.59</b>
<b>V. Amount Recognised in Other Comprehensive Income (OCI)</b>	
Opening amount recognised in OCI outside profit and loss account	-
Remeasurement due to :	
Changes in financial assumptions	-
Changes in demographic assumptions	-
Experience adjustments	(17.79)
Actual return on plan assets less interest on plan assets	-
<b>Closing amount recognised in OCI outside profit and loss account</b>	<b>(17.79)</b>
<b>VI. Net defined liability / (asset) reconciliation</b>	
Opening Net defined benefit liability / (asset)	<b>78.89</b>
Expense charged to profit and loss account	<b>15.59</b>
Employers Contribution	-
Amount recognised outside Profit& loss	<b>(17.79)</b>
Impact of liability assumed or settled	-
<b>Closing net defined benefit liability / (asset)</b>	<b>76.69</b>
<b>VII. Assumptions</b>	
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages)	
<b>Particulars</b>	<b>31-Mar-24</b>
Discount Rate	7.10%
Salary Escalation Rate	7.00%
Attrition Rate	5.00%

**VIII Sensitivity analysis**

Reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

Particulars	31-Mar-24	
	1% Increase	1% Decrease
Change in discounting rate	68.71	86.00
Change in Salary escalation rate	85.92	68.63
Withdrawal Rate	76.75	76.62

**NOTE: 40 - RELATED PARTY RELATIONSHIPS, TRANSACTIONS AND BALANCES****Disclosure of transactions with related parties as per Ind AS -24 :****A. List of related parties and their relationships****(i) Key Managerial Personnel & Other Directors**

Mr. Raj Kumar Gupta	Managing Director
Mr. Vishnu Kant Gupta	Whole Time Director/Chief Financial Officer
Mr. Abhishek Kalekar	Non-Executive Director
Ms. Reena Saluja	Company Secretary (w.e.f. 21.09.2023)

**(ii) Entity where control exists**

Shri Tulsi Phosphate Limited	Associate Company (w.e.f. 11.09.2023)
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**(iii) Entity where person, close member or Key Managerial Personnel (KMP) has significant influence and with whom transactions have taken place**

<b>Name of Person / entity</b>	<b>Relation</b>
Mrs. Uma Gupta	Relative of KMP
Mr. Abhay Gupta	Relative of KMP
Mrs. Shradhha Gupta	Relative of KMP
M/s. Suhane Agro India Pvt Ltd.	Relative of KMP able to exercise significant influence
M/s. Madhav Agro-Chem Pvt. Ltd.	Relative of KMP able to exercise significant influence
M/s. Vinod Trading Co.	Relative of KMP able to exercise significant influence
M/s. Mahadhan Phosphate Pvt. Ltd.	Relative of KMP able to exercise significant influence
M/s. Madhav Farmtech Corporation Pvt. Ltd. (formerly known as M/s. Madhav Sales Corporation Pvt. Ltd.)	Relative of KMP able to exercise significant influence
M/s Vinod Sales Corporations	Relative of KMP able to exercise significant influence
M/s Abhay Sales Corporation	Relative of KMP able to exercise significant influence
M/s. Shri Tulsi Phosphate Limited	Relative of KMP able to exercise significant influence (upto 34.35%)
M/s. APIndia Biotech Private Limited	Relative of KMP able to exercise significant influence

**B. Transactions carried out with related parties referred in A above****(Figures Rs. in Lacs)**

<b>Nature of Transaction</b>	<b>As at 31.03.2024</b>
<b>Managerial Remuneration</b>	
Raj Kumar Gupta	54.00
Vishnu Kant Gupta	42.00
<b>Salary Paid</b>	
Mrs Uma Gupta	12.00
Mrs Shradhha Gupta	12.00
Abhay Gupta	18.00
Sumit Sharma	NA
Reena Saluja	2.51
<b>Purchase of Goods</b>	
Mahadhan Phosphate Pvt. Ltd.	28.80
Suhane Agro India Pvt Ltd.	136.11
Madhav Agrochem Pvt Ltd	156.52
M/s Vinod sales corporation	23.77
M/s Abhay Sales Corporations	324.51
M/s. APIndia Biotech Pvt. Ltd.	1683.77
<b>Sales of Goods</b>	
M/s. Vinod Trading Co.	12.81
Suhane Agro India Pvt Ltd.	767.61
M/s Vinod sales corporation	11.64
Madhav Farmtech Corporation Pvt. Ltd. (formerly known as Madhav Sales Corporation Pvt. Ltd.)	23.50
Mahadhan Phosphate Pvt. Ltd.	89.30
M/s Abhay Sales Corporations	390.52
M/s. APIndia Biotech Pvt. Ltd.	769.50

<b>Loans &amp; Advances</b>	
M/s Shri Tulsi Phosphate Limited	95.00
<b>Investment Made</b>	
M/s Shri Tulsi Phosphate Limited	290.00
M/s. APIndia Biotech Pvt. Ltd.	200.00

<b>Balance with related parties</b>	<b>As at 31.03.2024</b>
<b>Trade Receivables</b>	
Mahadhan Phosphate Pvt. Ltd.	0.00
M/s Abhay Sales Corporation	0.00
M/s. Madhav Farmtech Corporation Pvt. Ltd. (formerly known as M/s. Madhav Sales Corporation Pvt. Ltd.)	0.00
M/s. Suhane Agro India Pvt Ltd.	360.56
M/s Vinod Trading Co.	0.00
M/s. APIndia Biotech Pvt. Ltd.	285.50
<b>Trade Payables</b>	
M/s. APIndia Biotech Pvt. Ltd.	1026.24
<b>Advance from Customers</b>	
M/s Abhay Sales Corporation	46.16
M/s Vinod Trading Co.	7.84
M/s Shri Tulsi Phosphate Limited	0.67
<b>Advance to Suppliers</b>	
Madhav Agrochem Pvt. Ltd.	84.57
<b>Remuneration Outstanding</b>	
Mr. Vishnu Kant Gupta	16.57
Mr. Raj Kumar Gupta	32.95
Mrs. Uma Gupta	6.42
Mrs. Shraddha Gupta	4.49
Mr. Abhay Gupta	9.01
Mr. Sumit Sharma	0.00
Ms. Reena Saluja	0.38
<b>Loans &amp; Advances</b>	
M/s Shri Tulsi Phosphate Limited	75.02
<b>Investment Outstanding</b>	
M/s Shri Tulsi Phosphate Limited	423.97
M/s. APIndia Biotech Pvt. Ltd.	177.40



Notes forming part of Consolidated financial statements

(Figures Rs. in Lacs)

**NOTE: 41 - FINANCIAL INSTRUMENTS BY CATEGORY AND FAIR VALUE HIERARCHY**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(i) March 31, 2024 (Amount)	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
(i) Investments	601.37	-	0.00	467.40	-	601.37	-	<b>601.37</b>
(ii) Trade receivables	-	-	1262.84	1262.84	-	-	-	<b>0.00</b>
(iii) Cash and cash equivalents	-	-	9.07	9.07	-	-	-	<b>0.00</b>
(iv) Bank Balance other than above	-	-	60.67	60.67	-	-	-	<b>0.00</b>
(v) Others	-	-	1280.12	1280.12	-	-	-	<b>0.00</b>
	<b>601.37</b>	-	<b>2612.70</b>	<b>3080.10</b>	-	<b>601.37</b>	-	<b>601.37</b>
<b>Financial liabilities</b>								
(i) Borrowings	-	-	2871.55	2871.55	-	-	-	-
(ii) Trade payables	-	-	1640.07	1640.07	-	-	-	-
(iii) Other Financial liability	-	-	227.48	227.48	-	-	-	-
	-	-	<b>4739.10</b>	<b>4739.10</b>	-	-	-	-

**B. Measurement of fair values**

Valuation techniques and significant unobservable inputs

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Notes forming part of Consolidated financial statements**

(Figures Rs. in Lacs)

**NOTE: 42 - FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT**

**Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
  - (a) Currency risk;
  - (b) Interest rate risk;
  - (c) Commodity risk;
- (ii) Credit risk ; and
- (iii) Liquidity risk ;

**Risk management framework**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. These policies and processes are reviewed by management regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

**(i) Market risk**

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

**i(a) Currency risk**

The fluctuation in foreign currency exchange rates may have impact on the profit and loss account, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchangerates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies. The Company, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

**Exposure to currency risk**

The summary quantitative data about the Company's exposure to currency risk as reported by the management of the Company is as follows:

Particulars	As at 31st March 2024
	Foreign Currency Exposure in INR
<b>Receivable net exposure</b>	
Trade receivables	0
<b>Receivable net exposure</b>	0
<b>Payable net exposure</b>	0
Trade payables and other financial liabilities	0
<b>Payable net exposure</b>	-
Forward exchange contracts against imports and foreign currency payables	-
<b>Payable net exposure</b>	-
<b>Total net exposure on Receivables /(Payables)</b>	-

A 1% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss as shown in table below. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Particulars	Profit/(Loss) March 31, 2024	
	Effect in Indian Rupees	
	Strengthening	Weakening
INR	-	-

**Notes forming part of Consolidated financial statements**

(Figures Rs. in Lacs)

**i (b) 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. The company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from bank and financial companies. Currently Company is not using any mitigating factor to cover interest rate risk.

**Interest rate risk exposure -variable rate**

Particulars	As at 31st March, 2024
Borrowing from bank	2871.55
Borrowing from financial company(NBFC)	0.00
	<b>2,871.55</b>

**Interest rate sensitivity**

A reasonably possible change of 1% in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Impact on Profit/(loss) before tax	
	1% Increase	1% Decrease
<b>March 31, 2024</b>		
On account of Variable Rate Borrowings from Banks	(28.72)	28.72
<b>Sensitivity</b>	<b>(28.72)</b>	<b>28.72</b>

**(ii) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its

**A. Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers

**Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:**

Particulars	As at March 31, 2024
<b>Past due but not impaired</b>	
Past due 0-90 days	193.44
Past due 91-180 days	336.88
Past due more than 180 days	750.98
	<b>1281.29</b>

**Expected credit loss assessment for customers as at March 31, 2024**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Impaired amounts are based on lifetime expected losses based on the best estimate of the management. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

**The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.**

Particulars	Amount
<b>Balance as at April 1, 2023</b>	23.81
Provision Reversed	-5.36
Provision for Doubtful debts	0.00
<b>Balance as at March 31, 2024</b>	<b>18.45</b>

**B. Cash and cash equivalents**

The Company holds cash and cash equivalents with credit worthy banks of Rs. 3.06 lacs as at March 31, 2024, .The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

**Notes forming part of financial statements**

**(Figures Rs. in Lacs)**

**(iii) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

**Exposure to liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturities groupings based on their contractual maturities for:

\* all non derivative financial liabilities

A	As at March 31, 2024	Carrying amount	Contractual cash flows				
		Total	Total	1 year or less	1-2 years	2-5 years	More than 5 years
	<b>(i) Non-derivative financial liabilities</b>						
	Secured Term Loans and Borrowings	2871.55	2871.55	2804.83	20.69	46.03	0.00
	Trade Payables	1640.07	1640.07	1640.07	0.00	0.00	0.00
	Other Financial Liabilities (Repayable on Demand)	227.48	227.48	227.48	-	-	-
		<b>4739.10</b>	<b>4739.10</b>	<b>4672.38</b>	<b>20.69</b>	<b>46.03</b>	<b>0.00</b>

**NOTE: 43 - CAPITAL MANAGEMENT**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Equity comprises of Equity share capital and other equity.

The Company's policy is to keep the ratio at optimum level. The Company's adjusted net debt to equity ratio was as follows.

A.	Particulars	As at March 31, 2024
	Total liabilities	2926.58
	Less : Cash and cash equivalent	9.07
	<b>Adjusted net debt</b>	<b>2917.51</b>
	Total equity	4825.93
	Adjusted net debt to adjusted equity ratio	0.60

**B. Dividends**

**Amount of Dividends approved during the year by shareholders**

Particulars	March 31, 2024	
	No. of Shares	Figures In Rs.
Equity Shares	20,274,115	-

**NOTE: 44 - SEGMENT REPORTING**

The Company is in the business of manufacturing / marketing of Fertilisers. This is the only activity performed and is thus also the main source of risks and returns. 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'. Further, all the customers and assets are located in India. Accordingly, the Company has a single reportable and geographical segment. Hence, the relevant disclosures as per Ind AS 108, "Operating Segments" are not applicable to the Company.

## Notes forming part of Consolidated financial statements

(Figures Rs. in Lacs)

### NOTE: 45 - DISCLOSURE ON FINANCIAL AND DERIVATIVE INSTRUMENTS

The Company uses foreign currency forward exchange contracts to hedge its exposure in foreign currency related to firm commitment and highly probable forecasted transactions.

1 Notional amount of forward contracts entered into by the Company and outstanding - Nil

2 Foreign Currency exposure which are not hedged as at the year end:

a. Payable in foreign currency on account of refund of Import of Materials

2023-2024		
Currency	Amount in foreign	Amount in INR Lacs
USD	-	-

b. Receivables in Foreign currency on account of exports - Nil

### NOTE: 46 - LEASE

(Where company is lessee)

a. The Company has adopted Ind AS 116 'Leases' effective from April 1, 2019 and elect not to apply requirements of Ind AS 116 since leases are short - term leases.

The aggregate amount of operating lease payments recognized in the statement of profit and loss is Rs. 34.46 Lakhs

b. Leasehold land are amortized over period of lease and shown as Right of Use asset under Note 1.1

### NOTE: 47- Pursuant to disclosure pertaining to section 186(4) of the Companies Act,2013

#### A. Particulars of loan given and outstanding

Particulars	2023-24	
	Loan amount	Amount O/S as at 31-03-2024
M/S Shri Tulsi Phosphate Ltd.	95.00	75.02

#### B. Investment Made:

The same are classified under respective heads (Refer Note 4)

### Notes forming part of Consolidated financial statements

### NOTE: 48- TRADE RECEIVABLE AGEING SCHEDULE

(Figures Rs. in Lacs)

Particulars	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	
<b>31<sup>st</sup> March 2024</b>						
(i) Undisputed Trade receivables – considered good	530.31	455.10	110.06	17.14	104.80	<b>1217.42</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	45.42	<b>45.42</b>
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	18.45	<b>18.45</b>
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**Notes forming part of Consolidated financial statements**

**NOTE: 49- TRADE PAYABLE AGEING SCHEDULE**

(Figures Rs. in Lacs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>31<sup>st</sup> March 2024</b>					
(i)MSME	346.72	0.00	0.00	0.00	346.72
(ii)Others	1255.57	11.54	10.63	15.60	1293.35
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv)Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
<b>31<sup>st</sup> March 2023</b>	0.00	0.00	0.00	0.00	0.00
(i) MSME	8.36	0.00	0.00	0.00	8.36
(ii)Others	4414.68	13.20	11.00	34.97	4473.85
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv)Disputed dues – Others	0.00	0.00	0.00	0.00	0.00

**NOTE: 50 - ADDITIONAL REGULATORY INFORMATION**

- i. The company has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs 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.
- ii. The company neither have any Benami property nor any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- iii. The company is not declared wilful defaulter by any bank or financial Institution or other lender.
- iv. The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- v. The company has not made any investments in subsidiary company hence compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
  - (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
    - (i) 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
    - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
  - (B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
    - (i) 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
    - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- ix. The company has borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts except following differences:

Name of the Bank	Quarter Ended	Amount Disclosed as per quarterly statements Rs. in Lacs	Amount as per books Rs. in Lacs	Difference	Reason for difference
Axis Bank Ltd.	Jun-23	5403.72	4675.20	728.52	This difference is due to Subsidy receivables considered on accrued Basis in Stock Statement , whereas in books considered on realizable basis
Axis Bank Ltd. And Canara Bank	Sep-23	6118.30	5278.32	839.98	This difference is due to Subsidy receivables considered on accrued Basis in Stock Statement , whereas in books considered on realizable basis
Axis Bank Ltd. And Canara Bank	Dec-23	4049.41	3987.55	61.86	Difference due to stock valuation as per books
Axis Bank Ltd. And Canara Bank	Mar-24	4362.91	4344.35	18.56	Difference due to stock valuation as per audited books

**Note:** All figures presented in these financial statements represent the current financial year. As this is the first year of consolidation, there are no corresponding prior-year figures to report. The financial statements reflect the consolidated results of the Company for the fiscal year 2023-2024.

As per our report of even date attached.

**For and on behalf of the Board of Directors**

**For ASHOK KHASGIWALA & CO. LLP**

Chartered Accountants

(Firm Registration No 0743C/C400037)

**CA Ashok Khasgiwala**

Partner

Membership No.070288

Indore, 30.05.2024

**Raj Kumar Gupta**

Managing Director

DIN : 00244925

**CS Reena Saluja**

Company Secretary

**Vishnu Kant Gupta**

Whole-Time Director and CFO

DIN : 05233476

Form No. MGT-11 Proxy

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN :L24123MP2002PLC015285

Name of the company : Agro Phos (India) Limited

Registered office :M-87, Trade Centre 18M, South Tukoganj, Indore (MP) 452001 Name of the member (s) :

Registered address:

E-mail Id :

Folio No/ Client Id:

DP ID :

I/We, being the member (s) of .....shares of the above named company, hereby appoint:

1.Name:.....Address:.....E-mail Id:.....

Signature:....., ..... or failing him/her

2.Name:.....Address:.....Email:.....

Signature:....., ..... or failing him/her

3.Name:.....Address:.....E-mailId:.....

Signature:.....,.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Friday, 27<sup>th</sup> September 2024 At 12.30 P.M. at Hotel Rasa Royal situated at 93-B, WB Scheme No. 94, Near Bombay Hospital, Vijay Nagar, Indore (MP) 452006 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution type	Description	For	Against
1.	Ordinary Resolution	To receive, Consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2024 together with the report of the Board of Directors& Auditors thereon.		
2.	Ordinary Resolution	To appoint a Director in place of Mr. Raj Kumar Gupta (DIN: 00244925) who retires by rotation and, being eligible offers himself for re-appointment.		
3.	Ordinary Resolution	To appoint Ms. Shweta Bhamare (DIN: 10499418) as an Independent Director of company		
4.	Ordinary Resolution	To appoint Mr. Mahesh Kumar Agarwal (DIN: 07609432) as an Independent Director of company		
5.	Ordinary Resolution	To approve continuation of directorship of Mr. Abhishek Kalekar (DIN: 07758751), as Non-Executive Director in terms of Regulation 17 (1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015		
6.	Ordinary Resolution	To approve and amend material related party transaction limits with APIIndia Biotech Private Limited		



7.	Ordinary Resolution	To ratify material related party transaction limits with APIndia Biotech Private Limited for FY 2023-2024		
8.	Ordinary Resolution	To confirm payment of remuneration to M.P. Turakhia & Associates., Cost Accountants having Firm Registration Number 000417 as Rs. 1,40,000/- Plus GST Plus reimbursement of out-of-pocket expenses to conduct audit of cost Records of company for the financial year ending March 31, 2025		

Signed this..... day of... .....2024

Signature of Shareholder.....

Signature of Proxy holder(s).....

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. This is only optional. Please put "x" in the appropriate column against the resolution indicated in the box. If you leave the "For" or "Against" column blank against any or all resolutions. Your proxy will be entitled to be vote in the manner/as he/she thinks appropriate.

Affix Rs.1 Revenue Stamp
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AGRO PHOS (INDIA) LIMITED  
M-87, Trade Centre 18M, South Tukoganj Indore MP 452001  
FORM NO. MGT.12  
POLLING PAPER / BALLOT PAPER

S No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Particulars	Type of Resolution	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business					
1.	To receive, Consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the company comprising Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements for the year ended 31st March, 2024 together with the report of the Board of Directors & Auditors thereon.	Ordinary Resolution			
2.	To appoint a Director in place of Mr. Raj Kumar Gupta (DIN: 00244925) who retires by rotation and, being eligible offers himself for re-appointment.	Ordinary Resolution			
Special Business					
3.	To appoint Ms. Shweta Bhamare (DIN: 10499418) as an Independent Director of company	Ordinary Resolution			
4.	To appoint Mr. Mahesh Kumar Agarwal (DIN: 07609432) as an Independent Director of company	Ordinary Resolution			
5.	To approve continuation of directorship of Mr. Abhishek Kalekar (DIN: 07758751), as Non-Executive Director in terms of Regulation 17 (1D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Ordinary Resolution			
6.	To approve and amend material related party transaction limits with APIndia Biotech Private Limited	Ordinary Resolution			
7.	To ratify material related party transaction limits with APIndia Biotech Private Limited for FY 2023-2024	Ordinary Resolution			
8.	To confirm payment of remuneration to M.P. Turakhia & Associates., Cost Accountants having Firm Registration Number 000417 as Rs. 1,40,000/- Plus GST Plus reimbursement of out-of-pocket expenses to conduct audit of cost Records of company for the financial year ending March 31, 2025	Ordinary Resolution			

Place: Indore

Date:

(Signature of the shareholder)

ATTENDENCE SLIP

(TO BE SIGNED AND HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the Company being held on, Friday, 27<sup>th</sup> September, 2024 at 12.30 P.M. at Hotel Rasa Royal situated at 93-B, WB Scheme No. 94, Near Bombay Hospital, Vijay Nagar, Indore (MP) 452006.

NAME (S) OF THE MEMBER (S)	
NO. ....	Registered Folio
.....	Client ID NO.

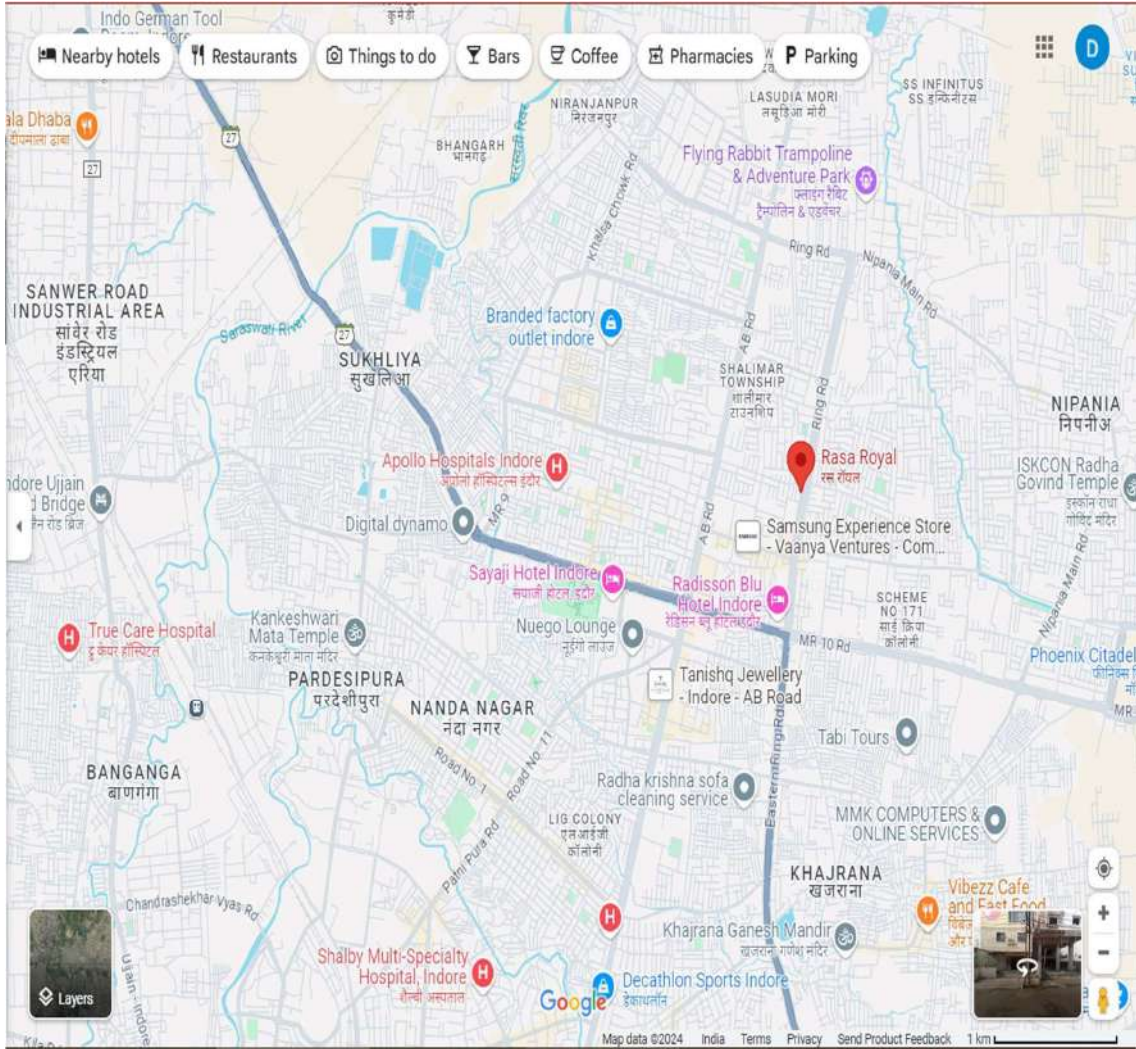
Name of Proxy (in block letters)

(To be filled in, if the proxy attends instead of the Member) .....

Signature

Member's/Proxy's

**Route Map to the Venue of AGM**  
**At Hotel Rasa Royal situated at 93-B, WB Scheme No. 94, Near Bombay Hospital, Vijay Nagar, Indore (MP) 452006**





Nourish Your Plants  
Grow Stronger with Us

# AGROPHOS

