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52nd ANNUAL REPORT
2022 - 23

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

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SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Board of Directors (as on 11th August 2023)

Ashwin C Muthiah	DIN 00255679	Chairman
Devaki Ashwin Muthiah	DIN 10073541	Director (from 24th May 2023)
Debendranath Sarangi I.A.S (Retd)	DIN 01408349	Independent Director
Jayashree Muralidharan, I.A.S	DIN 03048710	Director
C Samayamoorthy, I.A.S	DIN 06852346	Director (from 11th August 2023)
Dr. V Jaya Chandra Bhanu Reddy, I.A.S	DIN 10057412	Director
B Narendran	DIN 01159394	Independent Director
Sashikala Srikanth	DIN 01678374	Independent Director
S Radhakrishnan	DIN 00061723	Independent Director
T K Arun	DIN 02163427	Independent Director
Rita Chandrasekar	DIN 03013549	Independent Director
S R Ramakrishnan	DIN 00120126	Whole-time Director (upto 29th July 2023)
E Balu	DIN 08773795	Whole-time Director (from 30th July 2023)

Company Secretary
M B Ganesh

Chief Financial Officer
K R Anandan

Registered Office:

SPIC House, No. 88, Mount Road, Guindy,
Chennai 600 032
CIN: L11101TN1969PLC005778
Phone :+91 44 22350245
Website : www.spic.in
E-mail : spiccorp@spic.co.in

Registrar and Share Transfer Agents:

Cameo Corporate Services Limited
"Subramanian Building"
No 1 Club House Road, Chennai 600 002
Tel: 044-28460390 / 28460718
Fax : 044–28460129
E-mail : investor@cameoindia.com

Statutory Auditors:

MSKA & Associates Chartered Accountants
5th Floor, Main Building, Guna Complex
New No. 443 & 445, Old No.304 & 305
Mount Road, Teynampet
Chennai 600 004

Plant:

SPIC Nagar, Muthiapuram,
Tuticorin 628 005
Phone : 0461-2355525
Fax : 0461 2355588
E-mail : spiccorp@spic.co.in

Bankers:

HDFC Bank Limited
IDBI Bank
Bank of India
State Bank of India

CONTENTS

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Registered Office: "SPIC House", No. 88, Mount Road, Guindy, Chennai - 600 032.
CIN: L11101TN1969PLC005778;
E-mail: spiccorp@spic.co.in; website: www.spic.in; Ph: 044-22350245

NOTICE

NOTICE is hereby given that the **FIFTY SECOND ANNUAL GENERAL MEETING** of the Members of Southern Petrochemical Industries Corporation Limited will be held at 2:30 PM (IST) on Wednesday, 27th September 2023 through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

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

"RESOLVED THAT

a. The audited standalone financial statement of the Company for the year ended 31st March 2023 and the Reports of the Board of Directors and Auditors thereon;

b. The audited consolidated financial statement of the Company for the year ended 31st March 2023 and the Report of the Auditors thereon;

be and are hereby received and adopted."

2. Declaration of Dividend

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

"RESOLVED THAT as recommended by the Board of Directors, a dividend of Rs. 1.50 per equity share on 20,36,40,336 equity shares of Rs. 10/- each, fully paid-up (subject to rounding off and withholding tax) be and is hereby declared out of the profits for the year ended 31st March 2023 and the same be paid:

i. In respect of shares held in physical form, to those Members whose names appear on the Register of Members on 27th September 2023 and

ii. In respect of shares held in electronic form, to those Members whose names appear in the list of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as at the end of business hours on 20th September 2023."

3. Appointment of Director

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

"RESOLVED THAT Ms. Jayashree Muralidharan, IAS, Director (DIN: 03048710), retiring by rotation, eligible for re-appointment and having offered herself for re-appointment be and is hereby re-appointed as Director of the Company."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. E Balu (DIN: 08773795) pursuant to provisions of Section 152, 160 and applicable provisions if any of the Companies Act, 2013 and the Articles of Association of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

"**RESOLVED THAT** Mr. C Samayamoorthy IAS, (DIN: 06852346), pursuant to Section 152(2),161 and other applicable provisions, if any, of the Companies Act, 2013, and the Articles of Association of the Company, be and is hereby appointed as Nominee Director of the Company representing Tamilnadu Industrial Development Corporation Limited, liable to retire by rotation."

6. 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 Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (the Act), the Rules made thereunder read with Schedule-V (including any statutory modification or re-enactment thereof), Article 157(b) of the Articles of Association of the Company and other approvals, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. E Balu, (DIN: 08773795) as Whole-time Director of the Company for a period of three years from 30th July 2023, on the following terms and conditions:

REMUNERATION:

a.	Basic Salary, Allowances and Perquisite	Rs. 46.90 lacs p.a
b.	Performance pay	Rs. 9.75 lacs p.a.

c. Contribution to Provident, NPS and Gratuity — Rs. 8.35 lacs p.a.

d. In addition to the above,

i. Provide telephone and other communication facilities to the incumbent for official use in relation to the discharge of his duties and responsibilities.

ii. Reimburse actual entertainment and travelling expenses incurred by the incumbent in connection with Company's business and shall not be treated as perquisites or benefits.

e. Leave eligibility and encashment of leave shall be as per the Service Rules of the Company.

Minimum Remuneration:

In the event of inadequacy or absence of profits during the term of the Agreement, the Whole-Time Director shall be entitled to the aforesaid remuneration as the minimum remuneration and the same shall be subject to the provisions of the Companies Act, 2013 and other applicable laws or such other approvals, as may be required under the relevant laws.

"RESOLVED FURTHER THAT in the event of any statutory amendment, modifications or relaxation by the Central Government to Schedule V of the Companies Act, 2013, during the term of appointment of Mr. E Balu, the Board of Directors be and are hereby authorized to vary or increase the remuneration (including the minimum remuneration approved by the Nomination and Remuneration Committee), i.e. the remuneration within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Company and Mr. E Balu, be suitably amended to give effect to such amendment, modification or relaxation, subject to such approvals as may be required by law."

7. 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 Rules made thereunder read with the provisions of Companies (Cost Records and Audit) Rules, 2014 including any statutory amendment(s), modification(s) and re-enactment thereof for the time being in force, the appointment of M/s. B Y & Associates, Chennai, Cost Accountants, (Firm Registration No. 003498) as Cost Auditor to conduct the Cost Audit pertaining to Cost Accounts and Records of the Fertilizer Division of the Company for the financial year ending 31st March 2024, on a remuneration of 1,50,000/- (Rupees One lakh fifty thousand only) plus reimbursement of actual out of pocket expenses and subject to applicable taxes and levies be and is hereby approved and ratified."

8. To consider and if thought fit, to pass with or without modification(s), the following Resolution as **ORDINARY RESOLUTION:**

"**RESOLVED THAT** approval be and is hereby accorded, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force), for the transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) to be entered into with AM International Holdings Private Limited Singapore (AMIH), a Related Party, during the financial year 2023-24, by way of execution of Undertaking / providing Letter of Comfort by AMIH in favour of M/s. HDFC Bank Limited along with other banks / financial institutions, in connection with the Term Loan of Rs. 300 crores sanctioned by them to the Company, the aggregate value of which would be in excess of 10% of the annual consolidated turnover as per the Company's last audited financial statements for 2022-23, on such terms and conditions as decided by the Board of Directors/ Audit Committee and also from time to time, provided that the said arrangement(s)/transaction(s) shall be carried out for the benefit of the Company at arm's length basis and in the ordinary course of business of the Company. "

9. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions of the Companies Act, 2013, read with relevant Rules and Schedule (including any statutory modifications or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, remuneration be paid to all the Non-Executive Directors (including Independent Directors) of the Company for attending the Meetings of the Board of Directors held during the financial year 2022-23 at the rate of Rs. 1 lakh per meeting of the Board attended by them, besides the sitting fees paid for attending each Board Meeting."

(By order of the Board)
For Southern Petrochemical
Industries Corporation Limited

Place : Chennai — M B Ganesh
Date : 11th August 2023 — Secretary

NOTES:

a) The Ministry of Corporate Affairs (MCA) vide their General Circular No. 10/2022 dated 28th December 2022 and SEBI vide Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 (collectively referred to as "said Circulars") permitted the holding of the Annual General Meeting through VC/OAVM without the physical presence of the Members at a common venue. Accordingly, the 52nd Annual General Meeting (AGM) of the Company will be held through VC/OAVM. Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM.

b) Share Transfer Register of the Company will remain closed from 21st September 2023 to 27th September 2023 (both days inclusive).

c) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, (the Act) in respect of items 4 to 9 is annexed hereto.

d) Details furnished under Regulation 26 & 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) in respect of the Directors seeking appointment / re-appointment at the AGM shall form integral part of the Notice. Such Directors have furnished the requisite declarations for their appointment / re- appointment.

e) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM, pursuant to the Circulars, physical attendance of Members has been dispensed with / is not permitted. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/ OAVM and cast their votes through E-Voting by forwarding the resolution authorizing them to attend and vote to the Scrutinizer or Registrar and Transfer Agent (RTA).

f) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and as per the Circulars the Company is providing facility of remote E-Voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a Member using Remote E-Voting as well as the E-Voting system on the date of the AGM will be provided by M/s. Central Depository Services (India) Limited (CDSL). The Board has appointed M/s. B Chandra & Associates. Practicing Company Secretaries, as the Scrutinizer to scrutinize the E- Voting in a fair and transparent manner.

g) The Members can join the AGM in the VC/OAVM mode 15 minutes before or after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction.

h) Members holding shares in physical form are advised to inform the Company of any change in address or demise of any Member. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company / RTA, for consolidation into a single folio.

For updation / modification of any information relating to shares held in physical form, please refer to the procedure as laid down in the website of the Company https://www.spic.in/investors/get-in-touch/ and follow the procedure.

i) Process for those Shareholders whose Email/ Mobile No. are not registered with the Company/ Depositories.

In order to ensure that the Members receive all the communication sent by the company, it is advised that the members may update their email address registered with RTA, Cameo Corporate Services Limited by following the below instructions.

For Physical Holding - Refer Note h. given above. For Demat Holding - Please contact your Depository Participant (DP) and register your email address. Members are also requested to ensure that the option to receive the communication sent by the Company by email has been duly exercised and registered with the DP.

j) As per Regulation 40 of Listing Regulations, as amended, effective 1st April 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository.

k) In compliance with the Circulars, Notice of the AGM along with the Annual Report 2022- 23 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/Registrars and Share Transfer Agents. The hard copy of full Annual Report of the Company shall be sent to the shareholders on request.

l) Members may also note that the Notice and the Annual Report will be available on the website of the Company, www.spic.in/investors/financial-results/, National Stock Exchange, and CDSL i.e., www.evotingindia.com.

m) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

n) The voting rights of Members shall be in proportion to the shares held by the shareholders to the paid-up equity share capital in the Company held as on , 20th September 2023, the cut-off date.

o) Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act, read with the Rules made thereunder. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH- 13 duly filled to the Company. The Nomination Form is also available on the website of the Company. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

Payment of dividend and withholding tax thereon:

p) The dividend for the year 2022-23 upon declaration at the AGM, would be before 26th October 2023, as below:

  i. In respect of shares held in physical form to those Members whose names appear on the Register of Members on 27th September 2023; and

  ii. In respect of shares held in electronic form, to those Members whose names appear in the list of beneficial owners furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories, as at the end of business hours on 20th September 2023.

q) Dividend is taxable in the hands of the recipient from 1st April 2020. The Company is required to deduct tax at source from dividend. Accordingly dividend would be paid net of TDS @ 20% if the Member has not provided his/her valid PAN and @ 10% in other cases.

r) Tax Deduction would be PAN based and so in the case of multiple holding by the same first named person, dividend amount would be aggregated for determining the rate of TDS.

s) If the Member

  i. is a resident individual and the amount of dividend does not exceed Rs. 5,000 or furnishes a declaration in Form 15G/15H, no tax will be deducted.

  ii. is a Non Resident or Foreign Institutional Investor or a Foreign Portfolio Investor, tax deduction would be at 20%

  iii. In addition to the above, surcharge and cess as applicable will be deducted.

Resident shareholders may also submit certificate under Section 197 of the Income Tax Act, 1961, issued by the concerned authority for no or lower deduction of tax. Non- Resident Shareholders, including foreign companies and institutional investors like FIIs, FPIs, etc. if eligible can avail lower withholding taxes under the Double Taxation Avoidance Agreements by submitting the necessary documents such as Tax Residency Certificate, Form 10F and other declarations specified in the relevant Rules.

t) The aforesaid forms and declarations may be provided through the Web-portal of the RTA https://Investors.cameoindia.com. and other documents mentionedabove by email to investor@cameoindia.com/ shares.dep@spic.co.in before 22nd September 2023 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication/ documents on the tax determination / deduction shall be considered after 22nd September 2023.

u) As per SEBI guidelines, dividend is to be paid through electronic mode into the bank account of the shareholder as per the details furnished by the depositories. In case electronic payment is not possible, the bank account details, if available will be printed on the warrant/other payment instrument. The Company is not permitted to entertain any request for deletion or change of such bank details.

v) Members may register / update their bank account details with the Depository Participant for share heldin electronic form. For shareholders holding shares in physical form may update their bank account with Cameo Corporate Services Limited (RTA) bysubmitting Form ISR-1 on or before 27th September 2023 for receiving the dividend electronically. Where bank account details are not available, the Company shall dispatch the dividend warrants to the respective shareholders by post to their registered address. For shares held in physical mode, please follow the procedure as laid down in the website of the Company https://www.spic.in/investors/get-in-touch/

INSPECTION OF DOCUMENTS:

All material documents relating to the items of business set out in the Notice are available for inspection on the Website of the Company www.spic.in on all the working days.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on Sunday, the 24th September 2023 at 9:00 AM (IST) and ends on Tuesday, the 26th September 2023 at 5:00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20th September 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the Meeting.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for E-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) 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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KFINTECH/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & 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.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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 (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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant **Southern Petrochemical Industries Corporation Limited** on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non - Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; shares.dep@spic.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Members desirous of speaking at the meeting may register through the web portal of the RTA using the web-link: https://Investors.cameoindia.com. The above facility for participant registration will be open from 9:00 AM on 20th September 2023 to 5:00 PM on 24th September 2023.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Members who do not wish to speak during the AGM but have queries may send their queries on or before 24th September 2023 by email to shares.dep@spic.co.in mentioning their name, demat account number/ folio number and mobile number. These queries will be responded by the Company suitably.

10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- Refer point h. above to this Notice and send the duly filed form by email / post to the RTA.

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 022-23058542/43.

Annexure to Notice
EXPLANATORY STATEMENT
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following Explanatory Statement sets out the material facts on subjects referred to in Item Nos.4 to 9 of the Notice convening the 52nd AGM:

ITEM No. 4

The Board of Directors of the Company at its Meeting held on 4th July 2023 on the recommendation of Nomination and Remuneration Committee at the meeting held on 4th July 2023 had appointed Mr. E Balu (DIN: 08773795) as Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 (the Act) w.e.f. 30th July 2023 and to hold office upto the date of this AGM or 3 months whichever is earlier. Proposal has been received for his appointment as a Director of the Company under Section 160 of the Act. As the appointment has been recommended by the Nomination and Remuneration Committee, the requirement of deposit is not applicable. The Board recommends the Ordinary Resolution in relation to the appointment of Mr. E Balu (DIN: 08773795) as Director, liable to retire by rotation for approval by the Members of the Company as set out in Item No. 4 of the Notice.

Memorandum of Interest:

Except Mr. E Balu and his Relatives, none of the other Directors, Key Managerial Personnel and their Relatives of the Company are interested in this Resolution.

ITEM No. 5

The Board of Directors at their Meeting held on 11th August 2023 on the recommendation of the Nomination and Remuneration Committee at the meeting held on 1st August 2023 had appointed Mr. C Samaymoorthy, IAS (DIN: 06852346), nominee of TIDCO as Additional Director of the Company pursuant to Section 161 of the Act, and to hold office upto the date of this AGM. Notice proposing his candidature has been received from TIDCO under Section 160 of the Act. As the appointment has been recommended by the Nomination and Remuneration Committee, the requirement of deposit is not applicable. The Board recommends the Ordinary Resolution in relation to the appointment of Mr. C Samaymoorthy, IAS as Director, liable to retire by rotation for approval by the Members of the Company as set out in Item No. 5 of the Notice.

Memorandum of Interest:

Except Mr, C Samaymoorthy, IAS and his relatives, Ms. Jayashree Muralidharan, IAS and Dr. V Jaya Chandra Bhanu Reddy, IAS, Nominee Directors of TIDCO, none of the Directors, Key Managerial Personnel of the Company is interested in this Resolution.

ITEM No. 6

The Board of Directors of the Company at their Meeting held on 7th July 2023 based on the recommendations of Nomination and Remuneration Committee, at its Meeting held on 4th July 2023, approved the proposal of appointment of Mr. E Balu as Whole-time Director of the Company for a period of 3 years from 30th July 2023, on the terms and conditions subject to the approval of the shareholders. In terms of Article 157(b) of Articles of Association of the Company and Section 196,197,203 and other applicable provisions if any of the Act, approval of Members is now sought for his appointment and payment of remuneration.

Statement pursuant to Clause (IV) of second proviso to Paragraph B of Section II of part II of Schedule V to the Act

A. General Information:

1. Nature of Industry: The Company is primarily engaged in manufacture and sale of Urea.
2. Year of commencement of commercial production: The commercial production of Urea, the main product of the Company, commenced during 1975.
3. Financial performance: The following are the results of the Company during the last three years.

₹ in Crores

Financial parameters	2020-21	2021-22	2022-23
Total Income	1555.59	1898.31	2849.45
Net Profit / (Loss) (as per P&L a/c)	51.85	140.43	284.44
Rate of Dividends Declared	Nil	5%	*15%
Amount of Dividend paid	Nil	10.18	30.54

* Subject to approval of shareholders in the 52nd Annual General Meeting.

B. Information about the Appointee

I. Background details:

Mr. E Balu aged about 56 years, is a Bachelor of Engineering from Bharathiar University and also holds a Master's Degree in Business Administration from Alagappa University. He joined Southern Petrochemical Industries Corporation Limited (SPIC) as an EMS trainee on 1st May 1991. During the year 2011, he was transferred to be on the roles of (Greenstar Fertilizers Limited) . He has over 32 years of technical experience in operating the Fertilizer Plants of SPIC and Greenstar and Project implementation.

II. Past Remuneration: Not applicable as this is the first appointment of Mr. E Balu as a Whole-time Director of the Company.

III. Job profile and his suitability:

The duties and responsibilities of Mr. E Balu would as follows:

a) Attending to day to day functions of the Company.

b) Handling all technical and project activities of the company

c) Be responsible for driving the business and other goals set by the Board.

His wide experience in fertilizers and chemical industries, association with the Company for many years in the past, is essential to complete several developmental projects under progress which would help in sustaining the growth of the Company.

IV. Remuneration payable and the terms for appointment of Mr. E Balu, as the Whole-time Director of the Company is given in the Resolution.

V. Comparative remuneration profile with respect of industry, size of the Company, profile of the position and person: - The proposed remuneration is reasonable with respect to the industry, size of the Company and job profile of the proposed appointee.

VI. Pecuniary relationship, directly or indirectly, with the Company / relationship with managerial personnel, if any: - Mr. E Balu has no pecuniary relationship directly or indirectly, with the Company (except to the extent of the remuneration received / receivable by him from the Company).

VII. His shareholding in the Company is 200 equity shares. (subscribed and alloted based on a preferential offer to the employees by the Company)

VIII. During the year 2022-23 there was no delay in payment of interest to any creditors. Hence, no prior approval from the creditor is required to be obtained for the appointment and payment of remuneration to Mr. E Balu as Whole-time Director.

C. Other Information

Reasons for loss / inadequacy of profit:

Though the Company is making consistent profits for the past three years and wiped out the accumulated losses, the profit as reworked pursuant to Section 198 is still negative in view of huge losses in earlier years.

The Board recommends the Ordinary Resolution in relation to the appointment of Mr. E Balu as Whole-time Director for approval by the Members of the Company as set out in Item No. 6 of the Notice.

Memorandum of Interest:

Except Mr. E Balu, Whole-time Director and his Relatives, none of the Directors, Key Managerial Personnel of the Company and their Relatives is interested in this Resolution.

ITEM No. 7

The Board of Directors, at their Meeting held on 24th May 2023 on the recommendation of the Audit Committee, appointed M/s. B Y & Associates, Chennai, Cost Accountants, (Firm Registration No. 003498) as Cost Auditor for the financial year ending 31st March 2024 at a remuneration of 1,50,000/- (Rupees One lakh fifty thousand only). plus reimbursement of actual out of pocket expenses, subject to applicable tax and levies, to conduct the cost audit pertaining to the cost accounts and records of the Fertilizers Division of the Company. In accordance with the provisions of Section 148 of the Act, and the Rules made thereunder, the remuneration payable to the Cost Auditor shall be ratified by the Members of the Company.

The Board recommends the Ordinary Resolution as set out in Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31st March 2024.

Memorandum of Interest:

None of the Directors, Key Managerial Personnel of the Company and their relatives are interested in this Resolution.

ITEM No. 8

M/s. HDFC Bank Limited (HDFC Bank) sanctioned a Term loan of Rs. 300 crores (Facility) to the Company during April 2023 which will be shared by other banks / financial institutions for meeting the Capex towards Revamp of Urea Project at an estimated cost of Rs.450 crores. HDFC Bank require an Undertaking / Letter of Comfort from AM International Holdings Private Limited, Singapore (AMIH) in terms of the Letter of Sanction to meet certain obligations to HDFC Bank or their down selling banks/ financial institutions, to directly or indirectly provide working capital support and to bring in additional funds to meet cost overrun / time overrun; without recourse to the Borrower. HDFC Bank is the first lender sanctioning Term Loan to the Company for Capex after a long gap of more than 10 years and hence they need an Undertaking / Letter of Comfort from an entity where the promoter is interested.

The transaction to approach AMIH to provide the Undertaking / Letter of Comfort was duly approved by the Audit Committee / Board of Directors as required under Listing Regulations and the Policy on Related Party Transactions of the Company. Chairman, the Promoter has been able to take up with AMIH, a Related Party and having significant influence, to agree to provide the Undertaking / Letter of Comfort. AMIH do not hold any shares in the Company. The successful completion of Revamp will enable the Company to improve the Plant reliability / Plant life effectiveness.

Information as required to be provided under SEBI (Listing Obligation and Disclosure Requirements), 2015 (Listing Regulations) for consideration of RPTs:

Justification for why the proposed transaction is in the interest of the listed entity: The Company has been looking for financial support from Banks and Financial Institutions to fund the Urea Revamp Project. The terms of the Offer from HDFC Bank, considered reasonable, the Company decided to approach AMIH to provide an Undertaking / Letter of Comfort. In this regard it may be noted that any other third party may not be willing to give Undertaking / Letter of Comfort unless they are satisfied with SPIC's financial position. Also the Lender should also be satisfied with the creditworthiness of the third party. No fee is payable by the Company for the Undertaking / Letter of Comfort to be provided by AMIH. The transaction is on arm's length basis and in the ordinary course of business.

Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: Not applicable

A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders: Not applicable

The commitment of AMIH as per the Undertaking / Letter of Comfort would exceed 10% of the audited consolidated turnover of the Company (10% of Rs. 2,828.81 crores i.e. 282.88 crores). The transaction is therefore considered material pursuant to the Regulation 23 of the Listing Regulations and hence prior approval of the shareholders is sought by an Ordinary Resolution proposed in Item No 8 of the Notice. As per Listing Regulations, the Related Parties shall not vote to approve the transaction irrespective of whether the entity is a party to the particular transaction or not.

The Board recommends the Ordinary Resolution in relation to seeking approval for the material related party transaction, by the Members of the Company as set out in item No. 8 of the Notice.

Memorandum of Interest

Except Mr. Ashwin C Muthiah, Chairman, Ms. Devaki Ashwin Muthiah and his / her relatives, none of the Directors, Key Managerial Personnel of the Company and their relatives are interested in this Resolution.

ITEM No. 9

At present the Non-Executive Directors (including independent directors) of SPIC are paid sitting fee of Rs. 1 lakh per meeting of the Board attended by them. Considering the improved performance of the Company and the contribution by the Non-Executive Directors (NEDs) during the Meetings, it is considered necessary to remunerate the NEDs besides the sitting fees of Rs. 1 lakh paid for attending each Board Meeting.

The Board of Directors at their Meeting held on 24th May 2023 based on the recommendation of the Nomination and Remuneration Committee at its meeting held on 22nd May 2023 considered and approved the proposal to pay remuneration to Non-Executive Directors of the Company for the FY 2022-23. In respect of remuneration payable to Nominee Directors of Tamil Nadu Industrial Development Corporation (TIDCO), the payment will be made to TIDCO.

The Board recommends the Special Resolution in relation to the payment of remuneration to Non-Executive Directors (including IDs) of the Company for the FY 2022-23 for approval by the Members of the Company as set out in Item No. 9 of the Notice.

Memorandum of Interest:

All the Non-Executive Directors (including Independent Directors) and their relatives are interested in this resolution. None of the Key Managerial Personnel of the Company and their relatives are interested in this Resolution

(By order of the Board)
For Southern Petrochemical
Industries Corporation Limited

Place : Chennai — M B Ganesh
Date : 11th August 2023 — Secretary

Details of the Directors seeking appointment/re-appointment [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Name	Ms. Jayashree Muralidharan, IAS	Mr. E Balu	Mr. C Samayamoorthy, IAS
2. Age	56 years	56 years	53 years
3. Nationality	Indian	India	Indian
4. Qualifications 5. Brief resume of the Director 6. Nature of expertise in specific functional areas 7. Terms and conditions of Appointment	Ms. Jayashree Muralidharan, I.A.S, is a 2002 batch IAS Officer, who has held many key positions in various departments in the Government of Tamil Nadu. Presently, she is the Managing Director of Tamilnadu Industrial Development Corporation Limited.	Details as furnished in the explanatory Statement.	Mr. C Samayamoorthy is a 2002 batch I.A.S officer who has held many key positions in various Departments in the Government of Tamil Nadu. Presently, he is the Agricultural Production Commissioner and Secretary, Agriculture and Farmers Welfare Department. Earlier, he served as the Secretary to Government, Transport Department.
8. Details of Remuneration	Not applicable	Details as furnished in the explanatory statement.	Not applicable
9. Remuneration last drawn	Not applicable	Details as furnished in the explanatory statement.	Not applicable
10. Date of first appointment on the Board	3rd November 2022	29th July 2023	11th August 2023
11. Disclosure of relationships between directors inter-se and with other Key Managerial Personnel of the company	Ms. Jayashree Muralidharan, IAS is not related to any Directors and other Key Managerial Personnel of the Company.	Mr. E Balu is not related to any Directors and other Key Managerial Personnel of the Company.	Mr. C Samayamoorthy IAS is not related to any Directors and other Key Managerial Personnel of the Company.
12. Number of Meetings of the Board attended during the year	3	1	Nil
13.Name of listed entities / other Companies in which the person so holds the directorship and the membership of Committees of the Board.	1. Titan Company Limited. 2. Tamilnadu Petroproducts Limited **Membership of Committees of the Board** Titan Company Limited: Stakeholders Relationship Committee, Nomination Remuneration Committee, Executive Committee,Corporate Social Responsibility Committee - Member	Nil	Nil
14. Listed entities from which the person has resigned in the past three years	Nil	Tuticorin Alkali Chemicals and Fertilizers Limited	Nil
15. Shareholding in the Company	Nil	200 Shares (subscribed and allotted based on a preferential offer to employee by the Company)	Nil

DIRECTORS' REPORT
AND
MANAGEMENT DISCUSSION & ANALYSIS

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

Your Directors present their 52nd Annual Report together with the Audited Financial Statements of the Company for the year ended 31st March 2023.

FINANCIAL SUMMARY

(₹ in Crs)

Particulars	31.03.2023	31.03.2022
Revenue from Operations	**2,828.82**	1874.92
Add: Other Income	**20.63**	23.39
Total Income	**2,849.45**	1898.31
Profit before interest, depreciation and tax	**374.41**	199.03
Less: Finance Cost	**30.93**	14.19
Less: Depreciation & amortisation expenses	**43.72**	44.41
Profit Before Tax	**299.76**	140.43
Less: Tax expenses	**15.32**	--
Profit After Tax	**284.44**	140.43
Add: Net Comprehensive Income	**(2.67)**	14.06
Total Comprehensive Income	**281.77**	154.49

DIVIDEND

Taking into account the financial position of the Company and the norms of your Company's Dividend Distribution Policy, the Directors have recommended a Dividend of Rs. 1.50 (15% on the face value) per equity share of Rs. 10 each fully paid-up, for the year 2022-23 on the paid up equity share capital.

STATE OF COMPANY'S AFFAIRS

Production

During the financial year 2022-23 the Plants were in operation for 361 on stream days and produced the highest ever production of 759,199 MT of Urea since the commissioning of the Plant. For the whole year the Company had received 0.9 MMSCMD of Natural Gas (NG). During the year, your Company manufactured 759,199 MT of Neem Coated Urea and sold 757,984 MT. The Plants were operated using Natural Gas (NG), imported Naphtha and Furnace Oil and achieved energy efficiency levels of 6.176 Gcal/MT of Urea.

Handling of Imported Naphtha

Your Company has an arrangement with Indian Oil Corporation (IOC) for using their Tank Farm Facility at Tuticorin Port premises for handling a part of Company's Imported Naphtha shipments. This has facilitated your Company for speedy discharge of cargo, thereby minimizing the demurrage to a large extent. This arrangement will be continued until such time a reliable supply of full quantum of NG is assured.

Progress of NG Supply Pipelines

IOC, authorized to lay the Natural Gas Pipeline from Ennore to Tuticorin, has completed the 145 km Natural Gas pipeline in Ramanathapuram – Tuticorin sector in the first phase and laying of the pipeline from Ennore to Ramnad line merging at Sayalkudi is in progress. It is expected to be ready by October 2023. On completion of this pipeline your Company will receive its full requirement of 1.5 MMSCMD of NG. Compressor station at Ramnad is ready for operation and your Company is getting high pressure gas with a quantity of 0.9 MMSCMD. To adhere to the Policy of the Government, various modifications are being carried out in a phased manner to be a Gas based plant, to maintain Urea production level of 2080 MTPD.

PUBLIC DEPOSITS

There are no deposits covered under Chapter V of the Companies Act, 2013 (the Act) during the year 2022-23, which are required to be furnished.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with Ind AS and forms part of the Annual Report.

FINANCIAL STATEMENTS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the Statement containing salient features of the Financial Statements of the Company's Associates and Joint Ventures (in Form AOC-1) is attached to the Financial Statements. Your Company has no Subsidiaries.

TAMILNADU PETROPRODUCTS LIMITED (TPL)

During the year 2022-23, revenue from operations was ₹ 2,150.25 crores as compared to ₹ 1,805.58 crore in 2021-22 up by 19%. The company's top line increased due to increase in crude price and higher CS (Caustic Soda) Lye price realisation. Linear Alkyl Benzene (LAB) the major product of the company's contributions reduced substantially due to increase in raw material cost and competition from low-priced imports consequent to expiry of Anti-dumping duty on imports from China, Iran & Qatar in April 2022. However C S Lye product increased its contribution due to better prices.

The Company has received BIS certification for LAB product, first in the Country. The Board of TPL has recommended a dividend of ₹1.50 per equity share of ₹10 each fully paid-up for the year 2022-23 (15% in the previous year) subject to the approval of Members.

TUTICORIN ALKALI CHEMICALS AND FERTILIZERS LIMITED (TFL)

Refurbishment of defective systems and installation of newer ones continued during the year to stabilize and also increase the production. Salt was procured from Gujarat in addition to what is available in the local salt market. Throughout the year the price of ammonia, a major raw material remained high. The selling price of soda ash and ammonium chloride also remained high. Hence for the first time after 20 years TFL made profit in all the four quarters, registering a significant net profit for the whole year. The company revalued its land and buildings and thus the net worth has become positive. It is expected that the company will continue this trend and the carried over losses will get wiped out in the next 3 years.

GREENAM ENERGY PRIVATE LIMITED (GREENAM)

The 22.0 MW AC Floating Solar Project ever since its commissioning during March 2022 has been operating successfully. During the year 35.53 million units of electricity were supplied to the captive consumers.

Drawing power from GREENAM enables your Company to meet the Renewable Power obligations as stipulated by the Government as well as substantially save on water lost by evaporation from the company's water reservoirs. During the year, the GREENAM has made a profit of ₹2.18 crores with the total revenue of ₹18.71 crores. Like any renewable project, the EBITDA is high at ₹17.12 crores, around 91.5% of the revenue.

From the beginning of the year 2023-24, the plant is operating to its full capacity and hence is expected to perform better than the last year by atleast 10%.

SAFETY, HEALTH AND ENVIRONMENT

DNV (Det Norske Veritas) conducted the Recertification audit for QMS.ISO 9001:2015, EMS – ISO 140001:2015 and certified that all the requirements as per the standards are being practiced and there is no non-conformity points. QMS, EMS systems and OHS system certificates are valid till January 2026. DNV have audited the periodical medical examination report being done by the Company for all employees and found to be in order. Green Belt development is being given at importance and is a continuing activity with about 1184 tree saplings planted during this year. Your Company has obtained Consent to Operate with mixed feed stock, viz., Natural Gas and Naphtha, valid up to 31st March 2026.

HUMAN RESOURCE AND INDUSTRIAL RELATION

Your Company continues to provide a conducive work environment and opportunities for development of its employees. Industrial Relations in the Company have been cordial during the year under review. The number of employees as on 31st March 2023 is 580. Your Company continues with the regular campus recruitment programme as a process of building the organization from the bottom.

ANNUAL RETURN

Annual Return in Form MGT-7 for the year 2021-22 as required under Section 92 of the Act has been placed on the website of the Company. The Form MGT-7 for the year 2022-23 shall be filed with Registrar of Companies within the prescribed time after the 52nd Annual General Meeting of your Company to be held on 27th September 2023. Thereafter it can be accessed using the web link: https://www. spic.in/investors/annual-return/.

DIRECTORS

Since the date of last Report, the Board of Directors had appointed Ms. Jayashree Muralidharan, I.A.S, with effect from 3rd November 2022, Dr. V Jaya Chandra Bhanu Reddy, I.A.S. with effect from 29th March 2023 and Mr. C Samayamoorthy, I.A.S. with effect from 11th August 2023 as Nominee Directors of TIDCO and Ms. Devaki Ashwin Muthiah as Nominee Director of private promoter with effect from 24th May 2023. Ms. Vandana Garg, I.A.S. and Ms. A R Rajalakshmi, Nominee Directors of TIDCO resigned with effect from 10th November 2022 and 13th June 2023 respectively.

The Board of Directors at their Meeting held on 7th July 2023 accepted the resignation of Mr. S R Ramakrishnan as Director / Whole-time Director to be effective from the end of his tenure on 29th July 2023. In the same Board Meeting, Mr. E Balu was inducted as Director and appointed as Whole-time Director w.e.f 30th July 2023 for a period of three years on terms and conditions subject to approval of shareholders of the ensuing 52nd AGM.

The Board of Directors placed on record the invaluable services rendered by M/s. Vandana Garg, I.A.S, A R Rajalakshmi as Directors and Mr. S R Ramakrishnan as Whole-time Director during their tenure.

Ms. Jayashree Muralidharan, I.A.S. shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-election.

The Board of Directors vide Resolution dated 17th January 2023 re-appointed. Mr. S Radhakrishnan as Independent Director for a second term of 5 years from 7th February 2023, and the approval of the shareholders was obtained through Postal Ballot on 30th March 2023. In the opinion of the

Board, Mr. S Radhakrishnan, re-appointed as Independent Director during the year, is a person of integrity, with expertise, experience & proficiency. He is independent of the Management.

All the Independent Directors of the Company on the date of this Report have duly submitted the disclosures to the Board stating that they have fulfilled the requirements set out in Section 149 (6) of the Act and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended so as to qualify themselves to act as Independent Directors.

TRANSFER OF SHARES IN RESPECT OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY

Pursuant to Section 124 (6) of the Companies Act, 2013 read with The Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules 2016, the Company during March 2018 transferred to IEPF Authority, 1,66,454 equity shares in respect of 1008 shareholders.

As per the information provided by the Registrars and Transfer Agent, out of the 1,66,454 equity shares, which remained unclaimed by 1008 shareholders at the beginning of the year, 1000 shares were released to 2 shareholders during the year. As at the end of the year 1,65,454 shares remained unclaimed by 1006 shareholders.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors are familiar with their roles, responsibilities in the Company, nature of the industry, business model etc., through familiarisation programmes. Documents / Brochures, Reports and Internal Policies of your Company are provided to them. Presentations are made at the Board / Committee Meetings, on Company's Performance, business strategy, risks involved and global business environment. Details of means of familiarization of the business to Independent Directors are disclosed on the Company's website under the following web link: https://www.spic.in/wp-content/uploads/2022/07/Familiarization-Programmes-2022-23.pdf

PARTICULARS OF REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

The statement in terms of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed vide **Annexure II** (Page no. 26) forming part of this Report.

STATUTORY AUDITORS

M/s. MSKA & Associates, Chartered Accountants (Firm Registration No.: 105047W) Chennai, the Statutory Auditors appointed by the shareholders for a period of five years from 2022-23 shall hold office from the conclusion of 51st AGM till the conclusion of 56th AGM of the Company on a remuneration of ₹24 lakh plus out of pocket expenses and applicable taxes for audit and related services, for each year and the Board of Directors has been authorized to revise the remuneration during the term. There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Report on the Standalone and Consolidated Financial Statements of your Company for 2022-23.

COST AUDITOR

M/s. B Y & Associates, Cost Accountant (Firm Registration No. 003498) was appointed as the Cost Auditor of the Company for the year 2022-23 to carry out the audit of your Company's Cost Accounts and Records of fertilizer business. The Company is required to maintain Cost Records as specified by the Central Government under Section 148 (1) of the Act and that accordingly such accounts and records were made and maintained. The Cost Audit Report for the previous year ended 31st March 2022 was duly filed within the time stipulated under the Act.

In accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records for 2022-23, as specified by the Central Government. The Board of Directors at their Meeting held on 24th May 2023, on the recommendation of the Audit Committee, have re-appointed M/s. B Y & Associates, Cost Accountant (Firm Registration No. 003498) as Cost Auditor for the year 2023-24 at a remuneration of ₹1,50,000/- plus reimbursement of actual out-of-pocket expenses subject to ratification by Members at the ensuing 52nd AGM.

SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act, Regulation 24A of Listing Regulations, your Company appointed Ms. B Chandra, Practicing Company Secretary, Chennai as Secretarial Auditor for 2022-23. The Company has complied with the requirements of the Secretarial Standards specified by the Institute of Company Secretaries of India constituted under Section 3 of the Company Secretaries Act, 1980, and approved as such by the Central Government.

The Secretarial Audit Report for the year 2022-23 as furnished is given as **Annexure III** (Page no. 29) to this Report. There is no qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor in their Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134 (3) of the Act, your Directors to the best of their knowledge and belief and according to information and explanations obtained from the Management confirm that:

a) In the preparation of the annual financial statements for the year ended 31st March 2023, the applicable Accounting Standard had been followed along with proper explanation relating to material departures;

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

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

d) The annual accounts have been prepared on a going concern basis;

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

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

REPORTING OF FRAUDS BY AUDITORS

As per Section 143(12) of the Act, during the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee formed as per the requirements of Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No loans or guarantees were given by the Company under Section 186 of the Act during the year under review. Your Company, during May 2022, pledged 34,00,000 equity shares of 10/- each held in Greenam in favour of Indian Renewable Energy Development Agency Limited (IREDA) to secure the term loan of ₹ 88 and ₹70 crores sanctioned to Greenam to meet its capital expenditure for its floating solar power project.

RELATED PARTY TRANSACTIONS

The transactions entered into by your Company during the year 2022-23 with Related Parties as defined under the Act were in the ordinary course of business and at arm's length basis. Details of contracts / arrangements with related parties as required under Section 188 (1) and 134 (h) of the Act in Form AOC-2 is attached as **Annexure V** (Page no. 32).

The details of transactions with any person or entity belonging to the Promoter/Promoter Group which holds 10% or more shareholding in the Company, in the format prescribed under Ind AS are furnished in Note No. 38 of Notes on Accounts.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT.

There has been no material changes or commitments affecting the financial position of your Company that has occurred between the end of the financial year i.e., 31st March 2023 and the date of this Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy

Your Company has an Energy Audit group, which identifies potential areas for improvement, scans the environment for innovative and reliable solutions and considers proposal for implementation. Efforts are continuously being taken to reduce energy consumption in the Plants.

Some of the activities implemented during the year:

- Improvement to the efficiency of the Turbo Generator I.
- New boiler at the downstream of ammonia converter, generating 60mTPH of steam from the heat available with the gas, has been installed.
- Heat Recovery & Steam Generation system which recovers the heat from the Gas Turbine flue gas has been installed.
- Critical turbines were overhauled to improve the efficiency.
- Periodical Steam system audit was carried out and the faulty traps and leaks were addressed immediately.

Technology Absorption – Nil

Foreign Exchange Earnings and Outgo

The foreign exchange earned in terms of actual inflows and the foreign exchange outgo in terms of actual outflows during the year:

(Rs. in Lakhs)

Particulars	2022-23	2021 - 22
Foreign Exchange earnings	**54.57**	35.78
Foreign Exchange expenditure	**4,511.47**	2,119.28

INTERNAL FINANCIAL CONTROL & RISK MANAGEMENT SYSTEM

Your Company has adequate internal financial control systems to monitor business processes, financial reporting and compliance with applicable regulations. The systems were reviewed by Statutory / Internal Auditors and reported to the Audit Committee of the Board, for identification of deficiencies and necessary time bound actions were taken to improve efficiency at all levels. The Committee also reviews the Report of Internal Auditors, key issues, significant processes and accounting policies. Risk Management is an integral part of the business process. Your Company pursuant to Listing Regulations has constituted a Risk Management Committee and has a Policy on Risk Management to identify and draw mitigation plans to manage risk. The Board of Directors reviews the Risk Management Report periodically.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

CORPORATE GOVERNANCE

Corporate Governance Report 2022-23 along with the Certificate of the Statutory Auditors, M/s. MSKA & Associates, Chartered Accountants, confirming compliance to conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Report.

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

Your Company has a structured framework for evaluation of the Individual Directors, Chairperson, the Board as a whole and its Committees. The Independent Directors at their Meeting held on 28th March 2023 evaluated the performance of Non-Independent Directors, Board as a whole, the Chairperson and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Board of Directors at their Meeting held on 24th May 2023 evaluated the performance of all Independent Directors and the Board as a whole and its Committees. The evaluation criteria was based on the participation, contribution and guidance offered and understanding of the business etc., which are relevant to the Directors in their capacity as Members of the Board/ Committees.

NUMBER OF MEETINGS OF THE BOARD / AUDIT COMMITTEE

The details of the Meetings of Board and Audit Committee held and its composition are provided in the Corporate Governance Report.

POLICIES

POLICY ON MATERIAL SUBSIDIARY

Company has a Policy on Material Subsidiary approved by the Board of Directors as per the Listing Regulations and is available on the Company's website under the web link:https://www.spic.in/wp-content/uploads/2021/02/MATERIAL-SUBSIDIARY-POLICY.pdf

NOMINATION AND REMUNERATION POLICY

Your Company has a Nomination and Remuneration Policy as required under Section 178(3) of the Act and the Listing Regulations. The details of the Policy are available in **Annexure I** (Page no. 24) to this Report

POLICY ON RELATED PARTY TRANSACTIONS

The Policy on Related Party Transactions as required under the Listing Regulations and the Act, is available on the Company's website under the web link: https://www.spic.in/wp-content/uploads/2021/02/Policy-on-Related-Parties-30th-Mar-2022.pdf

POLICY ON INSIDER TRADING

Your Company has a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company in line with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended. The details of the Policy are available on the website of the Company under weblink: https://www.spic.in/wp-content/uploads/2021/02/Policy-for-Determining Material-Events.pdf

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH)

The Company has zero tolerance for sexual harassment at workplace. A policy is in place and an Internal Complaints Committee has been constituted which is monitoring the prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of POSH and the Rules made thereunder. There were no complaints reported under the POSH during the year under review.

VIGIL MECHANISM

Pursuant to the provisions of Section 177 of the Act and the Listing Regulations, Whistle Blower Policy for Directors and employees to report genuine concerns or grievances including reporting of instances of leakage of Unpublished Price Sensitive Information (UPSI) is in place and a Vigil Mechanism established, the details of which are available on the website of the Company under weblink: https://www.spic.in/wp-content/uploads/2021/02/Whistle- Blower-Policy-and-Vigil-Mechanism-24.03.2020.pdf.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a CSR Policy in line with the provisions of the Act. As a responsible corporate citizen, your Company in its endeavour to contribute for the sustained development and growth of the Society at large has taken several initiatives voluntarily. Your Company is not required to spend towards CSR activities, in view of absence of profits computed under Section 198 of the Act. However, the details of CSR initiatives undertaken voluntarily by your Company are given in **Annexure IV** (Page no. 31) to this Report. The details of the Policy are available on the website of the Company under weblink: https://www.spic.in/wp-content/uploads/2021/02/Corporate-Social-Responsibility-Policy.pdf

DIVIDEND DISTRIBUTION POLICY

Dividend Distribution Policy has been formulated as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Second Amendment) dated 5th May 2021. The details of the Policy are available on the website of the Company under weblink: https://www.spic.in/wp-content/uploads/2021/08/Dividend-Distribution-Policy.pdf.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

The year 2022-23 recorded higher agricultural production over the previous year with a marginal increase in the cropped area by 5.96 %. The increase in production of food grain, Oil seeds, Sugarcane and Cotton is 2.5%, 5.4%, 6.7% & 8.4%, respectively over the previous year. The uneven distribution of monsoon during Kharif resulted a reduction in the area under cultivation, while the Rabi crop compensated for this shortfall. The enhancement of support price (9%) by the Government for the produce propelled the area under cultivation during the year.

The overall availability of Urea during the year was satisfactory, inspite of reduction in imports. The supplies from the indigenous production increased by 14% at 28.49 million tonnes, from 25.08 million tonnes, a year ago. The total sales during the year stood at 35.73 million tonnes as against 34.18 million tonnes during the previous year.

Your Company continued to extend service to the farmers for improved cultivation practices, soil health management, integrated nutrient and pest management practices to bring down the cost of cultivation as well as to reduce the deposit of toxic residues in the environment.

Your Company undertook the following activities during the year.

1. **DBT (Direct Benefit Transfer) in Fertilizers:**

   Your Company is the Lead Fertilizer Supplier (LFS) for Tamil Nadu and Puducherry. As an LFS, we ensured the active usage of ePOS devices to conduct Fertilizer Sales at the fertilizer retail points. The repeated conduct of awareness programs among the farmers and capacity building exercise to retailers in association with the officials of Agriculture Department and National Informatics Centre (NIC) ensured 95% adherence of fertilizers sales through ePOS devices. The non-adherence is due to non-functioning of ePOS machines due to network disturbance and power failures. There are 12,763 ePOS machines have been deployed and monitored by us.

2. **Pradhan Mantri Kisan Samridhi Kendra (PMKSK):**

   The Department of Fertilizers, Government of India has introduced a new concept of Pradhan Mantri Kisan Samridhi Kendra (PMKSK) during the year, with an aim to provide quality agri inputs & required services under one roof as an "one stop shop' for the farming community to impart the latest technologies in Agriculture for resource optimization and to increase the returns from the farms.

   As per the mandate, your Company established 2,473 PMKSKs spread across Tamil Nadu, Puducherry, Kerala, Karnataka, Andhra Pradesh, Telangana & Maharashtra. These Centers provide support facilities for testing of soil, irrigation water & agri inputs like fertilizers & seed apart from educating the farmers to practice soil test based nutrient management, integrated pest management, soil health management, etc.

3. **Mobile Soil Testing Lab Services (MSTL):**

   Through our Mobile Soil Testing Facility, we have extended the soil testing services to farmers located in the State of Tamil Nadu and in the bordering districts of the neighboring states of Karnataka and Andhra Pradesh. Based on the soil fertility reports, we encouraged the farmers to use enough manures for sustaining and improving the soil fertility and productivity levels.

4. **Training to Farmers:**

   We offered In-house training programs to progressive farmers from the State of Tamil Nadu in our training center located at Tuticorin. The outreach programs were also conducted to farmer groups to impart latest agro technologies for enhancing economic returns from farming.

5. **Model Integrated Agriculture Farm:**

   As part of the In-house training programs, we have established and managing a demonstration field of "an integrated agriculture farm" having high value agriculture crops, medicinal plants, mushroom cultivation and animal husbandry in Tuticorin. The trainees are exposed to this concept for quicker adaptation of Integrated Agriculture Practices for enhancing the returns from farming.

6. **Pannai Cheythi Malar:**

   The bimonthly Tamil Magazine covers articles relevant to current challenges in farming with suitable solutions. The success stories of farmers adopting latest technologies are also published to create awareness.

This is becoming a platform for sharing new found knowledge / technologies in improving the productivity of farms.

Prospects for 2023-24

Rainfall forecast and demand estimation of Urea

As per IMD 1st stage long range forecast for monsoon, India is likely to witness normal rainfall during southwest (SW) monsoon season. However, due to delay in the onset of the SW monsoon, delays and disruption in sowing is witnessed mostly from rain fed areas of southern states.

Considering this IMD forecast of normal annual rainfall, the country will be working towards a targeted food grain production at 332 million tonnes for the year compared to expected production of 328 million tonnes during 2022-23.

Demand estimation of Urea for the year 2023-24 based on IMD report is encouraging. The estimated domestic production of Urea is close to 30 Million tonnes, with significant reduction in the imports. The additional quantity is expected from enhancement of production of existing units as well as from the commencement of production from new plants.

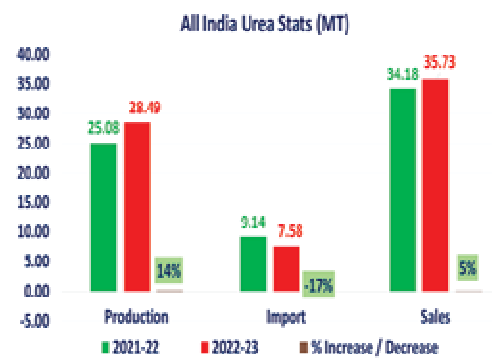
Nano Urea

Nano Urea, a liquid formulation containing 4 ~ 14 % Nitrogen has been introduced by Indian Farmers Fertilizer Cooperative Ltd (IFFCO) during 2021. This is recommended as a substitute product for the prilled and granulated Urea. The acceptance of this Nano Urea by the farmer is yet to gain momentum due to the instability of Nutrient content, non-compatibility with other agro chemicals and higher cost of application. As Urea forms 82 % of the total nitrogenous fertilizers consumed in India, Government is encouraging fertilizer companies to formulate strategies to replace Urea with Nano-Urea.

National Fertilizers Limited (NFL) and Rashtriya Chemicals and Fertilizers Limited (RCF), under administrative control of Department of Fertilizers, has signed Non-Disclosure Agreement (NDA) & Memorandum of Understanding (MoU) with IFFCO to transfer the technology of Nano Urea from IFFCO.

Your Company has entered into a research tie up with Tamil Nadu Agriculture University for a detailed field study to know the efficacy and phytotoxicity of Nano Urea in comparison to SPIC Urea (Prilled Urea). This study will also reveal the economic benefit of using Nano Urea over SPIC Urea in Paddy cultivation. Once the field trails are completed, more information on the efficacy of the product to device suitable strategy of employing Nano Technology in Nutrient Delivery Systems would be available.

All India Urea Production, Import, Supplies and sales with previous year.



Tissue Culture Business:

Your Company supplies highest quality of Tissue Culture Banana plants to the farmers of Tamil Nadu, Andhra Pradesh, Telangana and Karnataka. Your Company is offering after sales services to the farmers by providing technical assistance on Banana cultivation. The unit is accredited by the Department of Biotechnology with NCS-TCP certification.

Having got the protocols customized for the production of high value crops like ornamentals, orchids etc., your Company will enter into this ornamental plants segment in the near future.

In order to increase the profitability by optimizing the cost, we are undertaking laboratory modernization activities with induction of higher efficiency machines with high energy consuming ones, redesigning the process flow, and adoption of new systems to enhance sterility standards in the production laboratories.

It is expected to be completed by December 2023, to commence the commercial production of high value crop plants by January 2023.

Financial Ratios

The significant changes in the financial ratios of the Company, which are 25% or more as compared to the previous year are summarized below:

Ratios	2022-23	2021-22	Reasons for change
Net Profit Ratio (%)	10.09%	7.53%	Increased Net profit due to economies / benefit of Gas based Plant. Consequently a higher Net Profit ratio in current year.
Debt Service Coverage Ratio (times)	2.46	2.13	a) Increased operating profit due to economies / benefit of Gas based Plant. b) Also the repayment of borrowings had improved the debt coverage ratio in current year. Both contributed to higher Debt Service Coverage Ratio
Debtors Turnover Ratio (days)	4	4	-

CHALLENGES

Enhanced production and supply of Urea to the market: The enhancement in the production and supply is expected to the tune of 150 to 200 Kt per year. This enhancement is less than the imported stocks made available to southern states to meet the demand. With our increased supplies to southern states, it is expected that, the import of Urea will come down to that extend. The additional supply of Urea is in line with the objective of Government of India to be self-reliant in Urea. The current market share for Urea in TN is close to 30% and additional allocation from DoF will increase the share to 45 %.

The instances of sale of Urea without the use of ePOS machine at the retail locations: We have a system by which we can monitor the quantity of stocks available at each of the license holder in the state of TN. This helps us to identify the piling up of stock to undertake physical verification and completion of ePOS sales through the intervention of the State AGrl (Agriculture) Dept. In addition to this, our district wise supply plan is very much dependent on the stock availability at all stages like Whole sellers' account and retailers' account. This enables us to moderate the supplies and to prevent the instances of sale of Urea outside ePOS machines.

ACKNOWLEDGEMENT

Your Company is grateful for the co-operation and continued support extended by the Department of Fertilizers, Ministry of Chemicals and Fertilizers, Ministry of Petroleum and Natural Gas, Ministry of Agriculture, Ministry of Shipping, Ministry of Corporate Affairs and other Departments of the Central Government, the Government of Tamil Nadu, Governments of other States, Tamil Nadu Industrial Development Corporation Limited, Tamil Nadu Generation and Distribution Corporation Ltd., Indian Oil Corporation Limited, Oil and Natural Gas Corporation Limited, Financial Institutions and Banks. The Directors appreciate the dedicated and sincere services rendered by all the employees of your Company.

For Southern Petrochemical
Industries Corporation Limited

Place: London
Date: 11th August 2023

Ashwin C Muthiah
Chairman

Cautionary Statement:
This Report is based on information available to the Company in its business and assumptions based on the experience in regard to domestic and global economic conditions and Government and regulatory policies. The performance of the Company is dependent on these factors. It may be materially influenced by macro environment changes, which may be beyond Company's control, affecting the views expressed or perceived in this Report.

Annexure - I

NOMINATION AND REMUNERATION POLICY

Objective

The Nomination and Remuneration Committee (NRC) constituted under the Companies Act, 2013 (the Act) and the Listing Agreement is to guide the Board to identify persons who are qualified to become Director and who may be appointed in Sr. Management and recommend to the Board the appointment and removal of Director, KMP and Senior Management Personnel as well in accordance with the criteria laid down for determining qualification, position attribute and independence of a Director and recommend to the Board a Policy relating to remuneration of Director, Key Managerial Personnel and other employees.

The Nomination and Remuneration Policy (Policy) of Southern Petrochemical Industries Corporation Limited (SPIC) has been formulated with the objective of guiding the Board in identifying talent, recognise talent and retain talent for achieving Organisational goals with growth for all the Employees and Stakeholder value enhancement. SPIC acknowledges that it is important to provide a mix of reasonable remuneration, an atmosphere congenial for decision making by the Directors / Sr. Management Personnel and working atmosphere to the Employees.

The Policy applies to the Board of Directors, Key Managerial Personnel, Senior Management and the Employees of the Company.

*"Senior Management" shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

The Whole-time Director shall finalise the list of Senior Management based on the said criteria.

Criteria for appointment of Independent Directors / Non-Executive Directors

The proposed appointee as Independent Director shall meet the criteria specified in the relevant provisions of the Companies Act, 2013 and the Listing Agreement with stock exchanges. He shall declare his independent status prior to his appointment to the Board and maintain the same during his tenure as an Independent Director. The Independent Director and the Non-Executive Director shall possess adequate qualification, necessary skills, and expertise and business experience including board procedures.

Criteria for appointment of Executive Directors

The Executive Director could be a Managing Director (MD), Manager with substantial powers of Management as defined under the Companies Act, 2013 or Whole-time Director.

The appointee(s) shall have requisite educational qualification with exposure in the business line of the Company. He shall have adequate skills and leadership qualities to lead a team of professionals or as the case may be the function assigned to him. Depending on the role and responsibility, he shall have had hands-on experience in the relevant field. The suitability of a candidate shall be determined on a case to case basis and recommended by the NRC for consideration of the Board. After his appointment, being a Director of the Company, he shall adhere to the Code of Business Conduct and Ethics stipulated for Directors, Senior Management Personnel, Officers and Employees.

Remuneration for Directors

(a) For Executive Directors:

The remuneration of the Whole-time / Executive Directors shall comprise of a fixed component and a performance linked pay, as may be recommended by the NRC and approved by the Board of Directors / Shareholders. Remuneration trend in the industry and in the region for a similar position, academic background, qualifications, experience and contribution expected of the individual will be considered in fixing the remuneration. The Executive Directors are not eligible to receive sitting fees for attending the meetings of the Board and Committees of the Board.

(b) For Non-Executive Directors including Independent Directors:

The Non-Executive Directors will be paid sitting fees for attending the Board Meetings and Meetings of the Committees of the Board as per the provisions of the Act, the Articles of Association of the Company and as recommended by the NRC. The fees payable to the Independent Directors and Women Directors shall not be lower than the fee payable to other categories of Directors. In addition to this, the travel and other expenses incurred for attending the Meetings are to be met by the Company.

Subject to the provisions of the Act and the Articles of Association, the Company in General Meeting may by special resolution also sanction and pay to the Non-Executive Directors remuneration / commission in accordance with the relevant provisions of the Act. The Company shall have no pecuniary relationship or transactions with any Non-Executive Directors.

Criteria for appointment of Key Managerial Personnel (KMP)

The Company is required to appoint a MD/Manager/CEO and in their absence a Whole-time Director as one of the KMPs besides a Company Secretary (CS) and a Chief Financial Officer (CFO). The Chief Executive Officer (CEO) can also be a Member of the Board.

The qualification, experience and stature of the CEO could be in line with that of the Executive Directors. Where the CEO is the KMP, he shall act subject to the superintendence and control of the Board and have the substantial powers of Management.

The CS shall have the qualification prescribed under the Companies Act, 2013 and requisite experience to discharge the duties specified in law and as may be assigned by the Board/MD from time to time.

The CFO shall hold Degree/Diploma in Finance from reputed institutions such as the ICAI, ICMA, IIMs, leading recognised Universities, etc., with good work experience, in finance function including but not limited to funding, taxation, forex and other core matters. As required under the Listing Agreement, the appointment of CFO shall be subject to the approval of the Audit Committee and recommendation of the NRC.

Discretionary Power

The NRC in exceptional circumstances shall have the discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position and to decide the remuneration payable to an appointee under this Policy on a need base, while recommending to the Board.

Evaluation

The Committee shall evaluate at least once in a year the performance of every Director and Key Managerial Personnel.

Criteria for appointment of Staff, Officers and Senior Management Personnel

Manpower resource requirement for various functions shall be determined and approved by the Managing Director or WTD or such other persons delegated with the powers. The functional heads shall be involved in the process of selection of candidates and their recommendations duly considered by the HR Department.

The qualification, experience and skill expected of a Sr. Management personnel shall be determined on case to case basis depending on the position, role and responsibility.

Manner of appointment

The Functional Head shall decide the job description for a position and the requisite qualification and experience expected of the candidates. Candidates may be called for through references, HR Consultants, leading portals, advertisements, etc., depending on the exigencies. Screening shall be done by the HR Department in consultation with Functional Head. The shortlisted candidates may be interviewed by the Functional Head or some other Senior Departmental Person as may be nominated by him along with the HR Representative. Experts or Consultants can also be engaged in this process, if required.

Upon deciding the remuneration, joining time, etc. Offer letter shall be issued to the selected candidate. On due acceptance by the candidate and on his joining the Company, a final appointment letter shall be issued.

The Employees of the Company shall be governed by the Service conditions set out in the Service Rules/Standing Orders of the Company as amended from time to time.

Guidelines for fixing remuneration to Employees who are not Directors

The remuneration and other terms of employment are aimed to invite, inspire and retain talent for performing the requisite role.

The remuneration package and other terms, amenities, perquisites, etc. for an employee in Senior Management, Key Managerial Persons and Officer cadre may be determined on case to case basis depending on the position, role, responsibility, qualification and previous experience of the appointee and availability of persons willing to accept the offer. Evaluation of Senior Management Personnel will be conditional on successfully completing the period of probation as may be considered appropriate.

The eligibility to receive performance pay shall be decided based on appraisal of the individual concerned by his immediate superior and approved by the Functional Head or the Whole-time Director with reference to the targets fixed and achieved. The Chairman or the Whole-time Director shall have the authority to moderate the ratings in line with the Organizational performance. The remuneration payable to the Senior Management shall be recommended by NRC to the Board for approval.

Remuneration and other benefits to staff cadre employees shall be in terms of the wage settlements entered into between the Management and the representatives of the Staff/recognised Union from time to time.

In fixing the remuneration structure to the employees, due regard shall be given to ensure best possible benefits to the employees within the framework of law and considering the Organisational goals, performance of the Company and sustainability to pay.

The package shall maintain a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

Employees will also be covered under Group Accident Insurance, Health Insurance and Directors and Officers Liability Insurance as may be applicable to the respective cadre.

Changes to the Policy

The Board may vary the above criteria on need basis. The NRC on its own or at the request of the Board may review and recommend the Policy from time to time and introduce changes depending on the prevailing economic scenario and manpower requirements and the performance of the Company.

Annexure – II

DETAILS OF MANAGERIAL REMUNERATION AS REQUIRED UNDER SEC 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.

Name of the Director	Designation	Ratio
S R Ramakrishnan	Whole-time Director	11

ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Name	Designation	Remuneration % Increase for the FY 2022-23
S R Ramakrishnan	Whole-time Director	-
K R Anandan	Chief Financial Officer	-
M B Ganesh	Company Secretary	-

iii) The percentage increase in the median remuneration of employees in the financial year was 8.7%.

iv) The number of permanent employees on the rolls of Company is **580**.

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

The increase in salary of employees, other than the managerial personnel was based on the inflation rate during March 2022 and this has been effected to our employees across the organization.

vi) The remuneration paid is as per the Remuneration Policy of the Company.

vii) Statement showing the names of the top ten employees and remuneration drawn in terms of Rule 5 (2):

Name	Designation & Nature of Duties	Age	Qualification	Experience	Last Employment & Position held	Date of Commencement of employment	Gross Remuneration (Actual CTC) (Amount in ₹)
Ramakrishnan S R	Whole-time Director	73	B. Tech (Chem), M. Tech (Indl Mgmnt)	8 Yrs10 M	M/s.Bharath Coal Chemicals Ltd. (Shriram Group) as Managing Director	30-Jul-14	7500000
Anandan K R	Chief Financial Officer	59	B.Com, M.Com, ACA, AICWA, ACS, PGDBA, PGDPP, PGDMM	7 Yrs 10 M	TPL as Chief Financial Officer	01-Jul-15	8500000
Gopalakrishnan K	Vice President - Corporate Affairs	57	Executive Alumni of IIM-K, MA, BA, DIP(PR)	20 Yrs 1 M	SICAL, Joint Manager,PR	01-May-03	5100000
Senthil Nayagam P	General Manager - Works	52	BE (Chem), MS	29 Yrs 4 M	SPIC EMS Trainee	17-Feb-94	4855000
Rajagopalan N	Head-IT	57	Dip (Com), B.Sc, MSc(IT)	8 Yrs 7 M	Freelance consultant	12-Nov-14	3882000
Rajeshkumar E	Deputy General Manager Phosphatics Production	47	BTech (Chem)	25 Yrs 5 M	SPIC EMS Trainee	01-Jan-98	3601000
Madhukar V*	Head-HR	53	BA (Eng),MA (Sociology), PGDPM	7 Yrs 6 M	Freelance consultant	01-Dec-14	3289002
Manivannan S S	Deputy General Manager	49	BE (Mech)	16 Yrs 10M	M/s.Indo Jordan Chemicals, Jordan as Sr Engineer - Inspection	01-Aug-06	3550000

Name	Designation & Nature of Duties	Age	Qualification	Experience	Last Employment & Position held	Date of Commencement of employment	Gross Remuneration (Actual CTC) (Amount in ₹)
Shanmugam P	Deputy General Manager	49	BE (Mech)	26 Yrs 3 M	SPIC EMS Trainee	01-Mar-97	3436000
Prembabu D	Assistant General Manager	48	B.Com, ACA, AICWA	10 Yrs 3 M	SPEL Semiconductor Ltd as Manager (Finance)	01-Mar-13	3409000

* Resigned w.e.f. 17th June 2022.

- The employment of Whole-Time Director and Chief Financial Officer are contractual and all others are regular employees
- None of the employees mentioned above
  - hold by either themselves or along with their spouse and dependent children, not less than 2% of the equity shares of the company is a relative of any director or manager of the Company.
  - is a relative of any director or manger of the Company.
- There are no employees coved under Rule 5 (2)(i)(ii)and (iii) of Company (Appointment and Remuneration of Managerial Personnel) Rules, 2014] in (Appointment and Remuneration of Managerial Personnel) Rules, 2014] respect of whom the details are require to be provided.

(By order of the Board)

For Southern Petrochemical
Industries Corporation Limited

Place: London
Date :11th August 2023

Ashwin C Muthiah
Chairman

Annexure – III

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2023

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

To
The Members,
Southern Petrochemical Industries Corporation Limited,
“Spic House”, 88 Mount Road, Guindy, Chennai – 600 032

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Southern Petrochemical Industries Corporation Limited bearing CIN L11101TN1969PLC005778 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Companies Act, 1956 (to the extent applicable)

(iii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. 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;
   d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I am informed that the Company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

   a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
   b. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
   c. The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008
   d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   e. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

(vi) In addition to compliance with laws relating to Factory and Labour Laws, based on the study of the systems and processes in place and a review of the reports of (1) the heads of the Departments (2) Occupier/Manager of the factories located in Tuticorin which manufacture Urea, a Nitrogeneous Chemical Fertilizer (3) the compliance reports made by the functional heads of various departments based on which the Whole-time Director and the Company Secretary submit a Report to the Board of Directors of the Company (4) a test check on the licences and returns made available on other applicable laws, I report that the Company has complied with the provisions of the following industry specific statutes and the rules made there under to the extent it is applicable to them:

   - Factories Act, 1948 including The Hazardous Waste (Management and Handling) Rules, 1989
   - Explosives Act, 1884
   - The Environment (Protection) Act, 1986
   - The Water(Prevention and Control of Pollution) Act, 1974
   - The Air(Prevention and Control of Pollution) Act, 1981
   - The Insecticides Act, 1968
   - Drugs and Cosmetics Act, 1940

- The Fertiliser (Control) Order, 1985

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited.

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

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
- Adequate notice 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.
- Based on the minutes made available to us, we report that decisions are carried through majority and that there were no dissenting votes from any Board member which was required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature:
Name of Company Secretary in Practice : B.CHANDRA
ACS No.: 20879 C P No. : 7859
UDIN : A020879E000746417
Peer Review No.602/2019

Place : Chennai
Date : 11.08.2023

To
The Members,
Southern Petrochemical Industries Corporation Limited,
“Spic House”, 88 Mount Road,
Guindy
Chennai - 600 032

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis as well as on the Certificate provided by the Key Managerial Personnel to the Board of Directors regarding compliance with the applicable laws to the Company.
6. 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.
7. I further add due to the inherent limitations of an audit including internal,financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Signature:
B.CHANDRA
Membership No. 20879
Certificate of Practice No. 7859

Date : 11/08/2023
Place : Chennai

Annexure - IV

Annual Report on CSR Activities for the Financial Year ended on 31st March 2023.

1. Brief outline on CSR Policy of the Company:

SPIC believes that business objectives should include overall development of the communities around its area of operations. Therefore, the Company lays high emphasis on understanding the requirements of the local community and embark on initiatives which create long-term societal benefits.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. S R Ramakrishnan	Whole-time Director	1	1
2	Mr. B Narendran	Independent Director	1	1
3	Mr. T K Arun	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- CSR Committee: https://www.spic.in/wp-content/uploads/2021/02/SPIC-Composition-of-Committees.pdf
- CSR Policy: https://www.spic.in/wp-content/uploads/2021/02/Corporate-Social-Responsibility-Policy.pdf
- CSR Projects: https://www.spic.in/csr/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable. – Not applicable

   The provisions of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, are not applicable to the Company.

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 –Not applicable

6. Average net profit of the company as per section 135(5)

(₹ in Crs)

Year	2019-20	2020-21	2021-22	Average Net Profit
Net Profit / (Net Loss)	(1397.58)	(1373.30)	(1245.41)	(1338.76)

7. Total CSR obligation for the financial year –Not applicable.

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
2022-23	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
55.69 lacs	Not Applicable		Not Applicable		

Your Company was not required to spend towards CSR activities in view of absence of profit calculated as per Section 198 of the Companies Act, 2013. However, to continue with its activities to benefit the society as is being carried out in the past, several initiatives have been taken up as given hereunder.

Voluntary initiatives: Donation of 3 ply masks to the Covid-19 front line sanitary and health workers through Tuticorin corporation; Contribution towards the sports uniform for Fire department for Independence day and Sports event; Repair maintenance for RO water purifiers in Railway station & Public places; Drinking water provided to Soosai nagar and Thangammalpuram; Donation of Water bottles for women children participating in marathon; Donation of drinking water facility to Thangammalpuram village; Donation of desktop and printer to schools and Offices; Canal cleaning for enabling water flow during the heavy rains and floods; Donation of uniform to school children; Donation towards the School construction in Veeranayakanthattu, Thoothukudi Special Children's school donation for sports event; Donation of oil to the Transgenders association; Donation to Wild Life Department, Ramanathapuram; Donation of Sustainable Menstrual Hygiene kits and safe towels to Girls and Boys through AM Foundation.

(b) Details of CSR amount spent against ongoing projects for the financial year- Not applicable.

(c) Details of CSR amount spent against other than ongoing projects for the financial year - Not applicable.

(d) Amount spent in Administrative Overheads - Not applicable.

(e) Amount spent on Impact Assessment, if applicable - Not applicable.

(f) Total amount spent for the Financial Year - Not applicable.

(g) Excess amount for set off, if any - Not applicable.

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: 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): Not applicable

	B Narendran	Sashikala Srikanth
Date : 11th August 2023	Member of the Committee	Chairperson of the Committee
Place: Chennai	(DIN: 01159394)	(DIN: 01678374)

Annexure V

Form AOC 2

(Pursuant to Clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company during the year 2022-23 with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to.

1) Details of contracts or arrangements or transactions not at arm's length basis : NIL

2) Details of material contracts or arrangement or transactions at arm's length basis : NIL

CORPORATE GOVERNANCE REPORT (2022-23)

1 COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

As a responsible corporate citizen, your Company is conscious that a business which runs on principles of fairness, transparency and accountability goes a long way in fostering a healthy relationship amongst all stakeholders. In its abiding commitment to adopt and follow the best practices of governance, your Company has been proactive to the changes introduced by statutory bodies and Regulators for promoting a responsive and responsible business culture through the Corporate Governance Code. Your Company endeavours to constantly upgrade the management practices for ideal corporate governance.

2 BOARD OF DIRECTORS

On 31st March 2023, the Board of Directors of the Company had 11 (Eleven) Directors. During the year 2022-23, 5 (Five) Board Meetings were held on 27th May 2022, 10th August 2022, 3rd November 2022, 10th February 2023 and 29th March 2023.

COMPOSITION, DIRECTORS' ATTENDANCE AND OTHER DIRECTORSHIPS HELD

Name of the Director, DIN, Designation and Category	Attendance at Board Meetings	Attendance at previous AGM held on 30th September 2022
Mr. Ashwin C Muthiah, (00255679) Chairman, Non- Executive Promoter Nominee	5	Yes
Ms. Jayashree Muralidharan, I.A.S (03048710), Non-Executive, TIDCO Nominee (from 3rd Nov 2022)	-	NA
Dr. V Jaya Chandra Bhanu Reddy, I.A.S (10057412) Non-Executive, TIDCO Nominee (from 29th Mar 2023)	-	NA
Mr. Debendranath Sarangi, I.A.S (Retd.) (01408349), Non-Executive Independent	5	Yes
Mr. B Narendran (01159394), Non-Executive Independent	5	Yes
Ms. Sashikala Srikanth (01678374), Non-Executive Independent	5	Yes
Mr. S Radhakrishnan (00061723), Non-Executive Independent*	5	Yes
Mr. T K Arun (02163427), Non-Executive Independent	5	Yes
Ms. Rita Chandrasekar (03013549), Non-Executive Independent	5	Yes
Ms. A R Rajalakshmi (09213839) Non-Executive, TIDCO Nominee (from 21st July 2022 to 13th June 2023)	4	NA
Mr. Rangavittal Madhusudhan (09218879), Non-Executive, TIDCO Nominee (upto 4th Jul 2022)	1	NA
Mr. Pankaj Kumar Bansal, I.A.S (05197128), Non-Executive, TIDCO Nominee (upto 5th Aug 2022)	-	NA
Ms. Vandana Garg, I.A.S (09205529), Non-Executive, TIDCO Nominee (upto 10th Nov 2022)	-	No
Mr. S R Ramakrishnan (00120126), Whole-Time Director Professional	5	Yes

*Mr. S Radhakrishnan, was re-appointed as Non-Executive Independent Director for a period of 5 years with effect from 7th February 2023.

Name of the Director, Designation and Category	No. of other Director-ships (*)	No. of Membership in Board Committees of other companies (**)		Names of other Listed Entities in which he/she holds Directorship and category of Directorship
		As Chairman	As Member	
Mr. Ashwin C Muthiah, Chairman, Non- Executive Promoter Nominee	3(2)	0	0	Manali Petrochemicals Limited, Chairman; Tamilnadu Petroproducts Limited, Vice-Chairman; Sicagen India Limited, Chairman.
Ms. Jayashree Muralidharan, I.A.S., Non-Executive, TIDCO Nominee (from 3rd Nov 2022)	3	1	4	Titan Company Limited, Director Tamilnadu Petroproducts Limited, Director
Dr. V Jaya Chandra Bhanu Reddy, I.A.S. Non-Executive, TIDCO Nominee (from 29th Mar 2023)	2	-	-	Tanfac Industries Limited,
Mr. Debendranath Sarangi, I.A.S (Retd.) Non-Executive Independent	4	1	2	Voltas Limited, Independent Director Shriram City Union Finance Limited, Independent Director Tamilnadu Petroproducts Limited, Independent Director
Mr. B Narendran, Non-Executive Independent	6	4	8	Tuticorin Alkali Chemicals and Fertilizers Limited, Independent Director; Sicagen India Limited, Independent Director; Mercantile Ventures Limited, Independent Director; India Radiators Limited, Independent Director.
Ms. Sashikala Srikanth, Non- Executive Independent	6	3	7	Sicagen India Limited, Independent Director Tamilnadu Petroproducts Limited, Independent Director Manali Petrochemicals Limited, Independent Director Mercantile Ventures Limited, Independent Director
Mr. S Radhakrishnan, Non-Executive Independent	2	-	2	Sicagen India Limited, Independent Director
Mr. T K Arun, Non-Executive Independent	1	1	1	Manali Petrochemicals Limited, Independent Director.
Ms. Rita Chandrasekar, Non- Executive Independent	3	2	4	Tuticorin Alkali Chemicals and Fertilizer Limited, Independent Director India Radiators Limited, Independent Director Sicagen India Limited, Independent Director
Ms. A R Rajalakshmi Non-Executive, TIDCO Nominee (from 21st July 2022 to 13th June 2023)	1	-	1	-

Name of the Director, Designation and Category	No. of other Directorships (*)	No. of Membership in Board Committees of other companies (**)		Names of other Listed Entities in which he/she holds Directorship and category of Directorship
		As Chairman	As Member	
Mr. Rangavittal Madhusudhan Non-Executive, TIDCO Nominee (upto 4th Jul 2022)	1	-	-	-
Mr. Pankaj Kumar Bansal, Non-Executive, TIDCO Nominee (upto 5th Aug 2022)	9	1	3	Tamilnadu Petroproducts Limited, Director; Titan Company Limited, Director.
Ms. Vandana Garg, I.A.S, Non-Executive, TIDCO Nominee (upto 10th Nov 2022)	8	-	-	Manali Petrochemicals Limited, Nominee Director.
Mr. S R Ramakrishnan, Whole-time Director	1	-	1	Sicagen India Limited, Director

* includes Directorships held in public limited companies only. Directorships held in private companies, foreign companies and companies registered under Section 8 of the Companies Act, 2013 are excluded.
** Indicates positions held in Audit Committee and Stakeholders' Relationship Committee.

Figures mentioned in brackets indicate the number of companies in which the Director is Chairman across all listed entities.

- None of the Directors of the Company is the Chairman of more than five Committees of Board or Member of more than ten Committees of Board.
- TIDCO is a Public Financial Institution under Section 2 (72) of the Companies Act, 2013 (the Act) and their nominees are not considered Independent as provided under Section 149 (6) of the Act.
- As on 31st March 2023, Mr. Ashwin C Muthiah – Non-Executive Director/ Chairman is holding 45,450 Equity Shares and Mr. S. Radhakrishnan, Non-Executive Independent Director is holding 450 Equity Shares of the Company. There is no inter-se relationship between the Directors.
- As required under Schedule V Part C (2) (i) of SEBI LODR Regulations, 2015, (Regulations), the Board of Directors in their opinion confirm that the Independent Directors fulfill the conditions specified in the Regulations and are independent of the Management.
- The details of familiarization programmes imparted to Independent Directors are disclosed in the website of the Company. https://www.spic.in/wp-content/uploads/2021/02/Familiarisation-Program-for-Independent- Directors.pdf

3 COMMITTEES OF THE BOARD

AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors primarily oversees the Company's financial reporting process and disclosure of its financial information to ensure the correctness and adequacy besides the role as per the Companies Act, 2013 and the Regulations. The Committee provides reassurance to the Board on the existence of effective internal control systems.

TERMS OF REFERENCE

- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Review the adequacy of the internal control systems;

- Review with the Management, the quarterly, half-yearly and annual financial statements before submission to the Board of Directors;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Review the adequacy of the internal audit function, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Review the findings of any internal investigations by the internal auditors and report the matter to the Board of Directors;
- Review the Company's financial and risk management policies; and
- Discuss with the Statutory Auditors periodically about the nature and scope of audit.

COMPOSITION AND MEMBERS' ATTENDANCE:

The Audit Committee has 4 (Four) Members with 4 (Four) Independent Directors, having sound financial management expertise.

Ms. Sashikala Srikanth, Independent Director is the Chairperson of the Audit Committee. During the year the Committee met 5 (Five) times on 27th May 2022, 10th August 2022, 3rd November 2022, 10th February 2023 and 29th March 2023. The Statutory Auditors, Internal Auditors, Cost Auditors and Chief Financial Officer were invited to participate in the meetings of the Audit Committee.

Name of the Director	Designation	No. of Meetings attended	Category
Ms. Sashikala Srikanth	Chairperson	5	Independent
Mr. B Narendran	Member	5	Independent
Mr. S Radhakrishnan	Member	5	Independent
Mr. T K Arun	Member	5	Independent

Mr. M B Ganesh, Company Secretary, is the Secretary of the Committee.

4 NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee constituted by the Board of Directors identifies the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal if any and shall carry out evaluation of every Director's performance. The criteria for determining qualifications, positive attributes and independence of a Director relating to the remuneration of the Directors, Key Managerial Personnel and other employees as applicable, and criteria for evaluation of Independent Directors and the Board are set out in the Nomination and Remuneration Policy.

TERMS OF REFERENCE

- Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

COMPOSITION AND MEMBERS' ATTENDANCE:

The Nomination and Remuneration Committee comprises of 3 (Three) Members with 3 (Three) Independent Directors. Mr B Narendran, Independent Director is the Chairman of the Committee. During the year, the Committee met 2 (two) times i.e. 25th May 2022 and 24th March 2023.

Name	Designation	No. of Meetings attended	Category
Mr. B Narendran	Chairman	2	Independent
Mr. S Radhakrishnan	Member	1	Independent
Mr. T K Arun	Member	2	Independent

Mr. M B Ganesh, Company Secretary, is the Secretary of the Committee.

5 STAKEHOLDERS RELATIONSHIP COMMITTEE

TERMS OF REFERENCE

- To monitor the work relating to transfer, transmission, dematerialisation, rematerialisation, sub-division / consolidation of shares;
- To issue duplicate share certificates; and
- To ensure that all the investors' grievances and complaints are redressed expeditiously to strengthen the investors' relations.

COMPOSITION AND MEMBERS' ATTENDANCE:

The Stakeholders' Relationship Committee comprises of 3 (Three) Members with 2 (two) Independent Directors and 1 (One) Whole-time Director.

Mr. B Narendran, Independent Director is the Chairman of the Committee. The Committee met (5) times during the year i.e 27th May 2022, 12th August 2022, 3rd November 2022, 10th February 2023 and 30th March 2023

Name	Designation	No of Meetings attended	Category
Mr. B Narendran	Chairman	5	Independent
Mr. T K Arun	Member	5	Independent
Mr. S R Ramakrishnan	Member	4	Whole-time Director

INVESTOR COMPLAINTS

No. of complaints pending at the beginning of the year	Nil
No. of complaints received during the year	4
No. of complaints redressed during the year	4
No. of complaints pending at the end of the year	Nil

There were no share transfers pending registration as on 31st March 2023.
Mr. M B Ganesh, Company Secretary, is the Secretary of the Committee.

6 RISK MANAGEMENT COMMITTEE:

The Company has a Risk Management Committee consisting of three Members with 2 (two) Independent Directors and 1 (one) Whole-time Director. Enterprise Risk Management Framework has been formulated and Executive Risk

Management Committee headed by Mr. K R Anandan, Chief Financial Officer as the Chief Risk Officer monitors the Risks identified and implementation of the mitigation plans.

During the year the Committee met 3 (three) times on 2nd September 2022, 29th November 2022 and 30th March 2023.

Name	Designation	No of Meetings attended	Category
Mr. S Radhakrishnan	Chairman	3	Independent
Mr. T K Arun	Member	3	Independent
Mr. S R Ramakrishnan	Member	3	Whole-time Director

Mr. M B Ganesh, Company Secretary, is the Secretary of the Committee.

7 DIRECTORS' REMUNERATION DURING 2022-23

Name	Salary & Perquisites	Special Allowance Paid/ Payable	Performance Pay	Sitting Fees
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Mr. Ashwin C Muthiah	-	-	-	5,00,000
Mr. Pankaj Kumar Bansal, I.A.S**	-	-	-	-
Ms. Vandana Garg, I.A.S**	-	-	-	-
Mr. R Madhusudhan**	-	-	-	1,00,000
Mr. T K Arun	-	-	-	5,00,000
Mr. B Narendran	-	-	-	5,00,000
Mr. Debendranath Sarangi, I.A.S (Retd.)	-	-	-	5,00,000
Ms. Sashikala Srikanth	-	-	-	5,00,000
Ms. Rita Chandrasekar				5,00,000
Mr. S Radhakrishnan	-	-	-	5,00,000
Ms. Jayashree Muralidharan, I.A.S**	-	-	-	-
Ms. A R Rajalakshmi **	-	-	-	4,00,000
Dr. V Jaya Chandra Bhanu Reddy, I.A.S**	-	-	-	-
Mr. S R Ramakrishnan*	50,61,455	5,77,500	15,00,000	-

* does not include Company's contribution to provident fund and leave encashment.
** sitting fees is paid to the Tamil Nadu Industrial Development Corporation Ltd. which the Director represents as its Nominee.

- The Non-Executive Directors are paid sitting fees and out-of-pocket expenses for attending meetings of the Board. For the year 2021-22, a remuneration to non-executive Directors were paid at Rs. 1 lakh per Meeting attended by them during 2021-22.
- Whole-time Director is under contractual employment with the Company which stipulates a Notice period of three months from either side for early separation and no severance fee is payable.
- There was no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company.
- The criteria for making payments to the Non-executive Directors is disclosed in the Website of the Company under the weblink: https://www.spic.in/wp-content/uploads/2021/02/Criteria-for-making-payments-to-Non- Executive-Directors.pdf
- The Company does not have a scheme for grant of stock options either to the Directors or to its employees.

8 List of core skills/expertise/competencies identified by the Board of Directors as required in the context of its Business and Sector for it to function effectively and the names of Directors who actually have such skills/expertise/competency:

Major Classification	Sub Classification	Remarks	Directors Having the Skills
Industry	Specific Skills	Knowledge about the Fertiliser business and industry and the issues specific to the Company.	Ashwin C Muthiah, S Radhakrishnan, S R Ramakrishnan
	Professional	Technical / Marketing / Financial skills and specialist knowledge about the Company, its market, process, operations, etc. ability to analyze the financial statements presented, assess the viability of various financial proposals, oversea funding arrangements and budgets	Debendranath Sarangi I.A.S (Retd.), Sashikala Srikanth, S Radhakrishnan, S R Ramakrishnan
Strategy & Policy	Strategy	Ability to identify and critically assess strategic opportunities and threats to the business. Guiding development of strategies to achieve the overall goals	Ashwin C Muthiah, T K Arun, Debendranath Sarangi I.A.S (Retd.)
	Policies	Guidance for development of policies and other parameters within which the Company should operate for better control and management	B Narendran, S Radhakrishnan, T K Arun, Sashikala Srikanth, S R Ramakrishnan.
	Crisis Management	Ability to guide crisis management and provide leadership in hours of need.	Ashwin C Muthiah with the support of all Directors based on the nature of crisis
Risk & Compliance	Operational	Identification of risks related to each area of operation	S Radhakrishnan, S R Ramakrishnan
	Regulatory	Monitor the risks and compliances and knowledge of regulatory Requirements	Debendranath Sarangi I.A.S (Retd.), T K Arun, S Radhakrishnan, B Narendran, Rita Chandrasekar, Sashikala Srikanth, A R Rajalakshmi S R Ramakrishnan
Management & Leadership	Behavioral	Attributes and competencies to use the skills for the effective growth of the company. Experience in organizational change management programmes.	Ashwin C Muthiah
	Leadership	Make decisions and take necessary actions for implementation thereof in the best interest of the organization. Analyze issues and contribute at board level to solutions	Ashwin C Muthiah S R Ramakrishnan, S Radhakrishnan, Debendranath Sarangi I.A.S (Retd.),
Board Conduct	Contribution	Participate actively in the matters discussed and contribute effectively at the meetings. Help in arriving at unanimous decisions in the event of difference of opinions.	All the Directors

Personal	Qualification and Experience	Having formal education, well qualified to possess the skills and competencies outlined above and previous experience as Member of Board or senior management positions in corporates.	All the Directors

9 ANNUAL GENERAL MEETINGS [AGMs]

Year	Date	Time	Venue
2020	18 September 2020	2.00 P.M.	Through Video Conferencing / Other Audio Visual Means
2021	30 September 2021	3.30 P.M.	Through Video Conferencing / Other Audio Visual Means
2022	30 September 2022	2.30 P.M.	Through Video Conferencing / Other Audio Visual Means

The following special resolutions were passed in the above said previous three AGMs:

18 September 2020	• To give guarantee / provide security in favour of M/s. New India Co-operative Bank Limited, Mumbai, for a value not exceeding Rs. 100 crores for securing the repayment of loan to be availed by the Dealers.
30 September 2021	• To provide security by way of pledge of equity shares held / to be held in Greenam Energy Private Limited in favour of Indian Renewable Energy Development Agency Limited for a value not exceeding Rs. 12 crores.
30 September 2022	• Appointment of Mr. T K Arun as Independent Director of the Company and to pay remuneration to Non-executive Directors and Approval of payment of remuneration to Non-Executive Directors (including Independent Directors)

Special Resolution passed through Postal Ballot

During the year 2022-23, the Company passed Special Resolutions through Postal Ballot for Re-appointment of Mr. S Radhakrishnan (DIN: 00061723) as Independent Director of the Company.

Details of Voting Pattern

Particular		Voter Count	No. of valid votes	% of voting to total valid votes
E-voting	In favour	148	101586603	99.9972
	Against	13	2844	0.0028
	Invalid	1	857	0.000

M/s. B Chandra & Associates, Practicing Company Secretaries, Chennai conducted the Postal Ballot (PB) exercise and were the scrutinizer for the PB.The process was completed on 31st March 2023 and the results announced on the same day.

At present there is no proposal to pass any special resolution through postal ballot.
The procedure to postal ballot would be as prescribed under the Act, Rules and other directions of MCA /SEBI

10 MEANS OF COMMUNICATION

The Financial Results (Unaudited quarterly/half-yearly results and Audited annual results) of the Company are submitted to National Stock Exchange of India Limited in accordance with the requirements of Regulations and were published in a leading newspaper in English language (Business Standard) and Tamil Newspaper (Makkal Kural). The Financial Results are also posted on the website of the Company.

During the year, there were news releases made to the Stock Exchange on Financial Results and no presentation made to the institutional investors or to the analysts that were to be displayed in the website of the Company.

11 GENERAL SHAREHOLDERS' INFORMATION

(a)	DATE AND TIME OF ANNUAL GENERAL MEETING	Wednesday the 27th Sep 2023 at 2:30 PM (IST)
(b)	FINANCIAL YEAR	2022-23
(c)	DATES OF BOOK CLOSURE	21st Sep 2023 to 27th Sep 2023 (both dates inclusive)
(d)	DIVIDEND DECLARED	Final dividend at the rate of 1.50 per share
(e)	LISTING ON STOCK EXCHANGES	National Stock Exchange of India Limited, [Stock Symbol /Code SPIC]
(f)	STOCK EXCHANGE ADDRESS	Exchange Plaza, C-1, Block G. Bandra Kurla Complex Bandra East, Mumbai - 400 051.

The Global Depository Receipts (GDRs) of the Company which are listed in the Luxembourg Exchange (Code: US8436131002) of Luxembourg Stock Exchange. The Company has duly paid the listing fees for the financial year 2022-23 to both NSE and Luxembourg Stock Exchange.

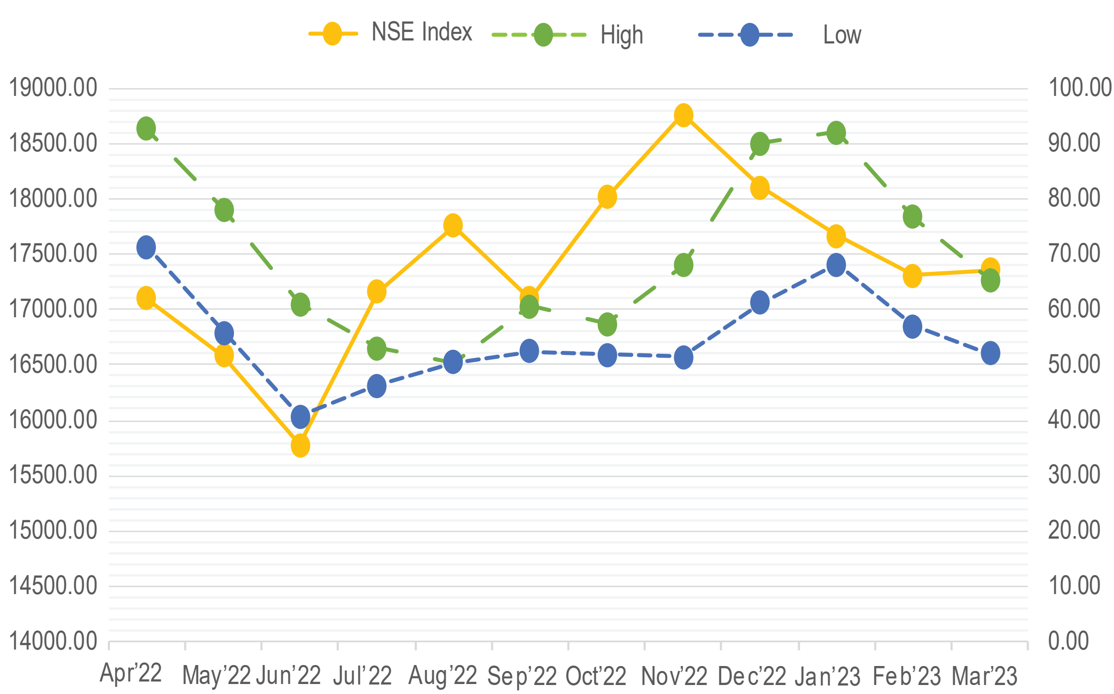
Demat International Securities Identification Number (ISIN) for equity shares is INE147A01011.

(g) MARKET/SHARE PRICE DATA

(Amount in ₹)

Month	Apr'22	May'22	Jun'22	Jul'22	Aug'22	Sep'22	Oct'22	Nov'22	Dec'22	Jan'23	Feb'23	Mar'23
High	92.65	78.10	60.90	53.00	50.50	60.50	57.45	68.00	90.00	92.00	76.75	65.35
Low	71.30	55.80	40.75	46.30	50.35	52.35	51.85	51.50	61.15	68.20	57.05	52.05
NSE Index	17102.55	16584.55	15780.25	17158.25	17759.3	17094.35	18012.2	18758.35	18105.3	17662.15	17303.95	17359.75

PERFORMANCE OF EQUITY SHARES OF SPIC VIS-A-VIS THE NSE NIFTY INDEX



(h) SHARE TRANSFER SYSTEM

The Stakeholders' Relationship Committee approves, inter alia, the transfer of shares, transmission of shares etc., in physical form and also ratify the confirmations made to the demat requests and redress complaints from investors received by the Company. The entire process including dispatch of share certificates to the shareholders, were completed within the time stipulated under the Regulations.

(i) DISTRIBUTION OF SHAREHOLDING AS OF 31ST MARCH 2023

Sl. No	Shares Range	No. of Equity Shares held	% to paid up Capital	No. of Members	% to total Members
1	Up to 5000	11,24,79,520	5.52	85,799	83.76
2	5001 - 10000	6,68,18,870	3.28	8,073	7.88
3	10001 – 20000	6,52,69,440	3.20	4,208	4.11
4	20001 – 30000	3,76,46,930	1.85	1,453	1.42
5	30001 – 40000	2,44,21,780	1.20	674	0.66
6	40001 – 50000	2,79,92,950	1.37	584	0.57
7	50001 -100000	6,81,64,210	3.35	912	0.89
8	100000 and above	163,36,09,660	80.22	726	0.71
	Total	**20,36,40,336**	**100.00**	**94,299**	**100.00**

(j) SHAREHOLDING PATTERN AS OF 31st MARCH 2023

Particulars	Equity shares held	% to paid-up Capital
PROMOTERS:		
TIDCO	88,40,000	4.34
Dr. M A Chidambaram Group	9,09,05,488	44.64
Financial Institutions & Nationalized Banks	2,44,045	0.12
The Bank of New York Mellon (as depository for Global Depository Receipts)	1,67,91,800	8.25
Mutual Funds	10,750	0.01
Foreign Institutional Investors	8,100	0.00
Foreign Portfolio Investors	5,19,866	0.26
Non-Resident Individuals	31,46,480	1.55
Foreign Companies	39,800	0.02
Public & Others	8,31,34,007	40.81
Total	**20,36,40,336**	**100.00**

(k) DEMATERIALISATION OF SHARES AND LIQUIDITY

The Company's equity shares are in the compulsory demat segment and are available for trading in the depository systems of National Securities Depository Limited and Central Depository Services (India) Limited. 199,984,165 equity shares constituting 98.20 per cent of the paid-up equity capital of the Company stood dematerialised as on 31st March 2023. The Company's equity shares are regularly traded on the National Stock Exchange of India Limited in the compulsory demat form.

(l) OUTSTANDING GDRs/ADRs

The equity shares of the underlying GDRs as shown in the shareholding pattern are held by The Bank of New York, Mellon, as depository for the GDRs. The Company has not issued ADRs.

(m) NOMINATION FOR PHYSICAL SHARES:

Members holding shares in physical form are requested to nominate a person to whom the shares in the Company shall vest in the event of death. Nomination forms can be downloaded from the Company's website- www.spic.in under the Section 'Investors' or on request, will be sent to the Members.

(n) UNCLAIMED SUSPENSE ACCOUNT:

a	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	1730 shareholders holding 1,81,420 eq. shares
b	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	---
c	Number of shares transferred from suspense account during the year;	---
d	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	1730 shareholders holding 1,81,420 eq. shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(o) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: NIL

(p) RECONCILIATION OF SHARE CAPITAL AUDIT

The Company has obtained a certificate from a qualified Company Secretary in Practise reconciling the total issued and listed capital as required under Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996.

(q) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Commodity Price Risk is not applicable to the Company as our raw materials are not covered in the commodity production Inputs.

(r) There were no complaints filed during the Year under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(s) No Funds were raised through preferential allotment or QIP as specified under Regulation 32 (7A)

(t) The Credit rating for proposed fund based working capital limits is IND BBB. During the year there is no change in the Credit rating obtained.

(u) There are no recommendations of Committees of the Board which is mandatorily required and which has not been accepted by the Board.

(v) Total fees paid to the Statutory Auditors for all the services in connection with the audit of the Company is Rs. 23.63 lacs. There are no subsidiary companies

(w) PLANT LOCATION

Fertilizer Division : SPIC Nagar, Tuticorin 628 005

(x) FINANCIAL CALENDAR (TENTATIVE)

Financial year	1 April 2023 to 31 March 2024
First quarter results	14th August 2023
Half-yearly results	15th November 2023
Third quarter results	15th February 2024
Annual results	30th May 2024
53rd Annual General Meeting	August / September 2024

(y) ADDRESS FOR CORRESPONDENCE

SECRETARIAL DEPARTMENT	REGISTRAR AND SHARE TRANSFER AGENTS
Southern Petrochemical Industries Corporation Ltd SPIC HOUSE, 88 Mount Road, Guindy, Chennai - 600 032 Phone No. 044-22350245; 044-22350292. E-mail: (a) General : spiccorp@spic.co.in (b) Investor complaints/grievance redressal: shares.dep@spic.co.in	Cameo Corporate Services Ltd. “Subramanian Building” No. 1 Club House Road, Chennai - 600 002. Tel: 044-28460390 / 28460718; Fax : 044–28460129; E-mail : investor@cameoindia.com

13 DISCLOSURES

a. There was no materially significant related party transaction i.e., transactions of the Company of material nature, with its promoters, the Directors, or the Management, their subsidiaries or relatives etc., having potential conflict with the interests of the Company at large.

b. There is no instance of non-compliance by the Company or penalties / strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to capital markets during the last three years except the fine levied on the Company for delayed filling of disclosures of Related Party Transactions by National Stock Exchange of India.

c. The Company has complied with all the mandatory requirements under various Regulations in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

d. The Policy for determining ‘material’ subsidiaries is disclosed in the website of the Company under the weblink: https://www.spic.in/wp-content/uploads/2021/02/MATERIAL-SUBSIDIARY-POLICY.pdf

e. The Policy on Related Party Transactions is disclosed in the website of the Company under the weblink: https://www.spic.in/wp-content/uploads/2021/02/Policy-on-Related-Parties-30th-Mar-2022.pdf

f. The Policy for Determining Materiality for Disclosure of Material Events / Information is disclosed in the website of the Company under the link: https://www.spic.in/wp-content/uploads/2021/02/Policy-for-Determining-Material-Events.pdf

g. The Company has formulated a Policy for Preservation of Documents pursuant to Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

h. The Policy for Dividend Distribution is disclosed in the website of the Company under the link: https://www. spic.in/wp-content/uploads/2021/08/Dividend-Distribution-Policy.pdf

14 WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behaviour actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimization of Director(s) / employee(s) who avail the mechanism and no personnel has been denied direct access to the Chairperson of the Audit Committee. The whistleblower policy is disclosed in the website of the Company.

15 CODE OF CONDUCT

The Code of Conduct applicable to all Board Members, Senior Management Personnel and all the Employees of the Company is a comprehensive code laying down its standards of business conduct, ethics and governance. The compliance to the Code of Conduct is being affirmed annually by Board Members and Senior Management Personnel. The Code of Conduct is disclosed in the website of the Company.

16 DISCLOSURE UNDER REGULATION 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The disclosures on the compliance with corporate governance requirements specified in Regulation 17 to 27 and 46 (2) (b) to (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been made in this report to the extent applicable to the Company and have been duly complied with.

17 DISCRETIONARY REQUIREMENTS

The following non-mandatory requirements have been adopted with by the Company:-

a. The Company has appointed separate persons to the post of Chairman and Whole-time Director.

b. The Company has appointed a third party firm as the Internal Auditors which carry out the audit and the report is presented to the Audit Committee for review and further directions.

DECLARATION ON CODE OF CONDUCT

To the Members of Southern Petrochemical Industries Corporation Limited

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with the Stock Exchange, this is to certify that all Members of the Board and designated Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, for the year ended 31st March 2023.

For Southern Petrochemical
Industries Corporation Limited

Place: Tuticorn
Date: 11th August 2023

E Balu
Whole-time Director

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
Southern Petrochemical Industries Corporation Limited,
“Spic House”, 88 Mount Road,
Guindy, Chennai – 600 032

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Southern Petrochemical Industries Corporation Limited having CIN L11101TN1969PLC005778 and having registered office at “Spic House”, 88 Mount Road, Guindy, Chennai – 600 032 (hereinafter referred to as ‘the Company’), produced before me/us 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) 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 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Name of Director	DIN	Date of appointment in Company
Sivathanu Pillai Radhakrishnan	00061723	07/02/2018
Silaipillayarputhur Ramachandran Ramakrishnan	00120126	30/07/2014
Ashwin Muthiah Chidambaram	00255679	18/12/1994
Bhimsingh Narendran	01159394	27/01/2009
Sashikala Srikanth	01678374	08/09/2014
Debendranath Sarangi	01408349	23/05/2019
Thanjavur Kanakaraj Arun	02163427	07/02/2018
Rita Chandrasekar	03013549	14/11/2019
Jayashree Muralidharan	03048710	03/11/2022
Andanallur Ramanathan Rajalakshmi	09213839	21/07/2022
Jaya Chandra Bhanu Reddy	10057412	29/03/2023

Ensuring the eligibility 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.

B CHANDRA
PRACTISING COMPANY SECRETARY
CP 7859
UDIN: A020879E000746395
Peer Review No. 602/2019

Date 11th August 2023
Place Chennai

Independent Auditors' Certificate on Corporate Governance

To the Members of
Southern Petrochemical Industries Corporation Limited

We the Statutory Auditors of Southern Petrochemical Industries Corporation Limited (the 'Company') have examined the compliance of conditions of Corporate Governance by the Company for the year ended March 31, 2023 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('the Regulations') and as amended from time to time.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of relevant records and information and according to the explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, during the year ended March 31, 2023, as applicable.

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

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W
Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMYE9840

Place: Chennai
Date: August 11, 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY:

No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L11101TN1969PLC005778
2.	Name of the Listed Entity	Southern Petrochemical Industries Corporation Limited
3.	Year of incorporation	18-12-1969
4.	Registered office address	SPIC House, No.88, Mount Road, Guindy, Chennai - 600032
5.	Corporate address	SPIC House, No.88, Mount Road, Guindy, Chennai - 600032
6.	E-mail	spiccorp@spic.co.in
7.	Telephone	044-22301670
8.	Website	www.spic.in
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Ltd.
11.	Paid-up Capital	Rs. 2,03,64,03,360/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Whole-time Director Tel: +91 44 2235 0245 Email: shares.dep@spic.co.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis

II. PRODUCTS/ SERVICES:

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacture of urea and other organic fertilizers	94.82

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

S. No.	Product/ Service	NIC Code	% of total Turnover contributed
1	Neem Coated Urea	20121	94.82

III. OPERATIONS:

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

Location	Number of plants	Number of offices	Total
National	1	7	8
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	6 States/ 1 Union Territory Tamil Nadu, Kerala, Andhra Pradesh, Telangana, Karnataka, Maharashtra and Pondicherry.
International (No. of Countries)	0

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

The Company is not engaged in export activity.

c. A brief on types of customers - Dealers and Distributors of Fertilizers who are having Licenses for Storage, Wholesale and Retail as per Fertilizer Control Order.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	434	399	92%	35	8%
2.	Other than Permanent (E)	2	2	2%	0	0%
3.	**Total employees (D + E)**	436	401	92%	35	8%
WORKERS						
4.	Permanent (F)	144	140	98%	4	2%
5.	Other than Permanent (G)	--	--	--	--	--
6.	**Total workers (F + G)**	144	140	98%	4	2%

b. Differently abled Employees and workers:

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

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	4	40%
Key Management Personnel	3	0	0

20. Turnover Rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	399	35	434	409	26	435	395	21	416
Permanent Workers	140	4	144	147	3	150	163	4	167

NOTE: -
The figures represent the number of employees and workers and shall not be treated as in terms of percentage

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

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

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Tuticorin Alkali Chemicals and Fertilizers Limited	Associate	23.46%	No
2	Greenam Energy Private Limited	Associate	20.00%	Yes. (For Water conservation and production of green energy)
3	National Aromatics and Petrochemicals Corporation Limited	Joint Venture	50.00%	No
4	Tamilnadu Petroproducts Limited	Joint Venture	16.93%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: No

(ii) Turnover (in Rs.): 28494473000

(iii) Net worth (in Rs.): 8793560000

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes , then provide web link for Grievance Redress Policy	FY Current Financial Year			FY Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than share-holders)	No	-	-	-	-	-	-
Share-holders	Yes	4	0	-	-	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	2	0	-	0	-	-
Value Chain Partners	-	-	-	-	-	-	-
Others (please specify)	-	-	-	-	-	-	-

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Working Capital, Project funding, Waste Management, Environment, Prevention of Fire Accidents	Risk	To ensure safety of all employees at the plant and the society at large.	Risk Management Committee formulates risk mitigation plans in respect of various risks identified.	Positive – in view of mitigation plans adopted.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	No (Refer Note 1)	No (Refer Note 1)	Yes	No (Refer Note 1)	No (Refer Note 1)	Yes	Yes	No (Refer Note 1)
c. Web Link of the Policies, if available	https://www.spic.in/investors/policies/ (in respect of Board approved plans)								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	No	No
4. Name of the national and international codes / certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 for Quality Management Systems, ISO 14001:2015 for Environmental Management and ISO 45001:2018 for Occupational Health and Safety Standard								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-
Governance, leadership and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	We have written and published policies which specifies the actions to meet the challenges. We also ensure strict compliance relating to all the regulations relevant to quality and environment.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Whole-time Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

Note 1: The Company adheres to a formal Policy in this regard. However, the same need not be placed before the Board for its approval.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency(Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	By the Board	Note 1	Note 1	By the Board	Note 1	Note 1	By the Board	By the Board	Note 1	As per the Policy	Note 2	Note 2	As per the Policy	Note 2	Note 2	As per the Policy	As per the Policy	Note 2
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Note 1: WTD in consultation with HR Head/ other plant heads.
Note 2: As and when need arises

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	No	No	No	No	No	No	No	No	No

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	FAI Annual Seminar 2022	100%
Key Managerial Personnel	30 (RM/HOD/JM & above)	1. Advance course on Electrical Safety, Electrical Safety Audit & Risk Management” 2. Production and Use of Green Hydrogen and Green Ammonia in Process Industry 3. Fertilizer Logistics Port Handling Operation and Coastal Shipping 4. Improving Professional and Personal Effectiveness 5. Journey towards $5TN Economy: Indian Capital Markets@ 75 6. Maritime Public Private Partnership Conclave, 2022 7. Webinar Program on “Customer Ecstasy” 8. NSCI Internal Occupational Safety & Health Auditor’s Course 9. Fertiliser Policy in India –Challenges and Opportunities 10. Fertilizer Business Management 11. Advance course on Electrical Safety, Electrical Safety Audit & Risk Management 12. FAI Annual Seminar 2022 13. Fertiliser Policy Need for Reforms 14. POSH (Prevention of Sexual Harassment) 15. ProSimulator demo 16. Integrated Internal Auditor Course on QMS, EMS and ISO 45001:2018 17. Need for Paradigm Shift in Fertilizer policy	32%

Employees other than BoD and KMPs	(73+196+71) 340 Nos	1. Dispute Resolution Mechanisms in Commercial Contracts - A Managerial Approach 2. E-Masterclass on Customs Issues 3. FAI Webinar on “Key Facets of Fertilizer Sector 4. Fertilizer Logistics Port Handling Operation and Coastal Shipping – Residential Program 5. Get the Monkey off your Back 6. Hazardous Chemical-Excellence in Handling & Transportation Oct -2022 7. Operation and Maintenance Problems of Ammonia Plants 8. Pumps, Valves & their Selection for Optimum System Performance 9. Smart phone for Smart work 10. Webinar Program on “Customer Ecstasy” 11. Webinar Session on “Energy Efficiency & Automation using VFDs” 12. Nanum celebrity dhan 13. 5S to Enhance Productivity 14. Set Shift Success 15. Improving Professional and Personal Effectiveness 16. The Heart of Decision Making 17. Fertiliser Policy in India –Challenges and Opportunities 18. Career Women Program - III 19. CONMONSER - “Vibration Analysis, control on rotating m/cs in process industries” 20. DAKSH EXPERT TRAINING from LOCTITE 21. First Aid Training Program 22. Integrated Internal Auditor Course on QMS, EMS and ISO 45001:2018 23. Need For Paradigm Shift in Fertiliser Policy 24. POSH (Prevention of Sexual Harassment) 25. ProSimulator demo 26. Safety Refresher Training 27. Scaffolding Operations for Inspection / Supervision	42%

		28. SWAGELOK - Tube Fitting Installation, Tube Fitting Inspection, Tube Fitting Bending	
		29. Basic Training (Technical & Soft skill development Programs)	
Workers	42	1. IMO level-1 pollution response training for stakeholders	33%
		2. Safety Refresher Training	
		3. First Aid Training Program	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format-

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on entity's website)

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement Agencies/ Judicial Institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been Preferred? (Yes/No)**
Penalty/ Fine	NIL				
Settlement					
Compounding fee					

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement Agencies/ Judicial Institutions**	**Brief of the Case**	**Has an appeal been Preferred? (Yes/No)**
Imprisonment	NIL			
Punishment				

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

Case Details	**Name of the regulatory/ enforcement agencies/ judicial institutions**
NIL	

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

   Yes. The same is covered under the Code of Conduct and is available on the company's website at https://www.spic.in/wp-content/uploads/2021/02/SPIC_Code-of-Conduct.pdf

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

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

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

	FY 2022-23 (Current Financial Year)		FY 2022-23 (Current Financial Year)	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NIL	0	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NIL	0	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest – Not Applicable.

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
15	FAI- Fertilizer policy changes, key facets of Fertilizer sector, Business management, fertilizer logistics and port handling, Production and use of green ammonia, Operation and maintenance of Ammonia plant and Urea plant, Annual seminar, workshop in SSP industry the way forward, Fertilizers and food security, International supply demand, Fertilizer control order	9.62 % (101 employees)
34	Soft skill development programs towards Professional and Personal effectiveness.	71.30 % (748 employees)
8	Prevention of Sexual harassment, New labour codes, 5s enhance productivity, Journey towards Indian Capital market, Promoting climate Resilient industries, Dispute resolution mechanism in commercial, Customs issues, 3S for Life (transformation strategist)	8.29 % (87 employees)

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

Yes

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then at the first Board meeting held after such change, disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals which shall include the shareholding in form MBP-1.

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

Essential Indicators

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0%	0%	NIL
Capex	0%	0%	NIL

- **Sustainable initiatives of SPIC**
  - o About 13 % of the total power requirement to operate the plant has been met through Solar power generated from Floating Solar Power Plant in the water storage reservoirs. This amounts to a saving of about 12,000 tCO2 equivalent.
- **Green belt development in SPIC Premises**
  - o 1181 trees have been planted in and around SPIC as part of Green Development
- **Greenbelt development in Society**
  - o Under TN Kurunkadugal Scheme about 500 number of Trees planted near "Uppathuodai" in coordination with Tuticorin Municipal Corporation
- **Plastic waste management**
  - o As per the extended producer responsibility under plastic waste management Rules, SPIC has got registered with Central Pollution Control Board and collected about 1281 MT of Plastic Waste from Urban Local Bodies and recycled it for value addition at a cost of about Rs 18 Lakh.

Environmental Expenses for the year 2022-23

Capex

- Online continuous emission monitoring was installed in Ammonia plant at the stack of Gas Turbine to analyse SO_2 and NO_x with an investment of about Rs. 80 lakhs and connected to TNPCB
- Ammoniacal nitrogen analyser was installed at a cost of Rs.16 lakhs and the values are communicated through Online Continuous Effluent Monitoring system connected to TNPCB and CPCB.
- About 3 lakhs expenses incurred towards replacement of Glens remote HUB in Continuous Ambient air quality monitoring system.
- Rs 4.3 lakhs expenses incurred towards procurement of alignment kit for Prilling tower online analyser.

Recurring cost

- Rs. 384 Lakhs expenses incurred towards operation and maintenance of Effluent treatment plant and meeting statutory expenses.
- Rs.3 lakhs expenses incurred for Green belt development for the year 2022-23.

CSR expenses 2022-23

- 3 ply face masks worth Rs.28680 was donated to frontline sanitary and health workers of covid-19 with the help of Tuticorin Corporation.
- Safe drinking water availability was ensured by repairing and maintaining of RO water purifier systems in railway station and other public places by an Expenditure of Rs 36400.
- Thangammalpuram village was provided with drinking water unit at a cost of 1.2 lakhs.
- As part of the disaster management measures desilting and cleaning of canals was carried out to ensure smooth water flow at the time of heavy rain and floods by spending Rs.42500.
- Supported educational institutions by contributing the following
- Donated uniform to school students – Rs.35000
- Donated Rs.5 lakhs to facilitate construction of school in Veeranayakanthattu.
- Donated Rs. 25000 to Special children's school in Thoothukudi for sports day event.
- Donated oil to Transgender association for the benefit of the underprivileged people.
- Provided drinking water facility to residents of Soosai Nagar at a cost of Rs.13 lakhs.
- Provided drinking water facility to residents of Thangammalpuram at a cost of 7.4 lakhs.

2. a. Does the entity have procedures in place for sustainable sourcing? Yes.

   b. If yes, what percentage of inputs were sourced sustainably? 90% (Approx.)

   The Company follows procedures for registration of Vendors. The Company follows Continuous Assessment of the supplier for both material and service providers. For the spares and consumables, the Company has established vendors who supply with standard and proven mechanism.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The Company has been stringently following the management of hazardous wastes. The spent catalysts have been properly disposed to Tamilnadu Waste Management Limited. Used oils are disposed to Authorized recycler approved by Tamilnadu Pollution Control Board. Process condensates are recycled back to the after treatment.

   As a Brand Owner, the Company recycles Pre and Post Consumer Plastic Waste generated during the business process. As per the guidelines stipulated by Central Pollution Control Board (CPCB) the Company has engaged a Plastic Waste Processor authorized by CPCB to carry out the recycling process.

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

   Yes. We have been registered as "Brand owner "as per Plastic waste management rule for fulfilling the EPR obligation with Regn.No.BO-29-000-04-AAACS4668K-22 dated 06.05.2022 from Central Pollution Control Board ,with collection target of 1280.73 MT for the year 2022-23. We have engaged CPCB authorised recycler for fulfilment of our obligation and is being complied.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.

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

Name of Product / Service	Description of the risk / concern	Action Taken
Nil	Nil	Nil

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

Recycled or re-used input material to total material		
Indicate input material	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
NIL	NIL	NIL

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Re-Used	**Recycled**	**Safely**	**Re-Used**	**Recycled**	**Safely Disposed**
Plastics (including packaging)	-	1,280.73 MT	-	-	516 MT	-
E-waste	-	-	-	-	-	0 MT
Hazardous waste	-		Used Oil / Spent Oil – 16.810kL Spent Catalyst – 121.22 MT	-	-	Used Oil / Spent Oil – 35.33kL Spent Catalyst – 38.029 MT
Other waste	-	-	-	-	-	-

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

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

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	403	403	100%	403	100%	-	-	-	-	-	-
Female	30	30	100%	30	100%	30	100%	-	-	-	-
Total	**433**	**433**	**100%**	**433**	**100%**	**30**	**100%**	**-**	**-**	**-**	**-**
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	Number (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Worker											
Male	128	128	100%	128	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
Total	**129**	**129**	**100%**	**129**	**100%**	**1**	**100%**	**-**	**-**	**-**	**-**
Other than Permanent Worker											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

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

3. Accessibility of workplaces

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard – No.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy – No.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

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

	Yes/ No (If Yes, then give details of the mechanism in brief)
Permanent Workers	No
Other than Permanent Workers	No
Permanent Employees	No
Other than Permanent Employees	No

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association (s) or Union(D)	% (D/C)
Total Permanent Employees						
Male	403	403	100%	261	261	100%
Female	30	30	100%	17	17	100%
Total Permanent Workers						
Male	128	90	70%	147	110	75%
Female	1	1	100%	3	3	100%

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No.(C)	% (C/A)		No. (B)	% (B/A)	No.(C)	% (C/A)
Employees										
Male	984	478	48.50%	234	23.78%	995	327	32.86%	230	23.11%
Female	65	57	87.69%	28	43.07%	66	33	50.00%	56	84.84%
Total	**1049**	**535**		**262**		**1061**	**360**		**286**	
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	403	355	88%	278	250	90%
Female	30	24	80%	17	14	82%
Total	**433**	**379**	**88%**	**278**	**264**	**95%**
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10. Health and safety management system:

Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system? Yes.

SPIC is certified for ISO 45001:2018 standard on Occupational Health and Safety Management system Salient Features of the ISO 45001: 2018 – Occupational Health and Safety Management system:

- OH&S policies, which are compatible with the overall strategic objectives and direction of the organization;
- OH&S objectives that align with the OH&S policy and take into account the organization’s hazards, OH&S risks and OH&S opportunities;
- Effective process(es) for identifying hazards, controlling OH&S risks and taking advantage of OH&S opportunities;
- Continual performance evaluation and monitoring of the OH&S management system to improve OH&S performance by means of Internal and external auditing
- Leadership commitment, responsibilities and accountability on OH&S;
- Top management developing, leading and promoting a culture in the organization that supports the intended outcomes of the OH&S management system;
- Consultation and participation of workers, and, where they exist, workers’ representatives; allocation of the necessary resources to maintain it;
- Compliance with its legal requirements and other requirements.

a) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- Hazard Identification and Risk assessment (HIRA) is prepared for all routine and non-routine activities as per ISO 45001: 2018 standard.
- Operational control procedure is being implemented as per the hierarchy of Hazard control philosophy for the identified risk.
- Whenever new activities are identified and taken into process, the HIRA is carried out and the recommendations being followed
- Job Safety Analysis is being done for all critical activities before execution in the field.
- The control measures of JSA are ensured while issuing work permit in the field
- Quantitative risk analysis (QRA) is also carried out whenever new process/equipment is introduced. Based on the QRA, risk control measures are implement and emergency preparedness plan is updated
- HAZOP study is also carried out for the new processes to identify the inherent process hazards and to implement safety control systems

b) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes.

- The workers were encouraged to report work related hazards in the form of vigilances, unsafe conditions and near miss reporting
- Workers are the members of the respective plant safety committee wherein they are reporting the work related hazards and is followed up for eliminating the hazards
- Incident investigation is being carried out by engaging cross functional team and ensure the implementation of corrective actions in the field
- Identified vigilances and unsafe conditions were rectified then and there to remove such risks from the workplaces

c) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes.

A dedicated Occupational Health centre is available and 2 dedicated doctors available round the clock. This medical centre facility is also being used by employees and their family members for non-occupational related medical and healthcare services.

Our medical centre is a fully functional factory hospital having following infrastructure and facilities .This 22 bedded hospital complex has male, female, isolation, maternity ward and two special rooms. Facilities in the medical centre includes Full-fledged OT, Labour room, USG unit, X- ray unit, ECG unit, Laboratory unit, Vision examination room, Occupational health unit comprising audiometric & computerized spirometry unit. Specialists including Medical, Orthopedician, Skin, Eye, ENT, Child, Dental surgeon were engaged throughout the year to ensure good health of the employees.

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

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	0.63
	Workers	0.37	Nil
Total recordable work-related injuries	Employees	Nil	2
	Workers	1	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

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

- A detailed Annual plan was prepared and executed the activities as per plan to ensure health and safety of employees and workers at workplace.
- Safety walk around in the plant, safety survey and internal/external audits were conducted and the outcome these practices were circulated and suitable corrective actions were implemented.
- Work permit system was implemented effectively and ensured the compliances at workplaces.
- Regular plant visits were done and identified the vigilances (unsafe conditions) and circulated the same to plants to take suitable corrective actions.

OH&S management practices:

- Incident reporting and robust investigation system (risk based investigation)
- Work equipment- welding machines, power tools and gas cutting set inspection and certification
- Management of change and Hazop study
- Built in safety systems - Alarms, trips, interlock and its performance monitoring
- Lock out and tag out system
- PPE selection ,Issue and ensuring compliance through monitoring
- Job safety analysis and risk assessment for non-routine activities along with permit to work
- Work permit systems

Safety inspection and audits

- Monthly safety inspection like machine guard survey, belt conveyors, storage tank survey.,etc
- Safety vigilance reporting and compliance
- Housekeeping survey and audits
- Internal and External auditing as per standards and regulations
- Testing and examination of statutory equipment such as conveyors, lifting tackles, tools, lifting machines and safety belt by competent person
- Condition monitoring of critical equipment and piping.
- Fire and safety equipment inspection and maintenance.

- Monthly work place monitoring for assessment of physical hazards such as noise, illumination and chemical hazards such as toxic and Flammable atmosphere
- Safety Walk around in the plant on monthly basis.

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

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

14. Assessments for the year:

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

Health, safety practices and working conditions of the Plants and offices were assessed by ISO Auditors (DNV) and the Joint Director of Industrial Safety and Health, Government of Tamil Nadu

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

- All incidents are investigated as per the ISO 45001: 2018 standard and corrective actions are implemented then and there.
- As per assessment by DNV auditors Scaffolding inspector training program was arranged for 15 employees by engaging M/s MS CHOLA Safety training Academy and competency certificate obtained.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) - Yes (B) Workers (Y/N) – Yes.
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners - The Company has in place a mechanism to track the same.
3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health /fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	**FY 2021-22 (Previous Financial Year)**	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL


CHAMPION

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? – No.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners – **Not Applicable**.

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

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   We identify the shareholders based on our business priorities and requirements. Therefore, we say Promoters, Bank/ Institutions, Value Chain partners, Shareholders, Employees are our stakeholders.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Promoters,Bank/ Institutions,Value Chain partners,Shareholders, Employees	No	Email, SMS, Newspaper, Pamphlets, Advertisement, Notice Board, Website	Event based	Event based

Leadership Indicators

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

   Board consists of experts from different fields. There is also an active interaction between the shareholders and the Company. These are deliberated in the Board and the Board's directions are translated into policies and action plans.

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

   Yes, During every Board meeting, a business presentation is made which has contributions from technical, finance, marketing, compliance and strategy development departments.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups – Not Applicable.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2022-23 (Current Financial Year)			FY 2021-22(Previous Financial Year)		
	Total (A)	No. employees workers covered (B)	% (B/A)	Total (C)	No. employees workers covered (D)	% (D/C)
Employees						
Permanent	433	372	92.30%	442	341	77.15%
Other than permanent	129	57	44.18%	129	0	0%
Total Employees	**562**	**429**	**76.33%**	**571**	**341**	**59.72%**
Workers						
Permanent	129	42	32.56%	137	60	43.80%
Other than permanent	--	--	--	--	--	--
Total Employees	**129**	**42**	**32.56%**	**137**	**60**	**43.80%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Contract Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent										
Male	313	--	--	313	100%	264	0	0	264	100%
Female	19	--	--	19	100%	18	0	0	18	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	**Median remuneration/ salary/ wages of respective category (Annual CTC)**	**Number**	**Median remuneration/ salary/ wages of respective category (Annual CTC)**
Board of Directors (BoD)	1	7500000	0	0
Key Managerial Personnel	2	5198750	0	0
Employees other than BoD and KMP	398*	531200	35	483920
Workers	140	910648	4	383750

*__Note:__ 87 Trainees not included

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

5. Describe the internal mechanisms in place to redress grievances related to human rights issues - Internal Compliance Committee for Women, Management Consultative Committee, SPIC Employees Union, Works Committee and other various Committees.

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

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

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases - Prevention of Sexual Harassment (PoSH) and Whistle Blower Policy.

8. Do human rights requirements form part of your business agreements and contracts? - No

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% by entity
Forced/involuntary labour	100% by entity
Sexual harassment	100% by entity
Discrimination at workplace	100% by entity
Wages	100% by entity
Others – please specify	100% by entity

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above – No corrective action was required to be taken.

Leadership Indicators

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

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

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? - No

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	-

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

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

Essential Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	3962.00	39144.00
Total fuel consumption (B)	50428.00	476308.00
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	54390.00	476308.00
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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

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

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22(Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	3869714	3858582
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3869714**	**3858582**
Total volume of water consumption (in kilolitres)	**3869714**	**3858582**
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

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

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

Yes, SPIC has Integrated Effluent management system which treats the 95 % of the effluent from SPIC Plants. The treated water is being recycled and used in the Plant.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Reformer Stack:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	-	24	10
SOx	-	7	14
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please specify	-	-	-

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

Urea Prilling Tower:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	Mg/nm3	44	43
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please specify	Mg/nm3	44	43

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Tamilnadu Pollution Control Board is carrying out ambient air quality, Stack emission monitoring through their lab

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity	-	NA	NA

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

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

Yes, we have revamped the plant for Lower energy Process with natural Gas as Raw material. With Lower energy Process, SPIC has stopped two numbers of Boiler which were operated with Furnace Oil.

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

Parameter	**FY 2022-23 (Current Financial Year)**	**FY 2021-22 (Previous Financial Year)**
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Generated : 1946.34 Recycled : 1280.73	Generated : 1892.48 Recycled : 516
E-waste (B)	0.560 MT	0.1359 MT
Bio-medical waste (C)	Yellow : 0.0826 Red : 0.1410 White & Blue : 0.06134	Yellow : 0.1175 Red : 0.145 White : 0.0069 Blue : 0.061
Construction and demolition waste (D)	-	-
Battery waste (E)	1.313	0.4044
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	Generated catalyst – 146.555MT Oil- 21.32 KL	Generated catalyst - 1.666 MT Oil - 34.03 KL
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H) (Excluding Recycle)	2095.05 MT + 21.32 KL	1886.02 MT+34.03 KL
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Oil - 16.81 KL	catalyst - 38.029MT Oil - 35.33 KL
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	Disposed catalyst - 121.22MT	-
(iii) Other disposal operations	-	-
Total	-	-

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

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

- SPIC's focus is on achieving sustainability by improving the production processes through introduction of new technologies for cleaner environment

- We have detailed standard operating procedure for management and Handling of waste as per the requirement of ISO:14001 : 2015 standards as described below:

Procedure for Hazardous waste and E waste

- Hazardous Waste from the plant to be sent to TNPCB authorized recyclers or Industrial waste management authority – disposal site through stores and records to be maintained as per the procedure
- E-Waste from the plant to be sent to authorized recyclers through stores and records to be maintained as per the procedure
- Battery waste shall be sent to the authorized dealers through stores and records to be maintained
- Plastic waste shall be sent to authorized recyclers and records to be maintained
- Bio medical waste shall be sent to the authorized agency for disposal as per the procedure.

Procedure for management and Handling of other wastes

- Canteen wastes to be sent to Bio-gasifier in training centre or for bio composting in nursery.
- Metal Scraps to be returned to stores through Scrap Return Note and record to be maintained
- Waste which shall be disposed as scrap for sale has to be sent only to stores.
- Waste or used chemicals from laboratory has to be sent to IETP plant for disposal after neutralization
- Empty chemical bottles and other glass items used in laboratory shall not be disposed to bins and has to be sent to stores in safe manner.
- Wastes other than the above are only to be disposed in the dust bins in the respective plants. Stores department will identify the authorized party/scrap vendor for safe disposal of the other waste.

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

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

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: No

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

Leadership Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	396124	391440
Total fuel consumption (E)	5042800	4371640
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	5438924	4763080

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
No treatment	-	-
With treatment-please specify level of treatment	-	-
(ii) To Groundwater	NA	NA
No treatment	-	-
With treatment-please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment	-	-
With treatment-please specify level of treatment	8634.66	21884
(iv) Sent to third- parties	NA	NA
No treatment	-	-
With treatment-please specify level of treatment	-	-
(v) Others	NA	NA
No treatment	-	-
With treatment-please specify level of treatment	-	-
Total water discharged (in kilolitres)	**8634.66**	**21884**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. G-Lens Innovation labs Pvt Limited – Chennai has carried out Environmental Audit for the year 2021-22.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):
For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area - Urea Production

(ii) Nature of operations - Cooling Tower Operations – Annual Consumption of water – 56 Lakhs KL

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	3869714	3858582
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	3869714	3858582
Total volume of water consumption (in kilolitres)	3869714	3858582
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
(ii) Into Groundwater	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
(iii) Into Seawater	-	-
No treatment	-	-
With treatment-please specify level of treatment	8634.66	21884
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
Total water discharged (in kilolitres)	8634.66	21884

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

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	186100	200200
Total Scope 3 emissions per rupee of turnover	-	0.00001	0.00001
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities – Not Applicable.

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Conversion of Feedstock from Naphtha to Natural gas in Ammonia Plant	Ammonia plant was designed for Naphtha as feedstock which has higher Hydrocarbon. It was replaced with Natural gas with Suitable Modifications in the plant and presently running with Mixed feed of Naphtha and Natural Gas. This Modification has brought down the energy consumption of Urea per ton of Product.	Reduction in Energy by 0.75 Gcal/MT of Urea Produced

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

SPIC has a detailed Business continuity and Disaster management plant which comes under the Risk management committee. The Risk Management plan specified the Risk, Mitigation, Emergency preparedness and the Long term measures to mitigate the risks. The emergency across the site and the related risk assessment has been done and regularly reviewed. Major risks include Financial, Pandemics, Calamities, Draught, Socio- Environmental issues, Resource unavailability etc. The Mock Drills to face the Emergency situations are carried out periodically and validated.

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

Product is packed in HDPE bags and stored as per the guidelines laid under FCO for storage of fertilizers.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts – 50%.

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

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations – Six.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	South India Chamber of Commerce and Industry, Chennai.	State
2	Indian Chamber of Commerce & Industry, Tuticorin	State
3	All India Chamber of Commerce & Industry, Tuticorin.	State
4	Tuticorin Chamber of Commerce & Industry.	State
5	Tamilnadu Chamber of Commerce & Industry.	State
6	Fertiliser Association of India, New Delhi.	National

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

Name of authority	Brief of the case	Corrective action taken
SPIC is into a highly regulated business. In case of any deviations, corrective actions are taken immediately.		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
NIL (Refer Note 1)					

Note 1: The Company actively participate in the activities of the Associations in which we are Members. These associations work with the governments, both central, state and suggest policy improvements, help to remove of impediments to conduct of business, assist during budget exercise, render assistance to society wherever required, etc.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community - Through email: spiccorp@spic.co.in ; Customer care Numbers and personal visit and Inspection by Field Staff of the particular locality.

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

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	9.22%	12.60%
Sourced directly from within the district and neighbouring districts (Tuticorin + Tirunelveli)	8.89%	8.87%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (In INR)**
1	Tamilnadu	Thoothukudi	30,89,210
2	Tamilnadu	Ramanathapuram	20,00,000

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

(b) From which marginalized /vulnerable groups do you procure? Not Applicable

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

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

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

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

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

6. **Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Donation of 3 ply masks to the Covid-19 front line sanitary and health workers through Tuticorin corporation.	500	80%
2	Contribution towards the sports uniform for Fire department for Independence day and Sports event.	100	50%
3	Repair maintenance for RO water purifiers in Railway station & Public places.	~500 people per day	General public utilizing the railway station- % varies each day
4	Drinking water provided to Soosai nagar (continuous)	2500	100%
5	Drinking water provided to Thangammalpuram (continuous)	2000	80%
6	Donation of Water bottles for women children participating in marathon.	100	100%
7	Donation of desktop and printer to schools and Offices.	250	80%
8	Canal cleaning for enabling water flow during the heavy rains and floods.	300	100%
9	Donation of uniform to school children	50	100%
10	Donation towards the School construction in Veeranayakanthattu	200	100%
11	Thoothukudi Special Children's school donation for sports event	100	100%
12	Donation of oil to the Transgenders association	100	100%
13	Protection of wildlife : Wild Life Department, Ramanathapuram	Flora and Fauna	-

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

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback - Through email: spiccorp@spic.co.in; Customer care Number and personal visit and Inspection by Field Staff of the particular locality.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	0%
Recycling and/or safe disposal	0%

Note: In the context of Urea, this has no relevance. As a Brand Owner, we take the responsibility to recycle the packing material, in line with the Government's directives.

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

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	005	000	All corrective actions taken on priority	004	000	N/A
Advertising	-	-	-	-	-	-
Cyber-security	020	000	SPAM email filtering, End point security and policies were made stronger and monitored by team. Risk assessment like VAPT audit perform in the mid of the year and all the audit findings were taken immediate action to ensure 100% compliance	005	000	N/A
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

	Number	Reasons for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

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

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

   So far, no cyber security or data privacy issues raised on our environment and as of now our policy been strengthened and it takes care. Some users receive SPAM email which get blocked on their individual email box and also, at server level.

Leadership Indicators

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

   Website: www.spic.in;
   SPIC Farm Journal: SPIC Pannai Cheithi Malar;
   Social Media Handles: Facebook & LinkedIn

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Educating Consumers through Farm Journal, Facebook, LinkedIn, Farmer Meetings, Demonstrations, etc.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Communication through network of Dealers and field staff of the company and through Customer care facility.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief – No.

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) – No.

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact - Nil

   b. Percentage of data breaches involving personally identifiable information of customers - Nil

INDEPENDENT AUDITOR'S REPORT

To the Members of
Southern Petrochemical Industries Corporation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Southern Petrochemical Industries Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 32(iii) of the standalone financial statements regarding computation of subsidy income based on the provisional Retention price (RP) in line with the government's New Urea policy dated 17 June 2015 as the final RP has not been announced by the Department of Fertilizers, Government of India. The necessary adjustments, if any, and its consequential impact is currently unascertainable.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of the standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of Deferred Tax Assets (MAT credit entitlement)

Refer to note 2 (viii) 'Taxes' and note 8 'Deferred tax assets' to the standalone financial statements.

During the current year, the Company has recognised Minimum Alternate Tax (MAT) credit entitlement as deferred tax assets amounting to INR 7481.09 lakhs. Deferred Tax Assets amount to Rs.14,182.79 Lakhs as at March 31, 2023 (Previous year Rs.6,701.70 lakhs)

The utilisation of this asset will be through offsetting it when the Company pays taxes under the normal provision of Income tax Act, 1961. Therefore, the recoverability of MAT credit entitlement is dependent upon generation of sufficient future taxable profits within the stipulated period prescribed under the Income-tax Act, 1961.

The Company recognises MAT credit only when and to the extent there is sufficient evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. This is based on profit earned during the current year and future profitability projections based on approved business plans.

Significant judgements & estimation uncertainty is involved in projecting future taxable profits and other assumptions affected by expected future market or economic conditions.

Due to the above reasons, we have identified recoverability of Deferred Tax Assets (MAT credit entitlement) as a key audit matter.

Our audit procedures included, but were not limited to the following:

- Read Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 “Income Taxes”
- Tested the design, implementation and operating effectiveness of key controls on recoverability of MAT credit entitlements and budgeting procedures upon which the approved business plans are based.
- Reconciled the business results projections to the future business plans approved by the Company’s board of directors ;
- Assessed management’s key assumptions relating to estimation of future taxable profits available for utilization of Deferred Tax Assets (MAT Credit Entitlement). We have also considered the sensitivity to reasonable possibility of changes in key assumptions to ascertain whether these possible changes have a material effect on the availability of future taxable profits within the period available for utilization of Deferred Tax Assets (MAT Credit Entitlement)
- Tested the growth rates used in the forecast by comparing them with the past trends and economic and industry factors.
- Tested the mathematical accuracy of management’s projections and tax computations;
- Engaged the internal tax experts to assess the accuracy of MAT credit recognized in the financial statements and its planned utilization;
- Evaluated the appropriateness and adequacy of the disclosures related to Deferred Tax Assets (MAT Credit Entitlement) in the standalone financial statements in accordance with the applicable accounting standards.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman’s statement, Director’s report etc., but does not include the standalone financial statements and our auditor’s report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial 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, the Board of Directors 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 the Board of Directors 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash 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.

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

   (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 standalone financial statements – Refer Note 34 to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts 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. (1) The Management has represented that, to the best of its knowledge and belief, as stated in Note No. 45 (a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) , including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The Management has represented, that, to the best of it’s knowledge and belief, as stated in Note No.45 (b) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause(i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 50 to the Standalone financial statements)

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVF1847
Place: Chennai
Date: May 24, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

Auditor's Responsibilities for the Audit of the 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:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 standalone financial statements for the year ended March 31, 2023 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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

____

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVF1847
Place: Chennai
Date: May 24, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED FOR THE YEAR ENDED MARCH 31,2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Investment property and relevant details of right-of-use assets.

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

(b) All the Property, Plant and Equipment, Investment property and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(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 where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii)(a) to (f) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits including amounts deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

(₹ in lacs)

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act 1944	Excise Duty	97.55	7.78	2001-01 to 2004-05 & 2011-12 to 2013-14 to June 2017	Customs, Excise and Service tax appellate Tribunal
The Finance Act, 1994	Service Tax	235.64	17.67	2015-16 to June 2017	Customs, Excise and Service tax appellate Tribunal
The Sales Tax Act under various state enactments	Local Sales Tax	835.21	72.53	2003-04 to 2011-12	Additional/ Deputy Commissioner (Appeals) / Sales Tax Appellate Tribunal
Goods & Service Tax Act, 2017	GST	934.50	-	April 2017 to March 2018	Madurai Bench of Madras High Court

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint ventures or associate companies. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

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

xii. (a) The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are 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 standalone 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 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 non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVF1847
Place: Chennai
Date: May 24, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Southern Petrochemical Industries Corporation Limited on the Financial Statements for the year ended March 31,2023]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Southern Petrochemical Industries Corporation Limited ("the Company") as of March 31,2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVF1847
Place: Chennai
Date: May 24, 2023

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Standalone Balance Sheet as at 31 March 2023

(₹in lac)

Sl. No.	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
A	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, Plant & Equipment	4(i)	**65392.16**	67726.87
	(b) Capital work-in-progress	4(ii)	**87.36**	185.69
	(c) Investment Property	5	**115.30**	118.77
	(d) Right of Use-Assets	4(iii)	**191.43**	319.63
	(e) Other Intangible assets	4(i)	**17.15**	30.01
	(f) Financial assets			
	i)Investments - Accounted for using equity method	6 (A)	**6424.78**	6424.78
	ii) Non Current Investments	6 (B)	**326.07**	296.77
	iii) Other financial assets	7 (A)	**8783.86**	6595.50
	(g) Deferred tax asset (Net)	8	**16178.37**	10211.66
	(h) Income tax assets (Net)	9	**-**	963.80
	(i) Other non-current assets	10	**966.37**	1868.52
	Total Non- Current Assets		**98482.85**	94742.00
2	**Current assets**			
	(a) Inventories	11	**22049.66**	44902.41
	(b) Financial assets			
	i) Investments	6 (C)	**2465.59**	2691.01
	ii) Trade receivables	12	**1005.93**	45.03
	iii) Cash and cash equivalents	13 (A)	**1642.45**	503.23
	iv) Bank balances other than ii) above	13 (B)	**99.95**	106.93
	v) Other financial assets	7 (B)	**70095.91**	4406.65
	(c) Other current assets	14	**14337.31**	13804.05
	Total Current Assets		**111696.80**	66459.31
	TOTAL ASSETS		**210179.65**	161201.31
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share Capital	15	**20364.03**	20364.03
	(b) Other Equity	16	**68237.75**	41078.62
	Total Equity		**88601.78**	61442.65
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial Liabilities			
	i) Borrowings	17 (A)	**10139.66**	3741.39
	ii) Other financial Liabilities	18 (A)	**3514.75**	3118.51
	iii) Lease Liabilities	4(iii)	**110.93**	209.17
	Total Non-Current Liabilities		**13765.34**	7069.07
3	**Current liabilities**			
	(a) Financial Liabilities			
	i) Borrowings	17 (B)	**29706.94**	26433.27
	ii) Lease Liabilities	4(iii)	**98.24**	123.87
	iii) Trade payables			
	- Total outstanding dues to Micro and Small Enterprises	19	**89.46**	157.26
	- Total outstanding dues to other than Micro and Small Enterprises	19	**60065.59**	48655.67
	iv) Other financial liabilities	18 (B)	**2147.62**	3591.80
	(b) Provisions	20	**494.23**	510.27
	(c) Other current liabilities	21	**13101.89**	13217.45
	(d) Income tax liabilities (Net)	22	**2108.56**	-
	Total Current Liabilities		**107812.53**	92689.59
	Total Liabilities		**121577.87**	99758.66
	TOTAL EQUITY AND LIABILITIES		**210179.65**	161201.31

The accompaning notes are an integral part of these Standalone Financial Statements

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Standalone Statement of Profit and Loss for the year ended 31 March 2023

(₹ in lac)

Sl No	Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
1	Revenue from operations	23	**282881.86**	187491.79
2	Other income	24	**2062.87**	2339.44
3	**Total Income (1+2)**		**284944.73**	189831.23
4	**Expenses**			
	(a) Cost of materials consumed	25	**189020.53**	120801.52
	(b) Purchases of stock in trade	26	**11423.90**	3633.18
	(c) Changes in inventories of finished goods, stock in trade and work-in-process	27	**2726.86**	(5763.23)
	(d) Employee benefits expense	28	**7330.49**	6701.25
	(e) Finance costs	29	**3092.84**	1419.15
	(f) Depreciation and amortisation expense	30	**4372.52**	4440.99
	(g) Other expenses	31	**37001.23**	44554.93
	Total expenses		**254968.37**	175787.79
5	**Profit before exceptional items and tax (3-4)**		**29976.36**	14043.44
6	Exceptional items		**-**	-
7	**Profit before tax (5+6)**		**29976.36**	14043.44
8	**Tax expense**			
	Current tax - Minimum Alternate Tax		**7481.09**	-
	Deferred tax (benefit)		**(5948.99)**	-
	Total tax expense		**1532.10**	-
9	**Profit after Tax (7-8)**		**28444.26**	14043.44
10	**Other Comprehensive Income/(Loss)**			
	i) Items that will not be reclassified to profit or loss			
	a) Effect of measuring investments at fair value through OCI		**(176.29)**	1673.63
	b) Remeasurement of defined benefit plans		**(108.27)**	(100.35)
	ii) Income tax relating to items that will not be re - classified to profit or loss		**17.63**	(167.36)
	Total Other Comprehensive Income/(loss)		**(266.93)**	1405.92
11	**Total Comprehensive Income (9+10)**		**28177.33**	15449.36
12	**Earnings Per Equity Share (Nominal value per share Rs.10/- each)**	40		
	Basic & Diluted		**13.84**	7.59

The accompaning notes are an integral part of these Standalone Financial Statements

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Standalone Statement of Changes in Equity for the year ended 31 March 2023

(A) Equity share capital

Equity shares of ₹10 each issued, subscribed and fully paid up

Particulars	No. of shares	(₹ in lac)
As at 31 March 2022 (Refer Note 15)	203640336	20364.03
As at 31 March 2023 (Refer Note 15)	**203640336**	**20364.03**

(B) Other Equity

(₹ in lac)

Particulars	Reserve and Surplus					Items of Other Comprehensive Income		Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Statutory Reserve	Retained earnings	Effect of measuring investments at fair value	Remeasurement of defined benefit plans	
Balance as at 1 April 2021	97.24	6500.00	21047.71	41.33	(1445.64)	(470.22)	(141.16)	25629.26
Profit for the year	-	-	-	-	14043.44	-	-	14043.44
Other comprehensive income	-	-	-	-	-	1506.27	(100.35)	1405.92
Additions /Transfer during the year on Redemption of Preference Shares	-	1250.00	-	-	(1250.00)			-
Total Other Comprehensive Income for the year	-	1250.00	-	-	12793.44	1506.27	(100.35)	15449.36
Balance as at 31 March 2022	97.24	7750.00	21047.71	41.33	11347.80	1036.05	(241.51)	41078.62
Balance as at 1 April 2022	**97.24**	**7750.00**	**21047.71**	**41.33**	**11347.80**	**1036.05**	**(241.51)**	**41078.62**
Profit for the year	**-**	**-**	**-**	**-**	**28444.26**	**-**	**-**	**28444.26**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**(158.66)**	**(108.27)**	**(266.93)**
Dividend on Equity Shares *	**-**	**-**	**-**	**-**	**(1018.20)**	**-**	**-**	**(1018.20)**
Total Other Comprehensive Income for the year	**-**	**-**	**-**	**-**	**27426.06**	**(158.66)**	**(108.27)**	**27159.13**
Balance as at 31 March 2023	**97.24**	**7750.00**	**21047.71**	**41.33**	**38773.86**	**877.39**	**(349.78)**	**68237.75**

* The Company had declared dividend of Re 0.50 per share and the same was approved by shareholders in AGM held on 30th September 2022.

The accompanying notes are an integral part of these Standalone Financial Statements.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Standalone Cash Flow Statement for the year ended 31 March 2023

(₹ in lac)

S.No.	Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit for the year before tax		**29976.36**		14043.44
	Adjustment for :				
	Depreciation and amortisation expense	**4372.52**		4440.99	
	Disposal of fixed assets	**66.24**		55.37	
	Profit on sale of assets	**(3.82)**		(0.01)	
	Profit on sale of investment	**(0.34)**		-	
	Loss on sale of assets	**479.46**		-	
	Provision for non-moving inventories	**38.91**		6.19	
	Allowances for doubtful debts and advances	**1.72**		29.31	
	Provisions / Liabilities no longer required written back	**(158.76)**		(1420.01)	
	Bad debts and advances written off	**23.70**		11.48	
	Exchange difference (Gain)/ Loss	**132.35**		58.22	
	Finance Costs	**3092.84**		1419.15	
	Dividend income	**(459.52)**		(384.90)	
	Interest income	**(835.18)**		(304.40)	
			6750.12		3911.39
	Operating profit before working capital changes		**36726.48**		17954.83
	Adjustments for (Increase)/Decrease in:				
	Trade receivables	**(963.99)**		645.89	
	Inventories	**22813.84**		(9136.54)	
	Non current financial assets	**(381.63)**		(653.56)	
	Other Non-current assets	**(0.01)**		(57.20)	
	Current financials assets	**(65685.70)**		18256.05	
	Other current assets	**(439.63)**		4329.37	
	Bank balances other than cash and cash equivalents	**(1799.75)**		(2239.77)	
	Adjustments for Increase/(Decrease) in:				
	Other non current financial liabilities	**162.44**		(87.50)	
	Trade payables	**11266.60**		(46351.81)	
	Other current financial liabilities	**7.76**		(15.92)	
	Other current liabilities	**(223.83)**		6419.60	
	Short-term provisions	**(16.05)**		82.59	
	Lease liability long term	**(98.24)**		209.18	
	Lease liability short term	**(25.63)**		123.87	
			(35383.82)		(28475.75)
	Cash from operations / (used in)		**1342.66**		(10520.92)
	Direct taxes paid		**(4408.82)**		(74.94)
	NET CASH USED IN OPERATING ACTIVITIES		**(3066.16)**		(10595.86)

(₹ in lac)

S.No.	Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Property, Plant and Equipment including capital work-in-progress, capital advance and capital creditors	**(2944.78)**		(15644.97)	
	Proceeds from sale of Property, Plant and Equipment	**22.25**		0.02	
	Right to use asset	**-**		(447.46)	
	Dividend income	**459.52**		384.90	
	Purchase of non current investment	**-**		(150.00)	
	Sale of investment	**20.17**		20.99	
	Interest income	**809.16**		235.53	
			(1633.68)		(15600.99)
	NET CASH USED IN INVESTING ACTIVITIES		**(1633.68)**		(15600.99)
C.	**NET CASH FROM FINANCING ACTIVITIES**				
	Proceeds from Non Current Borrowings (net of repayment)	**6398.27**		17173.67	
	Proceeds from Current Borrowings (net of repayment)	**3273.67**		3741.39	
	Redemption of Preference Shares	**-**		(1250.00)	
	Finance Costs	**(2833.06)**		(755.30)	
	Equity Dividend Paid	**(999.82)**		-	
			5839.06		18909.76
	NET CASH FROM FINANCING ACTIVITIES:		**5839.06**		18909.76
	NET CASH FLOWS DURING THE YEAR (A+B+C)		**1139.22**		(7287.09)
	Cash and cash equivalents at the beginning of the year		**503.23**		7790.32
	Cash and cash equivalents at the end of the year		**1642.45**		503.23
			(1139.22)		7287.09
	Cash and cash equivalents comprise				
	Balances with banks				
	Cash on hand		**3.10**		5.37
	Deposits with original maturity of less than or equal to 3 months.		**-**		6.21
	With the Banks		**1639.35**		491.65
	Total cash and bank balances at end of the year		**1642.45**		503.23

The accompanying notes are an integral part of these Standalone Financial Statements.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Note 1 GENERAL INFORMATION

Southern Petrochemical Industries Corporation Limited ('the Company'/'SPIC'), having its registered office at Chennai is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange of India. The Company is manufacturing and selling Urea, a Nitrogenous chemical fertilizer and has its manufacturing facility at Tuticorin.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

a. Statement of Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements for the year ended 31 March 2018 were the first set of financial statements prepared in accordance with Ind AS. The date of transition to Ind AS was 1 April 2016.

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

b. Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the below material item that have been measured at fair value as required by relevant Ind AS:-

Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of sales and the time between the sale and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

c. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

ii) Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost less depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Depreciation methods, estimated useful lives

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight line method. The Company has followed the useful life as prescribed in Schedule II of the Companies Act 2013, except in respect of the assets pertaining to Tuticorin manufacturing plant in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

Asset	Useful Life
Building – Factory	25-65 years
Building – Others	45-75 years
Plant and Machinery	15-49 years
Furniture and Fixtures	12-33 years
Vehicles	8-26 years
Office Equipments	7-38 years
Roads	34-44 years
Railway sidings	40 years

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains (losses) on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' / 'Other Expenses' .

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

iv) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful lives of intangible assets – Software is 5 Years

v) Foreign Currency Transactions

a. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

b. Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/(Losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

vi) Fair value measurements

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

vii) Revenue Recognition

The Company earns revenue primarily from sale of Urea. Effective April 1, 2018, the Company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 “Revenue” and Ind AS 11 “Construction Contracts”. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 01, 2018). The impact of adoption of the standard on the financial statements of the company is insignificant.

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as per the contract with the customer. Revenue also excludes taxes collected from customers.

Under the New Pricing Scheme for Urea, the Government of India reimburses, in the form of subsidy, to the Fertilizer Industry based on the Retention Price computed on the lower of Naphtha or Regasified Liquefied Natural Gas (RLNG) price. This has been accounted on the basis of the rates notified from time to time by the Government of India on the quantity of Urea sold by the company for the year for which notification has been issued.

The revenue has been further adjusted for input price escalation / de-escalation as estimated by the Management in accordance with the known policy parameters in this regard.

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments and where no significant uncertainty as to measurability or collectability exists.

viii) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

a. Current Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognize MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement" and grouped under Deferred Tax. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

ix) Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- ► The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ► An active program to locate a buyer and complete the plan has been initiated (if applicable),
- ► The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ► The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- ► Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

x) Leases

The Indian Accounting Standard on leases (Ind AS 116) requires entity to determine whether a contract is or contains a lease at the inception of the contract.

Ind AS 116 requires lessee to recognise a liability to make lease payments and an asset representing the right-of-use asset during the lease term for all leases except for short term leases and leases of low-value assets, if they choose to apply such exemptions.

Payments associated with short-term leases and low-value assets are recognized as expenses in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of office equipment's and small items of plant and equipment and office furniture.

At the commencement date, Company recognise a right-of-use asset measured at cost and a lease liability measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The cost of the right-of-use asset comprised of, the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received.

At the commencement date, the lease payments included in the measurement of the lease liability comprise (a) fixed payments less any lease incentives receivable; (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; (c) amounts expected to be payable by the lessee under residual value guarantees; (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Depreciation on Right-of-use asset is recognised in statement of profit and Loss on a straight line basis over the period of lease and the Company separately recognises interest on lease liability as a component of finance cost in statement of profit and Loss.

xi) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Provision of obsolescence on inventories is considered on the basis of management’s estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xii) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset’s recoverable amount and the amount of impairment loss.

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 recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

xiii) Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

xiv) Cash and Cash Equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

xv) Financial Instruments

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

a. Financial Assets

Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the Effective Interest Rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

The company has equity instruments in 9 (nine) entities which are not held for trading. The company has elected the FVTOCI irrevocable option for these investments. Fair value is determined in the manner described in Note 6.

Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVTOCI.

For recognition of impairment loss on 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 subsequent years, 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 recognizing impairment loss allowance based on 12 month ECL

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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 recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss as finance costs.

c. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xvi) Employee Benefits

a. Short-term obligations

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

b. Other long-term employee benefit obligations

Defined Contribution plan

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

The company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Defined benefit plans

Gratuity: The Company's Gratuity scheme for its employees is a defined benefit retirement benefit plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the year to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or en-cashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or en-cashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be en-cashed partly while in service and on discontinuation of service by employee.

xvii) Contributed Equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xviii) Earnings Per Share

Basic earnings per share is calculated by dividing the total comprehensive income / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is total comprehensive income / (loss) for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the total comprehensive income / (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

xix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

xx) Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

xxi) Subsidy from Government

Subsidies from the government are recognized when there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with. When the subsidy relates to an expenses item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the subsidy relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

xxii) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contract, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date of which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

xxiii)Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company.

Recent Pronouncements

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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

Note 3 Significant accounting judgments, estimates and assumptions

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. **Taxes**

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

   The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

b. **Defined benefit plans (gratuity benefits and compensated absences)**

   The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

   The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 35.

c. **Useful lives of Property, Plant and Equipment**

   The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting year.

d. **Revenue Recognition**

   The Company provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.

e. **Subsidy Income**

   Subsidy income is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the New Pricing Scheme for Urea on the quantity of Urea sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates.

f. **Provision for doubtful receivables**

   The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

Note 4 (i) Property, Plant & Equipment

(₹ in lac)

Gross Block	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipments	Roads	Railway Sidings	Total	Other Intangible Assets
Balance as at 1 April, 2021	5824.73	3429.80	53287.68	60.21	152.65	4033.18	195.91	302.70	67286.86	189.89
Additions	-	61.08	19349.10	0.83	-	303.20	-	-	19714.21	0.40
Deletions	-	-	794.34	24.47	-	214.64	-	-	1033.45	-
Balance as at 31 March 2022	5824.73	3490.88	71842.44	36.57	152.65	4121.74	195.91	302.70	85967.62	190.29
Balance as at 1 April, 2022	**5824.73**	**3490.88**	**71842.44**	**36.57**	**152.65**	**4121.74**	**195.91**	**302.70**	**85967.62**	**190.29**
Additions	**-**	**8.57**	**2198.20**	**2.42**	**34.61**	**102.06**	**111.57**	**-**	**2457.43**	**-**
Deletions	**494.50**	**12.62**	**3460.42**	**-**	**29.00**	**339.23**	**18.54**	**-**	**4354.31**	**-**
Balance as at 31 March,2023	**5330.23**	**3486.83**	**70580.22**	**38.99**	**158.26**	**3884.57**	**288.94**	**302.70**	**84070.74**	**190.29**

(₹ in lac)

Accumulated depreciation and impairment	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipments	Roads	Railway Sidings	Total	Other Intangible Assets
Balance as at 1 April, 2021	-	813.80	12163.14	26.37	44.34	1742.78	85.41	69.40	14945.24	124.17
Additions	-	165.71	3768.22	5.58	22.48	283.49	13.99	14.11	4273.58	36.11
Deletions	-	-	751.90	23.18	-	202.99	-	-	978.07	-
Balance as at 31 March 2022	-	979.51	15179.46	8.77	66.82	1823.28	99.40	83.51	18240.75	160.28
Balance as at 1 April, 2022	**-**	**979.51**	**15179.46**	**8.77**	**66.82**	**1823.28**	**99.40**	**83.51**	**18240.75**	**160.28**
Additions	**-**	**170.02**	**3708.61**	**6.18**	**22.60**	**285.22**	**21.20**	**14.16**	**4227.99**	**12.86**
Deletions	**-**	**12.06**	**3414.81**	**-**	**25.41**	**319.41**	**18.47**	**-**	**3790.16**	**-**
Balance as at 31 March,2023	**-**	**1137.47**	**15473.26**	**14.95**	**64.01**	**1789.09**	**102.13**	**97.67**	**18678.58**	**173.14**

Carrying amount as at 31 March, 2022	5824.73	2511.37	56662.98	27.80	85.83	2298.46	96.51	219.19	67726.87	30.01
Carrying amount as at 31 March, 2023	**5330.23**	**2349.36**	**55106.96**	**24.04**	**94.25**	**2095.48**	**186.81**	**205.03**	**65392.16**	**17.15**

1. Freehold land amounting Rs.914.63 Lac (previous year Rs.827.69 Lac) and Building amounting Rs. 349.54 (previous year Rs.360.87 Lac) is pledged with banks for availing loan facilities.

2. During the previous year, interest cost to the extent of Rs.406.15 lacs was capitalised as borrowing cost as per Ind AS 23.

3. During the last quarter of the previous year, the Company reassessed the useful life of few assets relating to Urea plant from 10 years to, 15 – 30 years from 1.4.2021. The depreciation for the quarter and year ended 31st March 2022 was net of Rs. 1123 lacs being adjustment relating to the impact of the depreciation on account of revision in useful life of the assets for the nine months ended December 2021.

Note 4 (ii): Capital Work - in - Progress

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Natural Gas Conversion Project	**6.38**	71.69
Others	**80.98**	114.00
Total	**87.36**	185.69

CWIP Movement 2022-23

(₹ in lac)

Description	Opening Balance	Additions	Capitalisation	Closing balance
Natural Gas Conversion Project	**71.69**	**1587.64**	**(1652.95)**	**6.38**
Others	**114.00**	**665.57**	**(698.59)**	**80.98**
Total	**185.69**	**2253.21**	**(2351.54)**	**87.36**

Capital Work in Progress ageing schedule as on 31 March 2023

(₹ in lac)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Natural Gas Conversion Project	-	**6.38**	-	-	-	-	**6.38**
Others	-	**13.00**	**10.62**	**45.22**	**12.14**	-	**80.98**

Note: There are no projects as Capital Work in Progress as at 31 March 2023, whose completion is over due or cost of which has exceeds in comparison to its original plan.

CWIP Movement 2021-22

(₹ in lac)

Description	Opening Balance	Additions	Capitalisation	Closing balance
Natural Gas Conversion Project	1677.62	17291.65	(18897.58)	71.69
Others	76.17	801.80	(763.97)	114.00
Total	1753.79	18093.45	(19661.55)	185.69

Capital Work in Progress ageing schedule as on 31 March 2022

(₹ in lac)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Natural Gas Conversion Project	-	**71.69**	-	-	-	-	**71.69**
Others	-	**45.97**	**8.87**	**12.12**	-	**47.04**	**114.00**

Note: There are no projects as Capital Work in Progress as at 31 March 2022, whose completion is over due or cost of which has exceeds in comparison to its original plan.

Note 4 (iii) Right of Use Asset

(₹ in lac)

Description	Opening Balance	Additions	Closure / Pre closure	Depreciation	Net Carrying Amount 31.03.2023
Land	**151.09**	**-**	**-**	**37.77**	**113.32**
Building	**168.54**	**-**	**-**	**90.43**	**78.11**
Total	**319.63**	**-**	**-**	**128.20**	**191.43**

Note:

1. Discounting rate used for the purpose of computing right to use asset is 8%.
2. Rental amount per annum is ₹ 146.05 lac, which also carries a clause for extension of agreement based on mutual understanding between Lessor and Lessee.
3. The lease period is from 3 to 5 years over which the right to use asset is depreciated on a straight line basis.
4. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security deposit in the leased assets that are held by the lessor.
5. Expense relating to short term Leases (included in other expenses - Refer Note 31) amounting to Rs.255.50 lac (previous year Rs.225.15 lac).
6. The company did not enter into lease contracts that contain variable lease options.
7. The total cash outflow for the lease for the year ended 31 March 2023 was Rs.146.05 lac (previous year Rs.142.46 lac)
8. Interest expense (included in finance cost- Refer Note 29) Rs. 22.18 lac (previous year Rs.22.05 lac) and depreciation expense (included in depreciation- Refer Note 30) Rs.128.20 lac (previous year Rs.127.83 lac)

Movement of Lease Liability

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**333.04**	-
Lease liabilities additions during the year	**-**	447.45
Lease liabilities deletions during the year	**-**	-
Interest	**22.18**	28.05
Repayment of lease liabilities	**(146.05)**	(142.46)
Closing balance	**209.17**	333.04

Carrying Amount of Lease Liability

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Current	**98.24**	123.87
Non- Current	**110.93**	209.17
Total	**209.17**	333.04

Note 5: Investment Property

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Carrying amount of Completed investment property	**115.30**	118.77
Total	**115.30**	118.77

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Cost or Deemed cost		
Balance at the beginning of the year	**139.59**	139.59
Additions	**-**	-
Balance at the end of the year	**139.59**	139.59
Accumulated depreciation and impairment		
Balance at the beginning of the year	**20.82**	17.35
Depreciation expense	**3.47**	3.47
Balance at the end of the year	**24.29**	20.82
Net Balance at the end of the year	**115.30**	118.77

Note 5.1: Fair value of the Company's investment property

The fair value of the property is Rs.277.53 lacs, as per valuation performed by M/s. Colliers (India) Pvt. Ltd., an accredited independent valuer during the previous year. M/s. Colliers (India) Pvt. Ltd. is a specialist in valuing these types of Investment properties. The above property has not been subjected to valuation by an independent certified valuer for current year. There is no diminution on the fair value as compared to the previous year based on available market / guideline value.

Fair value was derived using the market comparable approach based on recent market/government guidelines prices without any significant adjustments being made to the market observable data. In estimating the fair value of the property, the current use is considered as the highest and best use.

Note 5.2 : Information regarding income and expenditure of Investment property

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rental income derived from investment properties	**18.93**	13.63
Less – Depreciation	**(3.47)**	(3.47)
Income arising from investment properties before indirect expenses	**15.46**	10.16

The Company's investment properties consist of commercial property in Chennai given on non- cancellable lease for a period of 10 Years.

Note 6 (A) Investments Accounted for using Equity Method (₹ in lac)

	Particulars	As at 31 March 2023		As at 31 March 2022	
		Nos.	**₹ in Lac**	Nos.	₹ in Lac
A	**Invesments in Associates at cost**				
	(Fully paid up unless otherwise stated)				
1.	**Quoted Investments in equity instruments**				
	- Tuticorin Alkali Chemicals and Fertilizers Limited				
	Equity Shares of ₹ 10 each	28586872	3535.66	28586872	3535.66
	Total Aggregate Quoted Investments (1)		3535.66		3535.66
2.	**Unquoted investments**				
(a)	**Investments in equity instruments.**				
	- Gold Nest Trading Company Limited				
	Equity Shares of ₹ 1 each (Refer Note 6 (A) (a) below)	-	-	249000	250.25
	Provision for Diminution in Investment value		-		(250.25)
	-Greenam Energy Private Limited.				
	Equity Shares of ₹ 10 each (Refer Note 6 (A) (b) below)	9086502	908.65	9086502	908.65
	Total Aggregate Unquoted Investments (2)		908.65		908.65
	Total Investments in Associates (1) + (2)		4444.31		4444.31
B	**Investments in Joint Ventures at cost**				
1.	**Quoted Investments in equity instruments**				
	- Tamilnadu Petroproducts Limited				
	Equity Shares of ₹ 10 each	15234375	1980.47	15234375	1980.47
	Total Aggregate Quoted Investments (1)		1980.47		1980.47
2.	**Unquoted Investments in equity instruments**				
	- National Aromatics and Petrochemicals Corporation Limited				
	Equity Shares of ₹ 10 each	25000	2.50	25000	2.50
	Provision for Diminution in Investment value		(2.50)		(2.50)
	Total Aggregate Unquoted Investments (2)		**-**		**-**
	Total Investments in joint ventures (1) + (2)		**1980.47**		**1980.47**
	Total Non- Current Investments		**6424.78**		**6424.78**

Notes:

Aggregate value of quoted investments	**5516.13**	5516.13
Aggregate value of unquoted investments	**911.15**	1161.40
Aggregate value of impairement in value of investments	**(2.50)**	(252.75)

a) Gold Nest Trading Company Limited applied to Ministry of Corporate Affairs on 28th March 2022, for removal of Company name from the Register of Companies and approval was received on 19th September 2022. Accordingly the Company was dissolved effective on 19th September 2022. Hence the Investment had been written off against provision.

b) 9086502 (previous year 5686502) equity shares held by the company in Greenam Energy Private Limited are pledged in favour of Indian Renewable Energy Development Agency Lmited, to secure the term loan of Rs. 9500.00 lac (previohs year Rs.8800 lac) availed by Greenam. The company has also given undertaking for non disposal of said shares during the tenure of the loan.

Note 6 (B) : Non Current Investments (₹ in lac)

	Particulars	As at 31 March 2023		As at 31 March 2022	
		Nos.	**₹ in Lac**	Nos.	₹ in Lac
A	**Other Equity Investments carried at FVTOCI**				
	(Fully paid up unless otherwise stated)				
1.	**Quoted Investments in equity instruments**				
	Investments in equity				
	- Manali Petrochemicals Limited				
	Equity shares of ₹ 5 each	**10000**	**6.01**	10000	10.84
	- State Bank of India				
	Equity Shares of ₹1 each	**9660**	**50.59**	9660	47.68
	- ICICI Bank Limited				
	Equity Shares of ₹ 2 each	**2106**	**18.47**	2106	15.38
	- SICAGEN India Limited				
	Equity Shares of ₹ 10 each	**577681**	**175.04**	577681	127.09
	Total Aggregate Quoted Investments (1)		**250.11**		200.99
2.	**Unquoted investments**				
	Investments in equity				
	- Biotech Consortium India Limited				
	Equity Shares of ₹ 10 each	**250000**	**25.00**	250000	25.00
	- Chennai Willington Corporate Foundation				
	Equity Shares of ₹ 10 each costing ₹ 450	**50**	**0.00**	50	0.00
	- OPG Power Generation Private Limited				
	Equity Shares of ₹10 (Refer Note 6 (B) (a) below)	**-**	**-**	175300	19.82
	- South India Travels Private Limited				
	Equity Shares of ₹ 10 each	**509575**	**50.96**	509575	50.96
	Total Aggregate Unquoted Investments (2)		**75.96**		95.78
	Total Other equty Investments (1) + (2)		**326.07**		296.77

Notes:

	31 March 2023	31 March 2022
Aggregate value of quoted investments	**250.11**	200.99
Aggregate value of unquoted investments	**75.96**	95.78
Aggregate value of impairement in value of investments	**-**	-

a) M/s. OPG Power Generation Private Limited had expressed their inability to supply power and hence, the 175,300 equity shares of ₹10 each were bought back by them at ₹11.50 per share.

Note 6 (C) : Current Investments

(₹ in lac)

Particulars		As at 31 March 2023		As at 31 March 2022	
		Nos.	**₹ in Lac**	Nos.	₹ in Lac
1.	**Other Equity Investments carried at FVTOCI**				
	Investment in Equity Instruments (Quoted) (fully paid up unless otherwise stated)				
	-Mercantile Venture Limited, Equity Shares of ₹ 10 each	**15028000**	**2464.59**	15028000	2690.01
	Total Agrregate Quoted Current Investments (1)		**2464.59**		2690.01
	Other Investments carried at FVTPL				
2	**Investment in Mutual Funds (all fully paid)**				
	- Canara Robeco Flexi Cap Fund (formerly known as Canara Robecco Equity Diversified - Growth Plan) - 94 units				
	Units of ₹ 10 each	**12760**	**1.00**	12760	1.00
	Total Aggregate Investments In Mutul Funds (1)		**1.00**		1.00
	Total Other Investments (2)		**1.00**		1.00
	Total Current Investments (1) + (2)		**2465.59**		2691.01

Note:

1. The investments made by the Company is in compliance with section 180 and 186 with respect to layers of investment permitted under the Companies Act, 2013

Note 7 (A): Other financial assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Other financial assets - Non current		
Financial assets carried at amortized cost		
Deposits (Unsecured)		
Considered good *	**1805.77**	1424.60
Doubtful	**42.19**	41.88
	1847.96	1466.48
Less: Provision for doubtful deposits	**42.19**	41.88
	1805.77	1424.60
Loan to Employees (Unsecured)		
Considered good	**0.46**	-
Doubtful	**5.28**	5.84
	5.74	5.84
Less: Provision for doubtful loans	**5.28**	5.84
	0.46	-
Bank deposits with remaining maturity of greater than 12 months	**92.45**	89.06
Bank deposits held as security #	**6885.18**	5081.84
Total	**8783.86**	6595.50

* Includes amount received from related party to the extent of ₹ 161.32 lacs (previous year ₹161.32 lacs) (Refer Note 38).

Deposits provided as security for working capital borrowing and other non fund based limits with the banks.

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Movement in allowance for doubtful deposits:		
Opening balance	**41.88**	41.88
Additions	**0.31**	-
Less : Utilisations / Reversals	**-**	-
Closing balance	**42.19**	41.88
2. Movement in allowance for loans to employees:		
Opening balance	**5.84**	5.84
Additions	**-**	-
Less : Utilisations / Reversals	**0.56**	-
Closing balance	**5.28**	5.84

Note 7 (B): Other financial assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Other financial assets - current		
Financial assets carried at amortized cost		
Advances to related parties		
Considered good (Refer Note 38)	**2.81**	6.33
Doubtful	**1494.89**	1493.17
	1497.70	1499.50
Less: Provision for doubtful advances	**1494.89**	1493.17
	2.81	6.33
Accrued Royalty Income	**76.07**	-
Interest accrued on deposits	**74.61**	69.33
Subsidy Receivable *	**69942.42**	4330.99
Total	**70095.91**	4406.65

*Subsidy receivable is pledged with banks for availing loan facilities.Refer Note 17C.

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Movement in allowance for doubtful advances to related parties:		
Opening balance	**1493.17**	1491.51
Additions	**1.72**	1.66
Closing balance	**1494.89**	1493.17

Note 8 : Deferred Tax Assets (Net) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
i) Deferred tax assets *	**17831.18**	10540.43
ii) Deferred tax (liabilities)	**(1652.81)**	(328.77)
Total	**16178.37**	10211.66

* Includes unused tax credits (MAT credit entitlement) of ₹ 14182.79 lac (previous year ₹ 6701.70 lac).

Note:

Refer Note 36 for details of deferred tax liabilities and assets.

Note 9 : Income Tax Assets (Net) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance Income tax (net of provision of Rs. 7481.09 lac (previous year Rs.Nil)	**-**	963.80
Total	**-**	963.80

Note 10 : Other Non-Current Assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances to employees		
Considered Doubtful	**10.86**	10.61
Less: Provision for doubtful loans and advances	**10.86**	10.61
	-	-
Capital advances *	**185.80**	1087.96
Balances with government authorities		
Considered good	**780.57**	780.56
Doubtful	**23.27**	23.27
	803.84	803.83
Less: Provision for doubtful balances	**23.27**	23.27
	780.57	780.56
Total	**966.37**	1868.52

*Refer Note 33 for the value of contracts in capital commitment remaining to be executed.

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Movement in allowance for doubtful employee advances		
Opening balance	**10.61**	10.61
Additions	**0.25**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**10.86**	10.61
2. Movement in allowance for balances with govt authorities		
Opening balance	**23.27**	23.27
Additions	**-**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**23.27**	23.27

Note 11 : Inventories (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials in stock (at cost)	**11050.80**	29973.70
Work in process in stock (At cost) (Refer Note 11 (i) below)	**5066.85**	8106.50
Finished goods in stock (At lower of cost and net realisable value)	**358.30**	45.51
Stores and spares including packing material (At cost)	**2300.66**	1989.26
Fuel Oil (at cost)	**3350.55**	4826.02
	22127.16	44940.99
Less: Provision for non-moving inventory	**(77.50)**	(38.58)
Total	**22049.66**	44902.41

Note: Refer note 17 (C) for details of inventory pledged as securities.

11 (i) Details of work-in-process

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Urea	**5004.25**	8031.80
Tissue Culture	**59.37**	72.15
Others	**3.23**	2.55
Total	**5066.85**	8106.50

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Movement in allowance for Inventories:		
Opening balance	**38.58**	741.06
Additions	**38.92**	6.19
Less: Utilisations / Reversals	**-**	708.67
Closing balance	**77.50**	38.58

Note 12: Trade receivables (Unsecured)

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Related parties (Refer Note 38)	**416.32**	10.66
Considered good	**589.61**	34.37
Credit impaired	**674.69**	674.69
	1680.62	719.72
Less: Impairment loss allowance	**674.69**	674.69
Total	**1005.93**	45.03

Trade Receivables ageing schedule as on 31 March 2023

(₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	308.89	340.31	105.07	196.77	19.78	35.11	1005.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	674.69	674.69
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

Trade Receivables ageing schedule as on 31 March 2022 (₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	0.64	33.06	0.08	-	1.71	9.54	45.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	674.69	674.69
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

(₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Movement in credit impaired Trade Receivable:		
Opening balance	**674.69**	647.03
Additions	**-**	27.66
Less: Utilisations / Reversals	**-**	-
Closing balance	**674.69**	674.69

Notes:

1. These are carried at amortised cost. The company's trade receivable do not carry a significant financial element.
2. For details of assets given as security against borrowings - Refer Note 17 (C)
3. There are no trade or other receivable which are either due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
4. Trade receivables are non-interest bearing and are generally on terms of 7 days.

Note 13 (A): Cash and cash equivalents (₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Balances with banks:		
- In current accounts	**1639.35**	491.65
- In Deposits Account *	**-**	6.21
Cash on hand	**3.10**	5.37
Total	**1642.45**	503.23

* This represents deposits with original maturity of less than or equal to 3 months.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Balances with banks:		
- In current accounts	**1639.35**	491.65
- In Deposits Account	**-**	6.21
Cash on hand	**3.10**	5.37
Total	**1642.45**	503.23

Note 13 (B) : Bank balances other than Cash and cash equivalents (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- Deposits with original maturity of more than 3 months but less than 12 months	**81.57**	106.93
Unpaid Equity Dividend account (Earmarked)	**18.38**	-
Total	**99.95**	106.93

Note 14: Other current assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances to employees - Considered good	**0.25**	0.78
Other Advances		
Considered good	**97.97**	13.64
Doubtful	**21.65**	76.76
	119.62	90.40
Less: Allowance for doubtful advances	**21.65**	76.76
	97.97	13.64
Prepaid expenses	**512.04**	460.52
Interest accrued on deposits	**310.41**	289.67
Balances with government authorities		
Considered good	**12044.36**	11285.06
Doubtful	**37.40**	37.40
	12081.76	11322.46
Less: Allowance for doubtful balances	**37.40**	37.40
	12044.36	11285.06
Advances to Suppliers	**1372.28**	1754.38
Total	**14337.31**	13804.05

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Movement in Allowance for other advances:		
Opening balance	**76.76**	93.70
Additions	**-**	-
Less: Utilisations / Reversals	**55.11**	16.94
Closing balance	**21.65**	76.76
2. Movement in Allowance for balance with government authorities:		
Opening balance	**37.40**	37.40
Additions	**-**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**37.40**	37.40

Note 15 : Equity Share Capital (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised:		
31,60,00,000 (31,60,00,000) Equity shares of ₹ 10 each	**31600.00**	31600.00
55,00,000 (55,00,000) Redeemable cumulative preference shares of ₹ 100 each	**5500.00**	5500.00
3,00,00,000 (3,00,00,000) Fully Compulsorily Convertible Preference (FCCP) shares of ₹ 18 each	**5400.00**	5400.00
	42500.00	42500.00
Issued, subscribed and fully paid up:		
20,36,40,336 (20,36,40,336) Equity shares of ₹ 10 each	**20364.03**	20364.03
(Refer note 15 (i) to 15(vii) below)		

15 (i): There is no movement in the number of equity shares during the year and in the previous year.

15 (ii): Details of Shares held by Promoters

Name of the Promoter	As at 31 March 2023			As at 31 March 2022		
	No. of Shares	%of total shares	% Change during the year	No. of Shares	%of total shares	% Change during the year
Ashwin C Muthiah	**45450**	**0.02%**	**Nil**	45450	0.02%	Nil
AMI Holdings Private Limited	**37276700**	**18.31%**	**Nil**	37276700	18.31%	Nil
Lotus Fertilizers Private Limited	**27995454**	**13.75%**	**Nil**	27995454	13.75%	Nil
Ficon Holdings Ltd	**15682775**	**7.70%**	**Nil**	15682775	7.70%	Nil
Sicagen India Limited	**4776424**	**2.35%**	**0.10%**	4576424	2.25%	0.44%
Ranford Investments Ltd	**1910000**	**0.94%**	**Nil**	1910000	0.94%	Nil
South India House Estates and Properties Ltd	**1636900**	**0.80%**	**Nil**	1636900	0.80%	Nil
Darnolly Investments Ltd	**1322000**	**0.65%**	**Nil**	1322000	0.65%	Nil
South India Travels Pvt Ltd	**229985**	**0.11%**	**Nil**	229985	0.11%	Nil
South India Investments and Associates	**29800**	**0.01%**	**Nil**	29800	0.01%	Nil
Tamilnadu Industrial Development Corporation Limited	**8840000**	**4.34%**	**Nil**	8840000	4.34%	Nil

15 (iii): Details of Shareholders holding more than 5% of the Company aggregate shares in the Company

Class of shares / Name of shareholders	As at 31 March 2023		As at 31 March 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
AMI Holdings Private Limited	**37276700**	**18.31%**	37276700	18.31%
Lotus Fertilizers Private Limited	**27995454**	**13.75%**	27995454	13.75%
The Bank of Newyork Mellon	**16791800**	**8.25%**	16791800	8.25%
Ficon Holdings Limited	**15682775**	**7.70%**	15682775	7.70%
Finquest Securities Private Limited	**11228170**	**5.51%**	15470711	7.60%

15 (iv) **Equity shares include :**

1,67,91,800 equity shares were issued against the Global Depository Receipts (GDRs) and is held by The Bank of New York, Mellon, as depository for the GDRs.

15 (v) No class of shares have been issued as bonus shares during the period of 5 years immediately preceding the year end.

15 (vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

15 (vii) **Terms/rights attached to Equity Shares:**

The company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.

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

Note 16: Other Equity (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Reserve	**97.24**	97.24
Capital Redemption Reserve:		
Opening balance	**7750.00**	6500.00
Add: Transferred from profit	**-**	1250.00
Closing balance	**7750.00**	7750.00
Securities Premium Account	**21047.71**	21047.71
Statutory Reserve	**41.33**	41.33
Surplus in Statement of Profit and Loss:		
Opening balance	**11347.80**	(1445.64)
Add: Profit for the year	**28444.26**	14043.44
Less: Equity Dividend paid	**(1018.20)**	-
Less: Transferred to Capital Redemption Reserve	**-**	(1250.00)
Closing balance	**38773.86**	11347.80
Reserve for equity instruments through other comprehensive income:		
Opening balance	**1036.05**	(470.22)
Add: Effect of measuring investments at fair value (net of tax)	**(158.66)**	1506.27
Closing balance	**877.39**	1036.05
Remeasurement of defined plans:		
Opening balance	**(241.51)**	(141.16)
-Actuarial movement through other comprehensive income	**(108.27)**	(100.35)
Closing balance	**(349.78)**	(241.51)
Total	**68237.75**	41078.62

Capital Reserve and Statutory Reserve

Capital Reserve of ₹ 97.24 lac and Statutory Reserve of ₹ 41.33 lac represents reserves transferred to the Company on amalgamation of SPIC Holdings and Investments Ltd (SHIL) with the Company during 2006-07.

Capital Redemption Reserve

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on redemption of the preference shares. The Company had redeemed the underlying preference shares in the earlier years. During the previous year, the Company had redeemed the Redeemable Cumulative non-convertible preference shares amounting to ₹ 1250 lacs and accordingly had transferred ₹ 1250 lacs to Capital Redemption Reserve from the Statement of Profit and Loss. The capital redemption reserve can be utilised for issue of bonus shares.

Securities Premium Account

Securities premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the Section 52 of the Act.

Note 17 (A) : Non Current borrowings

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans repayable on demand (at amortised cost)		
From banks- Secured (Refer Note 17 (C) and Note 17 (D))	**-**	736.80
From Related Parties- Unsecured (Refer Note 38)	**8972.99**	3004.59
From other parties - Secured (Refer Note 17 (C) and Note 17 (D))	**1166.67**	-
Total	**10139.66**	3741.39

Note 17 (B) : Current borrowings

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Term loans (at amortised cost)		
From banks- Secured (Refer Note 17 (C) and Note 17 (D))	**17938.61**	11529.87
From Related Parties- Unsecured	**8935.00**	14903.40
From other parties - Secured (Refer Note 17 (C) and Note 17 (D))	**2833.33**	-
Total	**29706.94**	26433.27

Notes:

(i) These are carried at amortised cost

(ii) The Company has used borrowings for its intended purpose. The Company has not defaulted on repayment of borrowings.

Note 17 (C) The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in lac)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Current assets			
Inventories	9	**22049.66**	44902.41
Trade receivables	12	**1005.93**	45.03
Subsidy receivables	7	**69942.42**	4330.99
Total Current assets pledged as security		**92998.01**	49278.43
Non-Current assets			
Freehold land	4	**914.63**	827.69
Buildings	4	**349.54**	360.87
Total Non-Current assets mortgaged as security		**1264.17**	1188.56
Total Assets pledged / mortgaged as security		**94262.18**	50466.99

Note 17 (D)

Details of borrowings and securities provided

(₹ in lac)

Bank	Purpose of Loan	Limit	Rate of Interest (%)	As at 31 March 2023	As at 31 March 2022	Tenor	Security provided
HDFC Bank Ltd	Working Capital	2000.00	10.00%	**2000.00**	666.67	1 Year	Paripasu charge on Stock, Debtors & Subsidy. Charge on Specific Fixed Assets.
HDFC Bank Ltd	Working Capital	5000.00	10.00%	**5000.00**	5000.00	1 Year	Exclusive charge on certain movable Fixed Assets. Paripasu charge on Stock, Debtors & Subsidy.
HDFC Bank Ltd	Working Capital	5000.00	10.00%	**5000.00**	-	1 Year	Paripasu charge on Stock, Debtors & Subsidy. Charge on Specific Fixed Assets.
HDFC Bank Ltd	Working Capital	2600.00	10.00%	**2600.00**	2600.00	180 Days	Cash Collateral provided by a Related Party (AM International Holdings Pvt. Ltd,Singapore)
HDFC Bank Ltd	Working Capital	2600.00	10.00%	**2600.00**	2600.00	180 Days	Exclusive charge on certain movable fixed assets Paripasu charge on Stock, Debtors & Subsidy.
Vivriti Capital Pvt Ltd.	Working Capital	2000.00	11.00%	**2000.00**	-	18 Months	Lien on Cash collateral of ₹ 3 Crs Pari passu charge on current assets. Charge on Specific Fixed Assets
Vivriti Capital Pvt Ltd.	Capex	2000.00	11.00%	**2000.00**	-	18 Months	Exclusive charge on certain Fixed Assets
AM International Holdings Pvt Ltd.	Capex	17907.99	9.10%	**17907.99**	17907.99	24 Months	Unsecured Loan
New India Co-op Bank Ltd.	Capex	1400.00	11.50%	**738.61**	1400.00	24 Months	Exclusive charge on certain Fixed Assets.
Total				**39846.60**	30174.66		

Note 17 (E) Net debt reconciliation

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening net debt	**29916.39**	2586.46
Proceeds from borrowings	**21200.00**	32007.99
Repayment of borrowings	**(11528.07)**	(12208.34)
Interest expenses (excluding interest on lease liability)	**3070.66**	1415.46
Interest paid	**(3044.67)**	(1103.40)
Interest Income	**(835.18)**	(304.40)
Interest Received	**829.90**	235.53
Increase in cash equivalents	**(1139.22)**	7287.09
Closing net debt (refer note below)	**38469.81**	29916.39

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Long term borrowings (Refer Note 17 (A)	**10139.66**	3741.39
Short term borrowings (Refer Note 17 (B)	**29706.94**	26433.27
Interest accrued but not due on borrowings & acceptance (Refer Note 18)	**340.27**	314.29
Interest receivable (Refer Note 7 (B))	**(74.61)**	(69.33)
Cash and cash equivalents (Refer Note 13 (A))	**(1642.45)**	(503.23)
Net debt	**38469.81**	29916.39

Note 18: Other Financial Liabilties

(₹ in lac)

	Particulars	As at 31 March 2023	As at 31 March 2022
A	**Other financial liabilities - non-current at amortised cost**		
	Trade / security deposits received	**3514.75**	3118.51
	Total	**3514.75**	3118.51
B	**Other financial liabilities - current at amortised cost**		
	Creditors for Property, Plant & Equipment	**325.62**	1813.47
	Interest accrued but not due on borrowings *	**340.27**	314.29
	Interest accrued and due on Supplier Payments	**1387.68**	1387.68
	Retention Money payable	**75.67**	76.36
	Equity dividend payable (Refer Note 13 (B))	**18.38**	-
Total		**2147.62**	3591.80

* Includes interest accrued but not due on borrowings taken from related party to the extent of ₹ 291.05 lacs (previous year ₹ 291.05 lacs) (Refer Note 38)

Note 19: Trade payables

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables:		
- Total outstanding dues to Micro Enterprises and Small Enterprises (Refer Note 19 (i) below)	**89.46**	157.26
- Total outstanding dues to other than Micro Enterprises and Small Enterprises *	**60065.59**	48655.67
Total	**60155.05**	48812.93

* Includes amount payable to related parties to the extent of ₹ 269.17 lacs (previous year ₹ 10693.83 lacs) (Refer Note 38)

Note

Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. Generally, the average credit period on purchases is 0 to 90 days. Trade payables are non-interest bearing.

Note 19 (i) : Dues to Micro enterprises and Small enterprises :

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(₹ in lac)

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Principal amount remaining unpaid (not due) to any supplier as at the end of the accounting year	**89.46**	157.26
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii)	The amount of interest paid along with the amount of the payments made to the supplier beyond the appointed day	**-**	-
(iv)	The amount of interest due and payable for the year	**-**	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	**-**	-

Trade Payables ageing schedule as on 31 March 2023 (₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Payables								
(i) MSME	**-**	**89.46**	**-**	**-**	**-**	**-**	**-**	**89.46**
(ii) Disputed dues – MSME	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iii) Others	**-**	**22305.30**	**31771.89**	**5932.91**	**47.13**	**3.58**	**4.78**	**60065.59**
(iv)Disputed dues - Others	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Trade Payables ageing schedule as on 31 March 2022 (₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Payables								
(i) MSME	-	157.26	-	-	-	-	-	157.26
(ii) Disputed dues – MSME	-	-	-	-	-	-	-	-
(iii) Others	-	13236.31	11250.69	15926.78	2809.50	1231.03	4201.36	48655.67
(iv)Disputed dues - Others	-	-	-	-	-	-	-	-

Note 20: Provisions (₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Provision for employee benefits:		
- Compensated absences (Refer Note 35)	**494.23**	510.27
Total	**494.23**	510.27

Note 21: Other current liabilities (₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Other payables		
- Statutory remittances	**232.97**	406.90
- Gratuity payable (Refer Note 35)	**621.42**	378.68
- National Pension Scheme Payable	**6.63**	8.47
- Superannuation fund payable	**959.60**	850.20
- Advances from customers and other parties *	**11281.27**	11513.20
-Other Deposits	**-**	60.00
Total	**13101.89**	13217.45

* includes amount received from Related Parties to the extent of ₹ 866.26 Lacs (Previous year ₹ 7100 lacs) (Refer Note 38)

Note 22: Income tax liabilities (Net) (₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
MAT Payable (Refer note 36)	**5626.24**	-
	5626.24	-
Income Tax Assets		
Advance Income tax (net of provision of Rs. 7481.09 lac (previous year Rs.Nil)	**3517.68**	-
Total	**2108.56**	-

Note 23 : Revenue from operations (₹ in lac)

Particulars	**Year ended 31 March 2023**	Year ended 31 March 2022
Sale of products	**56490.52**	40521.63
Less: Rebates and discounts	**(4224.90)**	(3647.00)
	52265.62	36874.63
Subsidy Income	**229660.91**	149601.33
Sales (Refer Note 23 (i) below)	**281926.53**	186475.96
Other operating revenues (Refer Note 23 (ii) below)	**955.33**	1015.83
Total	**282881.86**	187491.79

23 (i) Sales (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Urea	**38582.40**	31900.34
Fertiliser Subsidy (Urea) (Refer Note 32 (iii))	**217460.11**	141338.34
Transport Subsidy (Urea)	**12200.80**	8262.98
Others	**1067.93**	642.56
Traded goods		
Imported Ammonia	**7943.31**	3930.10
Sulphuric Acid	**2087.60**	-
Natural Gas	**1682.06**	401.64
Imported Rock Phospate	**902.32**	-
Total	**281926.53**	186475.96

23 (ii) Other Operating Revenues (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Facility Sharing Income	**702.34**	892.15
Sale of scrap	**176.93**	72.06
Others	**76.06**	51.62
Total	**955.33**	1015.83

Note 24: Other income (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income (Refer Note 24 (i) below)	**835.18**	304.40
Dividend income from long-term investments (Refer Note 38)	**459.52**	384.90
Liabilities / Provision no longer required written back	**158.76**	1420.01
Rental Income	**39.50**	36.17
Profit on Sale of Assets (Net)	**3.82**	-
Profit on Sale of Investment (Net)	**0.34**	-
Others	**565.75**	193.96
Total	**2062.87**	2339.44

24 (i) Interest income (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest from banks deposits	**770.78**	259.59
Other interest	**64.40**	44.81
Total	**835.18**	304.40

Note 25: Cost of materials consumed (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening stock	**29973.70**	27691.17
Add: Purchases	**170097.63**	123084.05
	200071.33	150775.22
Less: Closing stock	**11050.80**	29973.70
Total	**189020.53**	120801.52

* Includes ₹ 2125.88 lacs (previous Year ₹ 995.17 Lacs) of foreign exchange gain/loss.

Note 26: Purchase of Stock-in-Trade (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Imported Ammonia	**7923.50**	3633.18
Imported Sulphuric Acid	**2067.62**	-
Imported Furnace oil	**542.46**	-
Imported Rock Phospate	**890.32**	-
Total	**11423.90**	3633.18

Note 27: Changes in inventories of finished goods, stock in trade and work-in-process (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Inventories at the beginning of the year:		
Finished goods	**45.51**	490.93
Work-in-process	**8106.50**	1897.85
	8152.01	2388.78
Inventories at the end of the year:		
Finished goods	**358.30**	45.51
Work-in-process	**5066.85**	8106.50
	5425.15	8152.01
Net Decrease/(Increase)	**2726.86**	(5763.23)

Note 28: Employee benefit expenses (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	**5809.62**	5292.51
Contributions to provident fund and other funds	**556.12**	486.45
Contribution to gratuity fund (Refer Note 35)	**139.42**	122.66
Staff welfare expenses	**825.33**	799.63
Total	**7330.49**	6701.25

Note 29: Finance costs (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on:		
-Borrowings	**2196.93**	1037.25
-Deposits	**233.80**	217.20
-Interest on Lease Liability	**22.18**	28.05
-Other borrowing costs	**639.93**	134.59
-Others	**-**	2.06
Total	**3092.84**	1419.15

Note 30: Depreciation and amortisation expense (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A) Property, plant and equipment		
i) Buildings	**170.02**	165.71
ii) Plant and Equipment	**3708.61**	3768.22
iii) Furniture and Fixtures	**6.18**	5.58
iv)Vehicles	**22.60**	22.48
v) Office equipments	**285.22**	283.49
vi) Roads	**21.20**	13.99
vii) Railway Sidings	**14.16**	14.11
viii) Right to use assets	**128.20**	127.83
	4356.19	4401.41
B) Investment Property	**3.47**	3.47
C) Other Intangible assets	**12.86**	36.11
Total	**4372.52**	4440.99

Note 31: Other expenses (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spare parts	**1452.23**	1230.83
Packing, transportation and handling	**16541.23**	13525.97
Power and fuel*	**9439.01**	21183.46
Water	**2703.14**	2861.56
Rent	**255.50**	225.15
Repairs to		
- Buildings	**677.68**	321.58
- Machinery	**1158.79**	1210.03
- Others	**1064.57**	926.44
Insurance	**742.67**	590.94
Rates and taxes	**132.91**	140.45
Travelling and conveyance	**383.48**	237.63
Sales promotion expenses	**0.05**	17.41
Professional fees	**230.69**	414.98
Payment to auditors (Refer Note 31(i) below)	**40.11**	30.75
Disposal of fixed assets	**66.24**	55.37
Bad debts and advances written off	**23.70**	11.48
Provision for doubtful trade and other receivables, loans and advances (net)	**1.72**	29.31
Provision for Inventories	**38.91**	6.19
Director's sitting fees	**40.00**	42.00
Provision for supplier settlement	**-**	600.00
Miscellaneous expenses	**2008.60**	893.40
Total	**37001.23**	44554.93

* Includes Rs. 533.13 lacs (previous year Rs. 316.68 lac) of foreign exchange loss.

31 (i) Payment to Auditors (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Payments to the auditors comprises (net of GST input credit, where applicable):		
As auditor:		
For Statutory audit	**18.00**	15.00
In other capacity:		
For Limited Review	**6.00**	6.00
For Certification	**5.60**	1.75
For Other matters	**8.00**	8.00
Reimbursement of expenses	**2.51**	-
Total	**40.11**	30.75

Note 32 :Plant Operation

(i) During the year the Company achieved a production of 7.59 lac MT (previous year 6.20 lac MT).

(ii) The Company has become a gas-based Urea manufacturing unit since 13 March 2021 and is therefore eligible for higher fiscal incentives in the form of subsidy income due to higher energy norms from the above said date for the next five-year period. Since the Company is not connected to the National Gas Grid, it will be kept out of "Gas Pooling Mechanism" as per the Office Memorandum received from Ministry of Chemical & Fertilizers dated 13 August 2021.

(iii) Subsidy for the year 1 April 2022 to 31 March 2023 of ₹ 217460.11 lac has been accounted based on the provisional Retention Price (RP) computed in line with the Government's policy indicated in the notification dated 17 June 2015, as the final retention price has not been announced by the Department of Fertilizers. The necessary adjustments, if any, will be made when the final retention price is notified by the Department of Fertilizers.

Note 33: Commitments

Capital Commitments:

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1110.99 lac (Previous year ₹ 2379.48 lac).

Note 34 :Contingent Liabilities

(a) Claims not acknowledged as debts:

(i) The District Collector, Tuticorin vide his letter dated, 21 August 2009 had demanded ₹ 16873.97 lac (Previous year ₹ 16873.97 lac) towards lease rent for the utilization of 415.19 acres of sand quarry poramboke lands by the Company for its effluent treatment and storage of Gypsum for the period from 1975 to 2008. While raising this demand, the District Collector had ignored the proposal submitted by the Company during 1975 to the State Government seeking assignment of the said land which is still pending. The Company had filed a writ petition challenging the demand before the Hon'ble Madras High Court and the court granted interim stay vide its order dated 21 April 2010 on further proceedings. During November 2010 the District Collector, Tuticorin has filed a counter before Hon'ble Madras High Court praying for the vacation of interim stay and the case is still pending.

(ii) Tamilnadu Water Supply And Drainage Board (TWAD) has claimed payments for the period during which the Nitrogenous plants were not in operation, on the basis of 50% allotted quantity of water. The Company alongwith other beneficiaries has been enjoying this facility since inception of the 20 MGD Scheme for the last 47 years. Water charges were paid to TWAD on the basis of actual receipt by individual industries. The claims including interest made by TWAD for ₹ 4685.35 lac (Previous year ₹ 4345.19 lac) is not acknowledged as debt, as this differential value from April 2009 to March 2023 is not supported by any Government Order and also the other beneficiaries are objecting to such claims of TWAD.

(iii) The Company has received a demand from VOC Port Trust towards increase in rental charges from 1 July 2007 onwards. The amount payable as on 31.03.2023 is ₹ 1404.48 lac (from 01.07.2007 to 31.03.2023) (Previous year ₹ 1293.54 lac). The Company obtained an injunction from the Madurai Bench of the Hon'ble Madras High Court against the claim made by the VOCPT and the stay has been granted till 10 June 2015. On 23.07.2015, Madurai Bench of the Hon'ble Madras High Court extended the stay until further orders.

(iv) The Company has received a demand from Office of the Joint Commissioner of Central GST and Central Excise for recovery of excess refund of Input tax credit of ₹ 934.50 lacs, based on the amended definition of 'Net Input Tax Credit' for the purpose of GST refund on account of inverted duty structure with effect from July 1, 2017 to March 2018, to include input tax credit availed only on inputs which excludes input services vide GST Notification No. 26/2018 dated June 13, 2018. Management has filed writ petitions challenging the retrospective amendment of the definition of Input Tax Credit and is confident of obtaining a favorable order. Considering such credit is available for utilization also, the management is confident of utilization of aforesaid input tax credit.

(b) No provision has been considered necessary by the Management for the following disputed Excise duty, Service tax, Sales tax and Electricity tax demands which are under various stages of appeal proceedings. The Company has been advised that there are reasonable chances of successful outcome of the appeals and hence no provision is considered necessary for these demands.

(₹ in Lac)

Name of the Statute	**As at 31 March 2023**	As at 31 March 2022
The Central Excise Act, 1944	**97.55**	97.55
Central Goods and Service Tax Act 2017	**934.50**	934.50
The Finance Act, 1994 (Service Tax)	**235.64**	235.64
Sales Tax Act under various State enactments	**835.21**	835.21
The Tamilnadu Electricity (Taxation on Consumption) Act, 1962	**--**	1050.54
Total	**2102.90**	3153.44

Out of the above demand of ₹ 2102.90 lac (Previous year ₹ 3153.44 lac), an amount of ₹ 97.98 lac (Previous year ₹ 97.98 lac) has been deposited under protest/adjusted by relevant authorities.

Note 35. Employee benefits

A. Defined contribution plan

(₹ in Lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss- Employers' Contribution to Provident Fund, ESI, NPS and Superannuation.	**556.12**	465.17

B. Defined benefit plans

Gratuity:

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out on 31st March 2023 by the Actuary. The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit cost method. The following table sets forth the status of the gratuity plan of the company and the amount recognized in the balance sheet and statement of profit and loss. The company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

(₹ in Lac)

S.No	Particulars	31 March 2023	31 March 2022
	Defined benefit plans		
	a) Gratuity payable to employees	**621.42**	378.68
	b) Compensated absences for Employees	**494.23**	510.27
		Employees' gratuity fund	
i)	**Actuarial assumptions**	**31 March 2023**	31 March 2022
	Discount rate (per annum)	**7.15%**	7.14%
	Rate of increase in Salary	**7.65%**	8.06%
	Attrition rate	**13.51%**	6.43%
	Expected rate of return on Plan Assets	**7.15%**	7.14%
ii)	**Changes in the present value of defined benefit obligation Present value of obligation at the beginning of the year**	**1687.25**	1622.89
	Interest cost	**113.25**	104.36
	Current service cost	**112.56**	106.69
	Benefits paid and charges deducted	**(202.18)**	(238.32)
	Actuarial (gain)/ loss on obligations	**101.21**	91.64
	Present value of obligation at the end of the year	**1812.11**	1687.25
iii)	**Changes in fair value of plan assets**		
	Fair value of plan assets as at the beginning of the year	**1308.57**	1457.61
	Expected return on plan assets	**86.39**	93.06
	Contributions	**4.95**	4.94
	Benefits paid and Charges deducted	**(202.18)**	(238.32)
	Actuarial gain/(loss) on plan assets [balancing figure]	**(7.05)**	(8.72)
	Fair value of plan assets as at the end of the year	**1190.69**	1308.57
iv)	**Expense recognized in the Statement of Profit and Loss**		
	Current service cost	**112.56**	106.69
	Interest cost	**26.86**	11.30
	Total expenses recognized in the Statement of Profit and Loss*	**139.42**	117.98
*Included in Employee benefits expense (Refer Note 28). Actuarial (gain)/loss of ₹ 108.27 Lac (31 March 2022: ₹ 100.35 Lac) is included in other comprehensive income.			

(₹ in Lac)

S.No	Particulars	31 March 2023	31 March 2022
v)	**Assets and liabilities recognized in the Balance Sheet:**		
	Present value of funded obligation as at the end of the year	**1812.11**	1687.25
	Fair value of plan assets	**1190.69**	1308.57
	Funded net liability recognized in Balance Sheet*	**(621.42)**	(378.68)
	*Included in other current liabilities (Refer Note 21)		
vi)	**Amount recognized for the current year in the statement of other comprehensive income (OCI)**		
	Actuarial (gain)/loss on Plan Obligations	**101.22**	91.64
	Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	**7.05**	8.72
	(Gain)/ loss recognized in OCI for the current year	**108.27**	100.35
vii)	**A quantitative sensitivity analysis for significant assumption as at 31 March 2023 and 31 March 2022 are as shown below:**		
	Impact on defined benefit obligation		
	Discount rate		
	0.5% increase	**1773.41**	1632.73
	0.5% decrease	**1852.60**	1745.43
	Rate of increase in salary		
	0.5% increase	**1855.18**	1746.61
	0.5% decrease	**1770.56**	1631.08
viii)	**Expected Benefit Payments in following years**		
	Year 1	**302.35**	160.43
	Year 2	**404.72**	326.36
	Year 3	**286.55**	179.26
	Year 4	**212.94**	198.37
	Year 5	**202.23**	147.28
	Next 5 Years	**710.40**	752.82

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Employee who has completed five years of service is entitled to specific benefit depending on the employee's length of service and salary at retirement or relieving age.

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

C Long Term Compensated Absences – Unfunded

Leave Encashment (Unfunded) payable to eligible employees who have earned leaves, during the employment and/or on separation, as per the company's policy, is estimated as per actuarial valuation using projected unit credit method

Actuarial Assumptions:

Particulars	Year ended 31 March, 2023	Year ended 31 March, 2022
Discount rate as per para 83 of Ind AS 19	**7.15%**	7.14%
Expected rate of return on Plan Assets	**7.15%**	7.14%
Rate of increase in compensation levels	**7.65%**	8.06%
Attrition rate fixed by Enterprise	**13.51%**	6.43%

D Provision for employee benefits - Current and Non-current bifurcation

(₹ in Lac)

Particulars	As at 31 March 2023		
	Gratuity	Long term compensated absences	Total
Current portion	**621.42**	**494.23**	**1115.65**
Total	**621.42**	**494.23**	**1115.65**

Particulars	As at 31 March 2022		
	Gratuity	Long term compensated absences	Total
Current portion	378.68	510.27	888.95
Total	378.68	510.27	888.95

Note 36 Income Tax

(A) The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet: (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets	**9900.21**	10148.64
Deferred tax liabilities	**7904.63**	6638.67
	1995.58	3509.97

2022-23:- (₹ in lac)

Particulars	Opening Balance	Recognized in Profit & loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred Tax (Liabilities)/Asset in relation to				
Property plant and Equipment	**(6492.57)**	**(1283.60)**	**-**	**(7776.17)**
Provision for Doubtful Debts, Provision for Compensated absence and others	**804.26**	**740.58**	**-**	**1544.84**
Unabsorbed Depreciation	**4745.19**	**-**	**-**	**4745.19**
Unabsorbed Business Loss	**4599.19**	**(989.00)**	**-**	**3610.19**
Financial Assets at FVTOCI	**(146.10)**	**-**	**17.63**	**(128.47)**
	3509.97	**(1532.01)**	**17.63**	**1995.58**
Deferred Tax Asset (Net)	**3509.97**	**(1532.01)**	**17.63**	**1995.58**
MAT Credit Entitlement	**6701.69**	**7481.10**	**-**	**14182.79**
Net Deferred Tax Assets	**10211.66**	**5949.09**	**17.63**	**16178.37**

2021-22:- (₹ in lac)

Particulars	Opening Balance	Recognized in Profit & loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred Tax (Liabilities)/Asset in relation to Property plant and Equipment	(3888.24)	(2604.33)	-	(6492.57)
Provision for Doubtful Debts, Provision for Compensated absence and others	898.90	(94.64)	-	804.26
Unabsorbed Depreciation	5160.10	(414.91)	-	4745.19
Unabsorbed Business Loss	1485.31	3113.88	-	4599.19
Financial Assets at FVTOCI	21.26	-	(167.36)	(146.10)
	3677.33	-	(167.36)	3509.97
Deferred Tax Asset (Net)	3677.33	-	(167.36)	3509.97
MAT Credit Entitlement	6701.69	-	-	6701.69
Net Deferred Tax Assets	10379.02	-	(167.36)	10211.66

(B) Unrecognized deductible temporary differences, unused tax losses and unused tax credits

Deductible unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

(₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Business losses	-	23154.17
Capital losses	1856.73	1867.19
Total	1856.73	25021.36

There is no provision for tax under normal computation in view of the brought forward losses/unabsorbed depreciation relating to earlier years available for set off. Provision for Minimum Alternate Tax (MAT) under section 115-JB of the Income Tax Act, 1961 has been made for the year ended 31 March 2023 for an amount of Rs. 7481.09 lacs, (including Rs 2112.27 lacs relating to the previous year ended 31 March 2022). Deferred tax charge /(credit) is net of MAT credit entitlement asset of Rs. 7481.09 lacs for the year ended 31 March 2023 based on assessment (including application of sensitivity analysis on key inputs) of future profitability where it is reasonably certain that the same would be utilised within the time period in keeping with the provisions of Income tax Act.

(C) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022

(₹ in Lac)

Reconciliation of tax charge	**As at 31 March 2023**	As at 31 March 2022
Accounting Profit before income tax	**29976.36**	14043.44
Enacted tax rates in India	**34.94%**	34.94
Computed tax expense	**10474.94**	4907.34
Tax effects of:		
- Effects of expenses/income that are not deductible/considered in determining the taxable profits	**388.52**	289.12
- Deductible expenses for tax purpose	**(106.37)**	(51.09)
- Adjustment in respect of Previous Years	**0.09**	-
-Deferred tax recognised on losses and deductible temporary differences pertaining to Prior Years	**(532.67)**	(2905.48)
-Effect of unused tax losses and tax offsets not recognised as deferred tax assets	**(8760.35)**	(2389.94)
- Effect of Revalued assets not recoginsed as deffered tax liabilities	**67.94**	150.05
Income tax expenses	**1532.10**	-

Note 37: Segment Reporting

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. Accordingly, the Company's reportable segments under Ind AS 108 are as follows:

(i) Agro inputs - Urea Operations

(ii) Others - Agri Business

The following is an analysis of the Company's revenue and results from operations by reportable segments:

(₹ in lac)

Particulars	Segment Revenue		Segment Profit	
	Year ended 31 March 2023	Year ended 31 March 2022	**Year ended 31 March 2023**	Year ended 31 March 2022
Agro Inputs (Urea Operations)	**272082.87**	185018.63	**34309.82**	16807.62
Others (Agri business)	**246.90**	557.05	**(270.33)**	(230.32)
Unallocated income	**12614.95**	4255.55		
Total	**284944.73**	189831.23	**34039.49**	16577.30
Finance Cost			**(3092.84)**	(1419.15)
Other Net Unallocable (Expenses)			**(970.29)**	(1114.71)
Exceptional Income			**-**	-
Income Tax Expense/ (Benefit)			**(1532.10)**	-
Profit for the year			**28444.26**	14043.44

There is no single external customer with transactions which are more than 10% of the reported revenue from operations.

Segment Assets and Liabilities: (₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Segment Assets		
Agro inputs (Urea Operations)	**162991.69**	123767.13
Others (Agri business)	**1488.41**	1593.45
Unallocable Assets	**45699.53**	35840.73
Total Assets	**210179.63**	161201.31
Segment Liabilities		
Agro inputs (Urea Operations)	**114011.55**	59102.41
Others (Agri business)	**2804.00**	70.11
Unallocable Liabilities	**4762.32**	40586.14
Total Liabilities	**121577.88**	99758.66

Other Segment Information: (₹ in lac)

Particulars	Depreciation and Amortisation		Capital Expenditure	
	Year ended 31 March 2023	Year ended 31 March 2022	**Year ended 31 March 2023**	Year ended 31 March 2022
Agro Inputs (Urea Operations)	**4196.13**	4267.70	**2311.76**	18137.28
Others (Agri business)	**47.22**	47.07	**2.49**	6.59
Unallocable	**129.17**	126.22	**44.85**	2.64
Total	**4372.52**	4440.99	**2359.09**	18146.51

For the purpose of monitoring segment performance and allocating resources between segments:

1. All Assets are allocated to reportable segments other than Investments, cash and cash equivalents and derivative contracts.

2. All liabilities are allocated to reportable segments other than borrowings, current and deferred tax liabilities.

38 (i) Related party disclosures for the year ended 31 March 2023

In accordance with the requirements of Ind AS-24 ' Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

Nature	Parties	
Associates	1	Tuticorin Alkali Chemicals and Fertilizers Limited
	2	Gold Nest Trading Company Limited (till 19.09.2022)
	3	Greenam Energy Private Limited
Jointly Controlled entities	1	Tamilnadu Petroproducts Limited
	2	National Aromatics and Petrochemicals Corporation Limited
Key Management Personnel of the Company	1	Thiru. Ashwin C Muthiah
	2	Thiru. S.R. Ramakrishnan
Enterprises owned by / over which Key Management Personnel is able to exercise significant influence	1	Wilson International Trading Pte Ltd, Singapore
	2	Wilson International Trading India Private Limited
	3	Manali Petrochemicals Limited
	4	Greenstar Fertilizers Limited
	5	AM International Holdings Pvt Ltd, Singapore
	6	AMI Holdings Private Limted
	7	Sicagen India Limited
	8	SPIC Officers And Staff Welfare Foundation
	9	South India Travels Private Limited
	10	Lotus Fertilizers Private Limited
	11	EDAC Engineering Limited
	12	AM Foundation
	13	Firstgen Distribution Private Company
	14	Spic Group Companies Employees Welfare Foundation
	15	Wilson Cables Pte Ltd, Singapore
	16	Navia Markets Limited
	17	South India House Estates And Properties Ltd

Note 38 (ii) (A) Balance Outstanding (₹in lac)

S.NO	Particulars	As at 31 March 2023	As at 31 March 2022
A	**Balance Outstanding**		
(a)	**Receivables including Advances**		
	Tamilnadu Petroproducts Limited	**3.36**	3.11
	Tuticorin Alkali Chemicals and Fertilizers Limited	**353.47**	171.62
	Greenstar Fertilizers Limited	**-**	11.21
	National Aromatics and Petrochemicals Corporation Limited *	**1494.89**	1493.17
	Manali Petrochemicals Limited	**0.35**	0.78
	EDAC Engineering Limited	**-**	23.63
	Sicagen India Limited	**-**	3.93
	AM Foundation	**0.28**	-
	Greenam Energy Private Limited	**203.39**	217.03
	South India Travels Pvt Ltd	**-**	0.01
	Wilson International Trading(India) Pvt Ltd	**-**	0.01
	Navia Markets Limited	**0.02**	-
(b)	**Payables**		
	Greenstar Fertilizers Limited	**927.04**	13,304.95
	Sicagen India Limited	**114.40**	262.02
	EDAC Engineering Limited	**2.71**	17.28
	Tuticorin Alkali Chemicals and Fertilizers Limited	**23.39**	59.26
	Lotus Fertilizers Private Limited	**36.56**	1,827.52
	South India Travels Pvt Ltd	**3.48**	4.86
	AMI Holdings Pvt. Ltd.India	**-**	4.41
	Wilson International Trading Pte. Ltd, Singapore	**-**	3,105.33
	South India House Estates	**8.03**	-
(C)	**Cash collateral provided against bank borrowings**		
	AM International Holdings Pvt Ltd, Singapore (in USD)	**37.50**	37.50
(d)	**Borrowings including interest payable**		
	AM International Holdings Ptvt Ltd, Singapore	**18199.05**	18,199.04

*Dues have been fully provided

Note 38 (ii) B The following transactions were carried out with the related parties (₹in lac)

S.NO	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
B	**Transactions during the year**		
1	**Sale of goods/Spares**		
	Tuticorin Alkali Chemicals and Fertilizers Limited	**1.32**	-
	Greenstar Fertilizers Limited	**11901.77**	4254.99
	Lotus Fertilizers Private Limited	**208.98**	126.39
	Sicagen India Limited	**0.13**	0.86
2	**Purchase of materials**		
	Tuticorin Alkali Chemicals and Fertilizers Limited	**45.79**	13.05
	Tamilnadu Petroproducts Limited	**2.75**	61.89
	Wilson International Trading Pte Ltd, Singapore	**-**	3,864.77
	Sicagen India Limited	**673.40**	543.31
3	**Reimbursement of Expenses (Receipts)**		
	Greenstar Fertilizers Limited	**1111.93**	712.45
	National Aromatics and Petrochemicals Corporation Limited	**1.72**	1.65
	EDAC Engineering Limited	**0.01**	-
	AM Foundation	**0.00**	0.11
	Greenam Energy Private Limited	**3.90**	1.69
	SPIC Group Companies Employees Welfare Foundation	**4.21**	1.50
	SPIC Officers & Staff Welfare Foundation	**2.35**	0.45
4	**Reimbursement of Expenses (Payments)**		
	Greenstar Fertilizers Limited	**0.63**	-
5	**Income from services rendered**		
	AM Foundation	**0.53**	-
	Manali Petrochemicals Limited	**4.61**	2.93
	Tamilnadu Petroproducts Limited	**3.68**	0.01
	Tuticorin Alkali Chemicals and Fertilizers Limited	**261.41**	153.04
	Greenstar Fertilizers Limited	**811.27**	897.13
	Wilson International Trading (India) Private Limited	**0.08**	0.05
	Sicagen India Limited	**5.61**	5.16
	EDAC Engineering Limited	**0.02**	3.52
	Greenam Energy Private Limited	**0.30**	0.20
6	**Services / Consultancy Charges/Manpower Charges**		
	Greenstar Fertilizers Limited	**410.77**	494.90
	Sicagen India Limited	**39.23**	14.84
	EDAC Engineering Limited	**31.56**	71.46
7	**Exchange Fluctuation**		
	Greenstar Fertilizers Limited	**-**	20.47

Note 38 (ii) B The following transactions were carried out with the related parties (₹in lac)

S.NO	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
8	**Dividend Income**		
	Manali Petrochemicals Limited	**0.25**	0.15
	Tamilnadu Petroproducts Limited	**457.03**	380.86
	Sicagen India Limited	**1.44**	3.47
9	**Managerial Remuneration**		
	Thiru. S R Ramakrishnan	**75.02**	75.03
10	**Handling Charges**		
	Greenstar Fertilizers Limited	**156.22**	52.92
11	**Storage Charges**		
	Greenstar Fertilizers Limited	**355.27**	324.06
12	**Rent Paid for Building**		
	Greenstar Fertilizers Limited	**83.61**	-
13	**Director Sitting Fees**		
	Thiru. Ashwin C Muthiah	**5.00**	5.00
	Tamilnadu Industrial Development Corporation Limited	**5.00**	-
14	**Director Remuneration**		
	Thiru. Ashwin C Muthiah	**5.00**	-
	Tamilnadu Industrial Development Corporation Limited	**7.00**	-
15	**Income from Rentals**		
	Greenstar Fertilizers Limited	**29.45**	28.18
	AM Foundation	**0.14**	0.14
	Greenam Energy Private Limited	**14.16**	14.16
16	**Advance for FSA /Ammonia**		
	Greenstar Fertilizers Limited	**829.70**	7100.00
17	**Interest on Borrowings(Payable)**		
	AM International Holdings Pvt Ltd, Singapore	**1629.63**	342.42
18	**Borrowings**		
	AM International Holdings Pvt Ltd, Singapore	**-**	17907.99
19	**Redemption of Preference Shares**		
	AMI Holdings Pvt Ltd, India	**-**	950.00
20	**Payment of Dividend**		
	AMI Holdings Pvt Ltd, India	**-**	2250.65
21	**Demurrage Charges / (Credit)**		
	Wilson International Trading Pte. Ltd, Singapore	**-**	(18.22)
22	**Car Rental Charges**		
	South India Travels Private Limited	**18.55**	20.88
23	**Investments Written off**		
	Gold Nest Trading Company Ltd	**250.25**	-

Note 38 (ii) B The following transactions were carried out with the related parties (₹in lac)

S.NO	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
24	**Investment in Equity**		
	Greenam Energy Private Limited	**-**	150.00
25	**Rebates and Discounts**		
	Lotus Fertilizers Private Limited	**6.68**	4.66
26	**Work Order**		
	Sicagen India Limited	**19.30**	6.72
27	**Guest House Expenses**		
	South India House Estates & Properties	**16.86**	-
28	**Purchase of Power**		
	Greenam Energy Private Limited	**667.09**	44.51
29	**Power purchase deposit**		
	Greenam Energy Private Limited	**-**	161.32
30	**Guarantee Commission**		
	Greenstar Fertilizers Limited	**7.91**	-
31	**Payment towards CSR**		
	AM Foundation	**5.88**	-
32	**AMC Charges**		
	Navia Markets Limited	**0.04**	-
33	**Storage Charges Received**		
	Tuticorin Alkali Chemicals and Fertilizers Limited	**3.16**	1.09

Note 39 Financial Instruments

39.1 Capital Management

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

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

The following table summarises the capital of the Company: (₹ in lac)

Particulars	31 March 2023	31 March 2022
a) Equity	**88601.78**	61442.65
b) Borrowings	**39846.60**	30174.66
c) Less: Cash and Cash equivalants	**(1642.45)**	(503.23)
d) Total debt(b+c)	**38204.15**	29671.43
e) Overall financing(a+d)	**126805.93**	91114.08
f) Net debt to capital ratio (d/e)	**0.30**	0.33
g) Interest coverage ratio	**10.69**	10.90

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

39.2 Categories of Financial instruments (₹ in lac)

Particulars		31 March 2023	31 March 2022
Financial Assets			
Measured at FVTOCI			
a)	Investments	**2790.66**	2986.78
Measured at FVTPL			
(b)	Investments	**1.00**	1.00
Measured at amortised cost			
(c)	Trade receivables	**1005.93**	45.03
(d)	Cash and cash equivalents	**1642.45**	503.23
(e)	Bank balances other than (c) above	**99.95**	106.93
(f)	Other financial assets - Current Asset	**70095.91**	4406.65
(g)	Other Financial Assets - Non Current Asset	**8783.86**	6595.50
Financial Liabilities			
Measured at amortised cost			
a)	Borrowings - Current Liabilities	**29706.94**	26433.27
b)	Borrowings - Non Current Liabilities	**10139.66**	3741.39
c)	Current Lease Liability	**98.24**	123.87
d)	Non Current Lease Liability	**110.93**	209.17
e)	Trade payables	**60155.05**	48812.93
f)	Other financial liabilities - Current Liabilites	**2147.62**	3591.80
g)	Other Financial Liabilties - Non Current Liabilities	**3514.75**	3118.51

39.3 Financial Risk and Management Objectives

The Company's activities expose it to a variety of financial risks, credit risks, liquidity risks and market risks.

The Company’s Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

The risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control enviornment in which all employees understand their roles and obligations.

1. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and subsidy receivable

The Company receivables can be classified into two categories, one is from the customers into the market and second one is from the Government in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is nil. For market receivables from the customers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigate the credit risk to some extent.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

2. Liquidity Risks

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, 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 risking damage to the company's reputation.

The table below provides the details regarding the contractual maturities of significant financial liabilities as follows;

(₹ in lac)

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31 March 2023					
Short term borrowings (Current)	**17396.54**	**12310.40**	**-**	**-**	**29706.94**
Long-term borrowings (Non Current)	**-**	**-**	**10139.66**	**-**	**10139.66**
Trade payables	**37760.29**	**22,394.76**	**-**	**-**	**60155.05**
Other financial liability	**2147.62**	**-**	**-**	**3514.75**	**5662.37**
Lease liability	**32.68**	**65.56**	**110.93**	**-**	**209.17**
Total	**57337.14**	**34770.72**	**10250.59**	**3514.75**	**105873.20**
31 March 2022					
Short term borrowings	-	26433.27	-	-	26433.27
Long-term borrowings	-	-	3741.39	-	3741.39
Trade payables	35419.37	13393.57	-	-	48812.94
Other financial liability	3591.80	-	-	3118.51	6710.30
Lease liability	29.69	94.18	209.17	-	333.04
Total	39040.86	39921.02	3950.56	3118.51	86030.95

3. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and Interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the returns.

4. Foreign Currency Risks

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the company. The functional currency of the company is Indian Rupees (INR). The currency in which these transactions are primarily denominated is US Dollars (USD).

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

(In Million USD)

Particulars of Liabilities	As at 31 March 2023	As at 31 March 2022
Trade Payables		
Amount due on account of goods supplied	**0.07**	5.25

b. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a Rs. 2 increase and decrease against the US Dollar. Rs.2 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a Rs. 2 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by Rs. 2 against the US Dollar. For a Rs. 2 weakening against the US Dollar, there would be a comparable impact on the profit or equity.

(₹ in Lac)

Currency impact relating to the foreign currencies of	**As at 31 March 2023**		As at 31 March 2022	
	Proift or loss	**Equity**	Proift or loss	Equity
Rs./ USD - increase by INR 2	**1.45**	**1.45**	104.94	104.94
Rs./USD - decrease by INR 2	**(1.45)**	**(1.45)**	(104.94)	(104.94)

5. Interest Rate Risks

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 outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

6. Commodity Price Risk

The company’s operating activities require the ongoing purchase of imported raw materials and also domestic natural gas purchase. Naphtha and fuel oil being an international commodity is subject to price fluctuation on account of the change in the crude oil prices, demand supply pattern of naphtha and exchange rate fluctuations. Further the natural gas price is also linked to the oil prices.

Fair Value Measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in fair value hierarchy

(₹ in lac)

As at 31 March, 2023		Carrying Amount					Fair Value			
Particulars	Note	Financial Assets at amortised cost	Financial Assets at FVTPL	Financial Assets at FVTOCI	Other Financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets **Financial Assets measured at fair value**										
Investments in quoted equity instruments at FVTOCI	**6(B)(A)(1) & 6 (C)**			**2714.71**		**2714.71**	**2714.71**			**2714.71**
Investments in unquoted equity instruments at amortised cost	**6 (B)**	**75.96**				**75.96**		**75.96**		**75.96**
Investment in mutual fund	**6 (B)**		**1.00**			**1.00**		**1.00**		**1.00**
Financial Assets not measured at fair value										
Trade Receivables	**12**	**1005.93**				**1005.93**		**1005.93**		**1005.93**
Cash and Cash Equivalents	**13 (A)**	**1642.45**				**1642.45**		**1642.45**		**1642.45**
Other Bank balances	**13 (B)**	**99.95**				**99.95**		**99.95**		**99.95**
Other financial assets	**7 (A) & (B)**	**78879.77**				**78879.77**		**78879.77**		**78879.77**
Total		**81704.06**	**1.00**	**2714.71**		**84419.77**	**2714.71**	**81705.06**		**84419.77**
Liabilities **Financial Liabilities not measured at fair value**										
Non Current Borrowings	**18 (A)**				**10139.66**	**10139.66**		**10139.66**		**10139.66**
Current Borrowings	**18 (B)**				**29706.94**	**29706.94**		**29706.94**		**29706.94**
Current Lease Liability					**98.24**	**98.24**		**98.24**		**98.24**
Non Current Lease Liability					**110.93**	**110.93**		**110.93**		**110.93**
Trade payables	**19 & 19 (i)**				**60155.05**	**60155.05**		**60155.05**		**60155.05**
Other Current financial liabilities	**18 (B)**				**2147.62**	**2147.62**		**2147.62**		**2147.62**
Other Non Current financial liabilities	**18 (A)**				**3514.75**	**3514.75**		**3514.75**		**3514.75**
Total					**105873.20**	**105873.20**	**-**	**105873.20**	**-**	**105873.20**

(₹ in lac)

As at 31 March, 2022		Carrying Amount					Fair Value			
Particulars	Note	Financial Assets at amortised cost	Financial Assets at FVTPL	Financial Assets at FVTOCI	Other Financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets Financial Assets measured at fair value										
Investments in quoted equity instruments at FVTOCI	6(B)(A) (1) & 6 (C)			2891.00		2891.00	2891.00			2891.00
Investments in unquoted equity instruments at FVTOCI	6 (B)	95.78				95.78		95.78		95.78
Investment in mutual fund	6 (B)		1.00			1.00		1.00		1.00
Financial Assets not measured at fair value										
Trade Receivables	12	45.03				45.03		45.03		45.03
Cash and Cash Equivalents	13 (A)	503.23				503.23		503.23		503.23
Other Bank balances	13 (B)	106.93				106.93		106.93		106.93
Other financial assets	7 (A) & (B)	11002.15				11002.15		11002.15		11002.15
Total		11753.12	1.00	2891.00		14645.12	2891.00	11754.12		14645.12
Liabilities Financial Liabilities not measured at fair value										
Non Current Borrowings	18 (A)				3741.39	3741.39		3741.39		3741.39
Current Borrowings	18 (B)				26433.27	26433.27		26433.27		26433.27
Current Lease Liability					123.87	123.87		123.87		123.87
Non Current Lease Liability					209.17	209.17		209.17		209.17
Trade payables	20 & 20 (i)				48812.93	48812.93		48812.93		48812.93
Other Current financial liabilities	19 (B)				3591.80	3591.80		3591.80		3591.80
Other Non Current financial liabilities	19 (A)				3118.51	3118.51		3118.51		3118.51
Total					86030.94	86030.94	-	86030.94	-	86030.94

Note 40: Earnings Per Share

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Face Value per share (In ₹)	**10.00**	10.00
Profit for the year (₹ in lac)	**28177.33**	15449.36
Basic		
Weighted Average Number of shares outstanding	**203640336**	203640336
Earnings per share (In ₹)	**13.84**	7.59
Diluted		
Weighted Average Number of shares outstanding	**203640336**	203640336
Earnings per share (In ₹)	**13.84**	7.59

Note 41 :Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(₹ in lac)

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company, if any	Balance outstanding as at current Year	Balance outstanding as at previous Year
Sun Chemicals	Payables	NA	-	7.21
Net Air Express Pvt Ltd	Payables	NA	-	-
Veda Networks	Payables	NA	-	-
Quality Products	Payables	NA	-	-

Note 42 Registration of charges or satisfaction with Registrar of Companies

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

Note 43 Wilful Defaulter

The company has not been declared as a wilful defaulter by Reserve Bank of India, Banks, Financial Institutions or any other Lender.

Note 44 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 45 Utilisation of Borrowed funds and Securities Premium

a) The Company has not advanced or loaned or invested funds during the reporting periods 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 during the reporting periods 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.

Note 46 Undisclosed income:

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year / previous 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).

Note 47:
Details of Crypto Currency or Virtual Currency

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

Note 48:
Corporate Social Responsibility

In view of absence of Profit as per the computation of Section 198 of the Companies Act 2013, Company is not required to spend towards CSR Activity as per Section 135 of Companies Act, 2013

Note 49:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective

Note 50:

The Board of Directors has recommended a dividend of Re.1.50 per share on 20,36,40,336 equity shares of ₹10/- each for the financial year 2022-23, subject to approval of Members at the Annual General Meeting.

Note 51 Ratios

S No.	Ratio	Formula	Particulars		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	31-Mar-23	31-Mar-22		
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	1.04	0.77	35%	Due to increase in Current assets
(b)	Debt-Equity Ratio	"Debt / Equity "	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	0.45	0.49	-8%	Increase is due to ECB loan borrowed for capex purpose.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	2.46	2.13	15%	Increased operating profit due to gas conversion of plant and repayment of borrowings had improved debt coverage ratio in current year.
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	0.32	0.68	-53%	Due to higher profits in current year, ROE has improved.
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	5.73	2.88	99%	Due to increase in Production
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	99.46	96.58	3%	Due to High Demand for Urea, Customer has settled their dues in shoter period, which has let to reduction in debtors and overall improvement in Debtors Turnover Ratio
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	3.12	1.71	82%	As the Company has moved from Naptha and Fuel Oil to Natural Gas, the creditors of Naptha and Fuel Oil has come down, as the Company settled the due out of Subsidy.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets – Current liabilities	-25.50	-7.65	234%	Due to increase in Revenue and working capital

S No.	Ratio	Formula	Particulars		Ratio as on		Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	31-Mar-23	31-Mar-22		
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	10.09%	7.53%	34%	Increased Net profit due to gas conversion of plant had resulted in higher Net Profit ratio in current year.
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	0.32	0.23	43%	Improved Net profits and repayment of trade payables had resulted in Improvement in ROCE.
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	0.32	0.23	40%	Due to appreciation of investments in current year the Return on Investment is increased.

Note 52:
Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property."

Note 53

(a) Previous year's figures have been regrouped / reclassified wherever necessary to conform presentation as required by Schedule III of the Act .

(b) Previous year figures are given in brackets.

(c) The Board of Directors has reviewed the realizable value of all current assets of the Company and has confirmed that all the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. Further, the Board, duly taking into account all relevant disclosures made, has approved these financial statement for the year ended 31 March 2023 in its meeting held on 24 May 2023.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

CONSOLIDATED
FINANCIAL STATEMENTS
2022-23

INDEPENDENT AUDITOR'S REPORT

To the Members of Southern Petrochemical Industries Corporation Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Southern Petrochemical Industries Corporation Limited (hereinafter referred to as the "Company"), its associates and jointly controlled entities, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of associates and jointly controlled entities ,the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company its associates and jointly controlled entities as at March 31, 2023, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Sas are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company, its associates and jointly controlled entities in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 32(iii) of the consolidated financial statements regarding computation of subsidy income based on the provisional Retention price (RP) in line with the government's New Urea policy dated 17 June 2015 as the final RP has not been announced by the Department of Fertilizers, Government of India. The necessary adjustments, if any, and its consequential impact is currently unascertainable.

Our opinion is not modified in respect of this matter.

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 for the year ended March 31, 2023. 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.

Recoverability of Deferred Tax Assets (MAT credit entitlement)

Refer to note 2 (viii) 'Taxes' and note 8 'Deferred tax assets' to the Consolidated financial statements.

During the current year, the Company has recognised Minimum Alternate Tax (MAT) credit entitlement as deferred tax assets amounting to INR 7481.09 lakhs. Deferred Tax Assets amount to Rs.14,182.79 Lakhs as at March 31, 2023 (Previous year Rs.6,701.70 Lakhs)

The utilisation of this asset will be through offsetting it when the Company pays taxes under the normal provision of Income tax Act, 1961. Therefore, the recoverability of MAT credit entitlement is dependent upon generation of sufficient future taxable profits within the stipulated period prescribed under the Income-tax Act, 1961.

The Company recognises MAT credit only when and to the extent there is sufficient evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. This is based on profit earned during the current year and future profitability projections based on approved business plans.

Significant judgements & estimation uncertainty is involved in projecting future taxable profits and other assumptions affected by expected future market or economic conditions.

Due to the above reasons, we have identified recoverability of Deferred Tax Assets (MAT credit entitlement) as a key audit matter.

Our audit procedures included, but were not limited to the following:

- Read Company's accounting policies with respect to recognition and measurement of tax balances in accordance with Ind AS 12 “Income Taxes”
- Tested the design, implementation and operating effectiveness of key controls on recoverability of MAT credit entitlements and budgeting procedures upon which the approved business plans are based.
- Reconciled the business results projections to the future business plans approved by the Company’s board of directors
- Assessed management’s key assumptions relating to estimation of future taxable profits available for utilization of Deferred Tax Assets (MAT Credit Entitlement). We have also considered the sensitivity to reasonable possibility of changes in key assumptions to ascertain whether these possible changes have a material effect on the availability of future taxable profits within the period available for utilization of Deferred Tax Assets (MAT Credit Entitlement)
- Tested the growth rates used in the forecast by comparing them with the past trends and economic and industry factors.
- Tested the mathematical accuracy of management’s projections and tax computations;
- Engaged the internal tax experts to assess the accuracy of MAT credit recognized in the financial statements and its planned utilization;
- Evaluated the appropriateness and adequacy of the disclosures related to Deferred Tax Assets (MAT Credit Entitlement) in the standalone financial statements in accordance with the applicable accounting standards.

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman’s statement, Director’s report etc. but does not include the consolidated financial statements and our auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company’s Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Company and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the 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 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 Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company and of its associates and jointly controlled entities are responsible for assessing the ability of the Company and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Company and of its associates and jointly controlled entities.

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 Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

The Consolidated financial statements include the Company's share of net profit after taxes of Rs.1,627.24 Lakhs and total other comprehensive income of Rs.170.49 Lakhs for the year ended March 31, 2023, in respect 1 associate company, 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relate to the amounts and disclosures included in respect of these joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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 it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate companies and jointly controlled entities incorporated in India, none of the directors of the Company, its associate companies and jointly controlled entities incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Company, its associate companies and jointly controlled entities incorporated in India 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company, its associates and jointly controlled entities– Refer Note 34 to the consolidated financial statements.

   ii. The Company, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies and jointly controlled entities incorporated in India.

   iv. 1. The respective Managements of the Company and its associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates and joint ventures respectively that, to the best of their knowledge and belief, as stated in Note no. 45(a) to the consolidated financial statements, 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 or any of such associates and joint ventures to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   2. The respective Managements of the Company and its associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associates and joint ventures respectively that, to the best of their knowledge and belief, as stated in Note no. 45(b) to the consolidated financial statements, no funds have been received by the Company or any of such associates and joint ventures from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company or any of such associates and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   3. Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (1) and (2) contain any material misstatement.

   v. On the basis of our verification and on consideration of the reports of the statutory auditors of associates and joint ventures that are Indian companies under the Act, we report that:

   (i) the final dividend paid by the Company and its joint venture during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

(ii) The Board of Directors of the Company and its joint venture have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 50 to the consolidated financial statements)

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company, and its associate companies and joint venture incorporated in India only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Company, its associates and jointly controlled entities to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Company and on consideration of CARO reports issued by the statutory auditors of associates and Joint Venture included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVG9191
Place: Chennai
Date: May 24, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SOUTHERN PETROCHEMICALS INDUSTRIES CORPORATION LIMITED

Auditor's Responsibilities for the Audit of the 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associates and jointly controlled entities 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 Company and its associates and jointly controlled entities 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 Company and its associates and jointly controlled entities 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 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 for the year ended March 31, 2023 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.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

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Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVG9191
Place: Chennai
Date: May 24, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

[Referred to in paragraph 1f under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of southern Petrochemicals Industries Corporation Limited on the consolidated Financial Statements for the year ended March 31, 2023]

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of Southern Petrochemical Industries Corporation Limited (hereinafter referred to as "the Company") ,its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company, its associate companies and jointly controlled companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Company, its associate companies and jointly controlled companies, which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 2 associate companies and 1 jointly controlled company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Geetha Jeyakumar
Partner
Membership No. 029409
UDIN: 23029409BGTMVG9191
Place: Chennai
Date: May 24, 2023

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Consolidated Balance Sheet as at 31 March 2023

(₹in lac)

Sl No	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
A	**ASSETS**			
1	**Non-Current Assets**			
	(a) Property, Plant & Equipment	4(i)	**65392.16**	67726.87
	(b) Capital work-in-progress	4 (ii)	**87.36**	185.69
	(c) Investment Property	5	**115.30**	118.77
	(d) Right of Use-Assets	4(iii)	**191.43**	319.63
	(e) Other Intangible assets	4(i)	**17.15**	30.01
	(f) Financial assets			
	i) Investments- Accounted for using equity method	6 (A)	**16399.11**	14374.51
	ii) Non Current Investments	6 (B)	**326.07**	296.77
	iii) Other financial assets	7 (A)	**8783.86**	6595.50
	(g) Deferred tax asset (Net)	8	**16178.37**	10211.66
	(h) Income tax assets (Net)	9	**-**	963.80
	(i) Other non-current assets	10	**966.37**	1868.52
	Total Non- Current Assets		**108457.18**	102691.73
	Current assets			
	(a) Inventories	11	**22049.66**	44902.41
	(b) Financial assets			
	i) Investments	6 (C)	**2465.59**	2691.01
	ii) Trade receivables	12	**1005.93**	45.03
	iii) Cash and cash equivalents	13 (A)	**1642.45**	503.23
	iv) Bank balances other than ii) above	13 (B)	**99.95**	106.93
	v) Other financial assets	7 (B)	**70095.91**	4406.65
	(c) Other current assets	14	**14337.31**	13804.05
	Total Current Assets		**111696.80**	66459.31
	TOTAL ASSETS		**220153.98**	169151.04
B	**EQUITY AND LIABILITIES**			
1	**Equity**			
	(a) Equity Share Capital	15	**20364.03**	20364.03
	(b) Other Equity	16	**78212.08**	49028.35
	Total Equity		**98576.11**	69392.38
2	**Liabilities**			
	Non-current liabilities			
	(a) Financial Liabilities			
	i) Borrowings	17 (A)	**10139.66**	3741.39
	ii) Other financial Liabilities	18 (A)	**3514.75**	3118.51
	iii) Lease Liabilities	4(iii)	**110.93**	209.17
	Total Non-Current Liabilities		**13765.34**	7069.07
	Current liabilities			
	(a) Financial Liabilities			
	i) Borrowings	17 (B)	**29706.94**	26433.27
	ii) Lease Liabilities	4(iii)	**98.24**	123.87
	iii) Trade payables			
	- Total outstanding dues to Micro and Small Enterprises	19	**89.46**	157.26
	- Total outstanding dues to other than Micro and Small Enterprises	19	**60065.59**	48655.67
	iv) Other financial liabilities	18 (B)	**2147.62**	3591.80
	(b) Provisions	20	**494.23**	510.27
	(c) Other current liabilities	21	**13101.89**	13217.45
	(d) Income tax liabilities (Net)	22	**2108.56**	-
	Total Current Liabilities		**107812.53**	92689.59
	Total Liabilities		**121577.87**	99758.66
	TOTAL EQUITY AND LIABILITIES		**220153.98**	169151.04

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(₹ in lac)

Sl No	Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
1	Revenue from Operations	23	**282881.86**	187491.79
2	Other Income	24	**2062.87**	1662.47
3	**Total Income (1+2)**		**284944.73**	189154.26
4	**Expenses**			
	(a) Cost of materials consumed	25	**189020.53**	120801.52
	(b) Purchases of Material	26	**11423.90**	3633.18
	(c) Changes in inventories of finished goods, stock in trade and work-in-process	27	**2726.86**	(5763.23)
	(d) Employee benefits expense	28	**7330.49**	6701.25
	(e) Finance costs	29	**3092.84**	1419.15
	(f) Depreciation and amortisation expense	30	**4372.52**	4440.99
	(g) Other expenses	31	**37001.23**	44554.93
	Total expenses		**254968.37**	175787.79
5	**Profit before exceptional items and tax (3-4)**		**29976.36**	13366.47
6	Exceptional items		**-**	-
7	**Profit before share of profit of equity accounted investees and tax (5+6)**		**29976.36**	13366.47
8	Share of profit of Joint Venture		**2146.94**	4002.21
9	Profit before tax (7+8)		**32123.30**	17368.68
10	**Tax expense**			
	Current Tax- Minimum Alternate Tax		**8028.61**	1087.76
	Deferred tax (benefit) /charge	36	**(5976.80)**	(53.49)
	Total tax expense		**2051.81**	1034.27
11	**Profit after Tax (7-8)**		**30071.49**	16334.41
12	**Other comprehensive income/(Loss)**			
	i) Items that will not be reclassified to profit or loss			
	a) Effect of measuring investments at fair value through OCI		**(176.29)**	1673.63
	b) Remeasurement of defined benefit plans		**(108.27)**	(100.35)
	ii) Income tax relating to items that will not be re - classified to profit or loss		**17.63**	(167.36)
	iii) Share of Other Comprehensive Income as reported by Equity accounted investees"		**397.37**	75.86
	Total Other comprehensive Income/(loss)		**130.44**	1481.78
13	**Total comprehensive income**		**30201.93**	17816.19
14	**Earnings Per Equity Share (Nominal value per share Rs.10/- each)**	40		
	Basic & Diluted		**14.83**	8.75

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Consolidated Statement of changes in equity for the year ended 31 March 2023

(A) Equity share capital

Equity shares of ₹10 each issued, subscribed and fully paid up

Particulars	No. of shares	(₹ in lac)
As at 31 March 2022 (Refer Note 15)	203640336	20364.03
As at 31 March 2023 (Refer Note 15)	**203640336**	**20364.03**

(B) Other equity

(₹ in lac)

Particulars	Reserve and Surplus					Items of Other Comprehensive Income				Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Statutory Reserve	Retained earnings	Effect of measuring investments at fair value	Remeasurement of defined benefit plans	Revaluation Reserve of Property,Plant and Equipment	Changes in foreign currency translation (net)	
Balance as at 1 April 2021	97.24	6500.00	21047.71	41.33	4054.63	(470.22)	(186.03)	-	127.50	31212.16
Profit for the year	-	-	-	-	16334.41	-	-	-	-	16334.41
Other Comprehensive Income	-	-	-	-	-	1506.27	(94.59)	-	70.10	1481.78
Additions /Transfer during the year on Redemption of Preference Shares	-	1250.00	-	-	(1250.00)	-	-	-	-	-
Total Other Comprehensive Income for the year	-	1250.00	-	-	15084.41	1506.27	(94.59)	-	70.10	17816.19
Balance as at 31 March 2022	97.24	7750.00	21047.71	41.33	19139.04	1036.05	(280.62)	-	197.60	49028.35
Balance as at 1 April 2022	**97.24**	**7750.00**	**21047.71**	**41.33**	**19139.04**	**1036.05**	**(280.62)**	**-**	**197.60**	**49028.35**
Profit for the year	**-**	**-**	**-**	**-**	**30071.49**	**-**	**-**	**-**	**-**	**30071.49**
Other Comprehensive Income	**-**	**-**	**-**	**-**		**(158.66)**	**(136.54)**	**226.88**	**198.76**	**130.44**
Dividend on Equity Shares *	**-**	**-**	**-**		**(1018.20)**	**-**	**-**	**-**	**-**	**(1018.20)**
Total Other Comprehensive Income for the year	**-**	**-**	**-**	**-**	**29053.29**	**(158.66)**	**(136.54)**	**226.88**	**198.76**	**29183.73**
Balance as at 31 March 2023	**97.24**	**7750.00**	**21047.71**	**41.33**	**48192.33**	**877.39**	**(417.16)**	**226.88**	**396.36**	**78212.08**

* The Company had declared dividend of Re 0.50 per share and the same has been approved by shareholders in AGM held on 30th September 2022

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Consolidated Cash Flow Statement for the year ended 31 March 2023

(₹ in lac)

S.No.	Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**				
	Profit for the year before tax		**29976.36**		13366.47
	Adjustment for :				
	Depreciation and amortisation expense	**4372.52**		4440.99	
	Disposal of fixed assets	**66.24**		55.37	
	Profit on sale of assets	**(3.82)**		(0.01)	
	Profit on sale of investment	**(0.34)**		-	
	Loss on sale of assets	**479.46**		-	
	Provision for non-moving inventories	**38.91**		6.19	
	Allowances for doubtful debts and advances	**1.72**		29.31	
	Provisions / Liabilities no longer required written back	**(158.76)**		(743.04)	
	Bad debts and advances written off	**23.70**		11.48	
	Exchange difference (Gain)/ Loss	**132.35**		58.22	
	Finance Costs	**3092.84**		1419.15	
	Dividend income	**(459.52)**		(384.90)	
	Interest income	**(835.18)**		(304.40)	
			6750.12		4588.36
	Operating profit before working capital changes		**36726.48**		17954.83
	Adjustments for (Increase)/Decrease in:				
	Trade receivables	**(963.99)**		645.89	
	Inventories	**22813.84**		(9136.54)	
	Non current financial assets	**(381.63)**		(653.56)	
	Other Non-current assets	**(0.01)**		(57.20)	
	Current financials assets	**(65685.70)**		18256.05	
	Other current assets	**(439.63)**		4329.37	
	Bank balances other than cash and cash equivalents	**(1799.75)**		(2239.77)	
	Adjustments for Increase/(Decrease) in:				
	Other non current financial liabilities	**162.44**		(87.50)	
	Trade payables	**11266.60**		(46351.81)	
	Other current financial liabilities	**7.76**		(15.92)	
	Other current liabilities	**(223.83)**		6419.60	
	Short-term provisions	**(16.05)**		82.59	
	Lease liability long term	**(98.24)**		209.18	
	Lease liability short term	**(25.63)**		123.87	
			(35383.82)		(28475.75)
	Cash from / (used in) operations		**1342.66**		(10520.92)
	Direct taxes refund / (paid)		**(4408.82)**		(74.94)
	NET CASH USED IN OPERATING ACTIVITIES		**(3066.16)**		(10595.86)

(₹ in lac)

S.No.	Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**				
	Purchase of Property, Plant and Equipment including capital work-in-progress, capital advance and capital creditors	**(2944.78)**		(15644.97)	
	Proceeds from sale of Property, Plant and Equipment	**22.25**		0.02	
	Right to use asset	**-**		(447.46)	
	Dividend income	**459.52**		384.90	
	Purchase of non current investment	**-**		(150.00)	
	Sale of investment	**20.17**		20.99	
	Interest income	**809.16**		235.53	
			(1633.68)		(15600.99)
	NET CASH USED IN INVESTING ACTIVITIES		**(1633.68)**		(15600.99)
C.	**NET CASH FROM FINANCING ACTIVITIES**				
	Proceeds from Non Current Borrowings (net of repayment)	**6398.27**		17173.67	
	Proceeds from Current Borrowings (net of repayment)	**3273.67**		3741.39	
	Redemption of Preference Shares	**-**		(1250.00)	
	Finance Costs	**(2833.06)**		(755.30)	
	Dividend Paid	**(999.82)**		-	
			5839.06		18909.76
	NET CASH FROM FINANCING ACTIVITIES:		**5839.06**		18909.76
	NET CASH FLOWS DURING THE YEAR (A+B+C)		**1139.22**		(7287.09)
	Cash and cash equivalents at the beginning of the year		**503.23**		7790.32
	Cash and cash equivalents at the end of the year		**1642.45**		503.23
			(1139.22)		7287.09
	Cash and cash equivalents comprise:				
	Balances with banks				
	Cash on hand		**3.10**		5.37
	Deposits with original maturity of less than or equal to 3 months.		**-**		6.21
	With the Banks		**1639.35**		491.65
	Total cash and bank balances at end of the year		**1642.45**		503.23

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached.

For MSKA & Associates
Chartered Accountants
Firm Registration No.: 105047W

GEETHA JEYAKUMAR
Partner
Membership No: 029409
Place : Chennai
Date : 24 May 2023

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

Note 1 GENERAL INFORMATION

Southern Petrochemical Industries Corporation Limited (‘the Company’/‘SPIC’), having its registered office at Chennai is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange of India. The Company is manufacturing and selling Urea, a Nitrogenous chemical fertilizer and has its manufacturing facility at Tuticorin.

Joint Venture Company Tamilnadu Petroproducts Limited (TPL) is in the manufacturing and selling of petrochemical products namely Linear Alkyl Benzene (LAB) and Caustic Soda from the manufacturing facilities situated at Manali, near Chennai.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of preparation of financial statements

a. Statement of Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements for the year ended 31 March 2018 were the first set of financial statements prepared in accordance with Ind AS. The date of transition to Ind AS was 1 April 2016.

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

b. Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the below material item that have been measured at fair value as required by relevant Ind AS:-

Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of sales and the time between the sale and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non - current classification of assets and liabilities.

c. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

d. Basis of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company’s voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the company's accounting policies.

Investments in Associates and Joint Ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company’s investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company’s share of net assets of the associate or joint venture since the acquisition date.

The statement of profit and loss reflects the Company’s share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Company’s OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity.

The aggregate of the Company’s share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

(1) Interests in Jointly Controlled entities:

The Group’s interests in jointly controlled entities are:

Name of the Company	**Country of incorporation**	**Percentage of ownership interest**	
		As at 31 March 2023	As at 31 March 2022
Tamilnadu Petroproducts Limited	India	**16.93**	16.93
National Aromatics and Petrochemicals Corporation Limited	India	**50.00**	50.00

(2) Investments in Associates:

The Group's associates are

Name of the Company	Country of incorporation	Percentage of ownership interest	
		As at 31 March 2023	As at 31 March 2022
Tuticorin Alkali Chemicals and Fertilizers Limited	India	23.46	23.46
Gold Nest Trading Company Limited *	India	-	32.76
Greenam Energy Private Limited	India	20.00	20.00

*Investment in Gold Nest Trading Company Limited an associate company in which the Company held 32.76% of its share capital, has not been included in the consolidated financial statement as required under Ind AS 28, due to removal of Company name by Register of Companies.

ii) Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost less depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Depreciation methods, estimated useful lives

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the straight line method. The company has followed the useful life as prescribed in Schedule II of the Companies Act 2013, except in respect of the assets pertaining to Tuticorin manufacturing plant in which case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

Asset	Useful Life
Building – Factory	25-65 years
Building – Others	45-75 years
Plant and Machinery	15-49 years
Furniture and Fixtures	12-33 years
Vehicles	8-26 years
Office Equipments	7-38 years
Roads	34-44 years
Railway sidings	40 years

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

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

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

iv) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The estimated useful lives of intangible assets – Software is 5 Years

v) Foreign Currency Transactions

a. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

b. Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/(Losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

vi) Fair value measurements

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ► In the principal market for the asset or liability, or
- ► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

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

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

vii) Revenue Recognition

The Company earns revenue primarily from sale of Urea. Effective April 1, 2018, the Company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 “Revenue” and Ind AS 11 “Construction Contracts”. The company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 01, 2018). The impact of adoption of the standard on the financial statements of the company is insignificant.

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as per the contract with the customer. Revenue also excludes taxes collected from customers.

Under the New Pricing Scheme for Urea, the Government of India reimburses, in the form of subsidy, to the Fertilizer Industry based on the Retention Price computed on the lower of Naphtha or Regasified Liquefied Natural Gas (RLNG) price. This has been accounted on the basis of the rates notified from time to time by the Government of India on the quantity of Urea sold by the company for the year for which notification has been issued.

The revenue has been further adjusted for input price escalation / de-escalation as estimated by the Management in accordance with the known policy parameters in this regard.

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments and where no significant uncertainty as to measurability or collectability exists.

viii) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

a. Current Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognize MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as MAT Credit Entitlement" and grouped under Deferred Tax. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

ix) Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- ► The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ► An active program to locate a buyer and complete the plan has been initiated (if applicable),
- ► The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ► The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- ► Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

x) Leases

The Indian Accounting Standard on leases (Ind AS 116) requires entity to determine whether a contract is or contains a lease at the inception of the contract.

Ind AS 116 requires lessee to recognise a liability to make lease payments and an asset representing the right-of-use asset during the lease term for all leases except for short term leases and leases of low-value assets, if they choose to apply such exemptions.

Payments associated with short-term leases and low-value assets are recognized as expenses in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of office equipment's and small items of plant and equipment and office furniture.

At the commencement date, Company recognise a right-of-use asset measured at cost and a lease liability measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The cost of the right-of-use asset comprised of, the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received.

At the commencement date, the lease payments included in the measurement of the lease liability comprise (a) fixed payments less any lease incentives receivable; (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; (c) amounts expected to be payable by the lessee under residual value guarantees; (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Depreciation on Right-of-use asset is recognised in statement of profit and Loss on a straight line basis over the period of lease and the Company separately recognises interest on lease liability as a component of finance cost in statement of profit and Loss.

xi) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xii) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

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 recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

xiii) Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

xiv) Cash and Cash Equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

xv) Financial Instruments

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

a. Financial Assets

Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the Effective Interest Rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

The company has equity instruments in 9 (nine) entities which are not held for trading. The company has elected the FVTOCI irrevocable option for these investments. Fair value is determined in the manner described in Note 6.

Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVTOCI.

For recognition of impairment loss on 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 subsequent years, 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 recognizing impairment loss allowance based on 12 month ECL

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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 recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss as finance costs.

c. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xvi) Employee Benefits

a. Short-term obligations

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

b. Other long-term employee benefit obligations

Defined Contribution plan

Contributions paid/payable to defined contribution plans comprising of Superannuation (under a scheme of Life Insurance Corporation of India) and Provident Funds for certain employees covered under the respective Schemes are recognised in the Statement of Profit and Loss each year.

The company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Defined benefit plans

Gratuity: The Company's Gratuity scheme for its employees is a defined benefit retirement benefit plan. Obligation under the gratuity scheme is covered under a Scheme of Life Insurance Corporation of India (LIC) and contributions in respect of such scheme are recognized in the profit or loss. The liability as at the Balance Sheet date is provided for using the projected unit credit method, with actuarial valuations being carried out as at the end of the year. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the year to the net defined benefit liability or asset.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or en-cashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or en-cashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be en-cashed partly while in service and on discontinuation of service by employee.

xvii) Contributed Equity

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

xviii) Earnings Per Share

Basic earnings per share is calculated by dividing the total comprehensive income / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the total comprehensive income / (loss) and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the total comprehensive income / (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

xix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

xx) Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

xxi) Subsidy from Government

Subsidies from the government are recognized when there is reasonable assurance that the subsidy will be received and all attaching conditions will be complied with. When the subsidy relates to an expenses item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the subsidy relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

xxii) Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contract, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date of which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

xxiii) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the “functional currency”). The financial statements are presented in Indian Rupee (₹), the national currency of India, which is the functional currency of the Company.

Recent Pronouncements

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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

Note 3 Significant accounting judgments, estimates and assumptions

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Taxes

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

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

b. Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 35.

c. Useful lives of Property, Plant and Equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting year.

d. Revenue Recognition

The Company provides customer incentives, such as rebates, based on quantity purchased, timing of collections etc. Various estimates are made to recognise the impact of rebates and other incentives on revenue. These estimates are made based on historical and forecasted data, contractual terms and current conditions.

e. Subsidy Income

Subsidy income is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the New Pricing Scheme for Urea on the quantity of Urea sold by the Company for the period for which notification has been issued and for the remaining period, based on estimates.

f. Provision for doubtful receivables

The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

Note 4 (i) Property, Plant & Equipment

(₹ in lac)

Gross Block	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipments	Roads	Railway Sidings	Total	Other Intangible Assets
Balance as at 1 April, 2021	5824.73	3429.80	53287.68	60.21	152.65	4033.18	195.91	302.70	67286.86	189.89
Additions	-	61.08	19349.10	0.83	-	303.20	-	-	19714.21	0.40
Deletions	-	-	794.34	24.47	-	214.64	-	-	1033.45	-
Balance as at 31 March 2022	5824.73	3490.88	71842.44	36.57	152.65	4121.74	195.91	302.70	85967.62	190.29
Balance as at 1 April, 2022	**5824.73**	**3490.88**	**71842.44**	**36.57**	**152.65**	**4121.74**	**195.91**	**302.70**	**85967.62**	**190.29**
Additions	**-**	**8.57**	**2198.20**	**2.42**	**34.61**	**102.06**	**111.57**	**-**	**2457.43**	**-**
Deletions	**494.50**	**12.62**	**3460.42**	**-**	**29.00**	**339.23**	**18.54**	**-**	**4354.31**	**-**
Balance as at 31 March,2023	**5330.23**	**3486.83**	**70580.22**	**38.99**	**158.26**	**3884.57**	**288.94**	**302.70**	**84070.74**	**190.29**

(₹ in lac)

Accumulated depreciation and impairment	Land - Freehold	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipments	Roads	Railway Sidings	Total	Other Intangible Assets
Balance as at 1 April, 2021	-	813.80	12163.14	26.37	44.34	1742.78	85.41	69.40	14945.24	124.17
Additions	-	165.71	3768.22	5.58	22.48	283.49	13.99	14.11	4273.58	36.11
Deletions	-	-	751.90	23.18	-	202.99	-	-	978.07	-
Balance as at 31 March 2022	-	979.51	15179.46	8.77	66.82	1823.28	99.40	83.51	18240.75	160.28
Balance as at 1 April, 2022	**-**	**979.51**	**15179.46**	**8.77**	**66.82**	**1823.28**	**99.40**	**83.51**	**18240.75**	**160.28**
Additions	**-**	**170.02**	**3708.61**	**6.18**	**22.60**	**285.22**	**21.20**	**14.16**	**4227.99**	**12.86**
Deletions	**-**	**12.06**	**3414.81**	**-**	**25.41**	**319.41**	**18.47**	**-**	**3790.16**	**-**
Balance as at 31 March,2023	**-**	**1137.47**	**15473.26**	**14.95**	**64.01**	**1789.09**	**102.13**	**97.67**	**18678.58**	**173.14**

Carrying amount as at 31 March, 2022	5824.73	2511.37	56662.98	27.80	85.83	2298.46	96.51	219.19	67726.87	30.01
Carrying amount as at 31 March, 2023	**5330.23**	**2349.36**	**55106.96**	**24.04**	**94.25**	**2095.48**	**186.81**	**205.03**	**65392.16**	**17.15**

1. Freehold land amounting Rs.914.63 Lac (previous year Rs.827.69 Lac) and Building amounting Rs. 349.54 (previous year Rs.360.87 Lac) is pledged with banks for availing loan facilities.

2. During the previous year, interest cost to the extent of Rs.406.15 lacs was capitalised as borrowing cost as per Ind AS 23.

3. During the last quarter of the previous year, the Company reassessed the useful life of few assets relating to Urea plant from 10 years to, 15 – 30 years from 1.4.2021. The depreciation for the quarter and year ended 31st March 2022 was net of Rs. 1123 lacs being adjustment relating to the impact of the depreciation on account of revision in useful life of the assets for the nine months ended December 2021.

Note 4 (ii): Capital Work - in - Progress

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Natural Gas Conversion Project	**6.38**	71.69
Others	**80.98**	114.00
Total	**87.36**	185.69

CWIP Movement 2022-23

(₹ in lac)

Description	Opening Balance	Additions	Capitalisation	Closing balance
Natural Gas Conversion Project	**71.69**	**1587.64**	**(1652.95)**	**6.38**
Others	**114.00**	**665.57**	**(698.59)**	**80.98**
Total	**185.69**	**2253.21**	**(2351.54)**	**87.36**

Capital Work in Progress ageing schedule as on 31 March 2023

(₹ in lac)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Natural Gas Conversion Project	**-**	**6.38**	**-**	**-**	**-**	**-**	**6.38**
Others	**-**	**13.00**	**10.62**	**45.22**	**12.14**	**-**	**80.98**

Note: There are no projects as Capital Work in Progress as at 31 March 2023, whose completion is over due or cost of which has exceeds in comparison to its original plan.

CWIP Movement 2021-22

(₹ in lac)

Description	Opening Balance	Additions	Capitalisation	Closing balance
Natural Gas Conversion Project	1677.62	17291.65	(18897.58)	71.69
Others	76.17	801.80	(763.97)	114.00
Total	1753.79	18093.45	(19661.55)	185.69

Capital Work in Progress ageing schedule as on 31 March 2022

(₹ in lac)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Natural Gas Conversion Project	-	71.69	-	-	-	-	71.69
Others	-	45.97	8.87	12.12		47.04	114.00

Note: There are no projects as Capital Work in Progress as at 31 March 2022, whose completion is over due or cost of which has exceeds in comparison to its original plan.

Note 4 (iii) RIGHT-OF-USE ASSET

(₹ in lac)

Description	Opening Balance	Additions/ Adjustments	Closure / Pre closure	Depreciation	Net Carrying Amount 31.03.2023
Land	151.09			37.77	113.32
Building	168.54		-	90.43	78.11
Total	319.63	-	-	128.20	191.43

Note:

1. Discounting rate used for the purpose of computing right to use asset is 8%.
2. Rental amount per annum is Rs.146.05 lac, which also carries a clause for extension of agreement based on mutual understanding between Lessor and Lessee.
3. The lease period is from 3 to 5 years over which the right to use asset is depreciated on a straight line basis.
4. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any major covenants other than the security deposit in the leased assets that are held by the lessor.
5. Expense relating to short term Leases (included in other expenses - Refer Note 31) amounting to Rs.255.50 lac (previous year Rs.225.15 lac).
6. The company did not enter into lease contracts that contain variable lease options.
7. The total cash outflow for the lease for the year ended 31 March 2023 was Rs.146.05 lac (previous year Rs.142.46 lac).
8. Interest expense (included in finance cost- Refer Note 29) Rs. 22.18 lac (previous year Rs.22.05 lac) and depreciation expense (included in depreciation- Refer Note 30) Rs.128.20 lac (previous year Rs.127.83 lac).

Movement of Lease Liability

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	**333.04**	-
Lease liabilities additions during the year	**-**	447.45
Lease liabilities deletions during the year	**-**	-
Interest	**22.18**	28.05
Repayment of lease liabilities	**(146.05)**	(142.46)
Closing balance	**209.17**	333.04

Carrying Amount of Lease Liability

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Current	**98.24**	123.87
Non- Current	**110.93**	209.17
Total	**209.17**	333.04

Note 5: Investment Property

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Carrying amount of Completed investment property	**115.30**	118.77
Total	**115.30**	118.77

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Cost or Deemed cost		
Balance at the beginning of the year	**139.59**	139.59
Additions	**-**	-
Balance at the end of the year	**139.59**	139.59
Accumulated depreciation and impairment		
Balance at the beginning of the year	**20.82**	17.35
Depreciation expense	**3.47**	3.47
Balance at the end of the year	**24.29**	20.82
Net Balance at the end of the year	**115.30**	118.77

Note 5.1: Fair value of the Company's investment property

The fair value of the property is Rs.277.53 lacs, as per valuation performed by M/s. Colliers (India) Pvt. Ltd., an accredited independent valuer during the previous year. M/s. Colliers (India) Pvt. Ltd. is a specialist in valuing these types of Investment properties. The above property has not been subjected to valuation by an independent certified valuer for current year. There is no diminution on the fair value as compared to the previous year based on available market / guideline value.

Fair value was derived using the market comparable approach based on recent market/government guidelines prices without any significant adjustments being made to the market observable data. In estimating the fair value of the property, the current use is considered as the highest and best use.

Note 5.2 : Information regarding income and expenditure of Investment property

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Rental income derived from investment properties	**18.93**	13.63
Less – Depreciation	**(3.47)**	(3.47)
Income arising from investment properties before indirect expenses	**15.46**	10.16

The Company's investment properties consist of commercial property in Chennai given on non- cancellable lease for a period of 10 Years.

Note 6 (A) Investments Accounted for using Equity Method

(₹ in lac)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Nos.	**Rs in Lac**	Nos.	Rs in Lac
A Investments in Associates at cost				
(Fully paid up unless otherwise stated)				
1. Quoted Investments in equity instruments				
- Tuticorin Alkali Chemicals and Fertilizers Limited				
Equity Shares of ₹ 10 each, (Refer Note 6 (A) (a) below)	**28586872**	**-**	28586872	-
Add: Share of Profit and other comprehensive income		**226.88**		-
Total Aggregate Quoted Investments (1)		**226.88**		**-**
2. Unquoted investments				
a) Investments in equity instruments.				
- Gold Nest Trading Company Limited				
Equity Shares of ₹ 1 each (Refer Note 6 (A) (b) below)		**-**	249000	9.00
Add: Share of Loss and other comprehensive income		**-**		(9.00)
		-		-
-Greenam Energy Private Limited.				
Equity Shares of ₹ 10 each (Refer Note 6 (A) (c) below)	**9086502**	**907.93**	9086502	907.42
Add: Share of Profit and other comprehensive income		**32.60**		0.51
Total Aggregate Unquoted Investments (2)		**940.53**		907.93
Total Investments in Associates (1) + (2)		**1167.41**		907.93
B Investments in Joint Ventures at cost				
1. Quoted Investments in equity instruments				
- Tamilnadu Petroproducts Limited				
Equity Shares of ₹ 10 each	**15234375**	**13466.58**	15234375	10421.88
Add: Share of Profit and other comprehensive income		**1765.12**		3044.70
Total Aggregate Quoted Investments (1)		**15231.70**		13466.58
2. Unquoted Investments in equity instruments				
- National Aromatics and Petrochemicals Corporation Limited				
Equity Shares of ₹ 10 each	**25000**	**2.50**	25000	2.50
Provision for Diminution in Investment value		**(2.50)**		(2.50)
Total Aggregate Unquoted Investments (2)		**-**		-
Total Investments in joint ventures (1) + (2)		**15231.70**		13466.58
Total Non- Current Investments		**16399.11**		14374.51

Notes:

Aggregate value of quoted investments	**15458.58**	13466.58
Aggregate value of unquoted investments	**940.53**	907.93
Aggregate value of impairement in value of investments	**(2.50)**	(2.50)

a) During the year the Networth of Tuticorin Alkali Chemicals and Fertilizers Limited had turned positive and accordingly the proportionate share of profits has been considered in consolidation.

b) Gold Nest Trading Company Limited applied to Ministry of Corporate Affairs on 28th March 2022, for removal of Company name from the Register of Companies and approval was received on 19th September 2022. Accordingly the Company was dissolved effective on 19th September 2022. Hence the Investment had been written off against provision.

c) 9086502 (previous year 5686502) equity shares held by the company in Greenam has been pledged in favour of Indian Renewable Energy Development Agency Limited to secure the term loan of Rs. 9500.00 lac (previous year Rs.8800 lac) availed by Greenam. The Company has also given undertaking for non disposal of said shares during the tenure of the loan.

Note 6 (B) : Non Current Investments (₹ in lac)

	Particulars	As at 31 March 2023		As at 31 March 2022	
		Nos.	**₹ in Lac**	Nos.	₹ in Lac
A	**Other Equity Investments carried at FVTOCI**				
	(Fully paid up unless otherwise stated)				
1.	**Quoted Investments in equity instruments**				
	Investments in equity				
	- Manali Petrochemicals Limited				
	Equity shares of ₹ 5 each	**10000**	**6.01**	10000	10.84
	- State Bank of India				
	Equity Shares of ₹1 each	**9660**	**50.59**	9660	47.68
	- ICICI Bank Limited				
	Equity Shares of ₹ 2 each	**2106**	**18.47**	2106	15.38
	- SICAGEN India Limited				
	Equity Shares of ₹ 10 each	**577681**	**175.04**	577681	127.09
	Total Aggregate Quoted Investments (1)		**250.11**		200.99
2.	**Unquoted investments**				
	Investments in equity				
	- Biotech Consortium India Limited				
	Equity Shares of ₹ 10 each	**250000**	**25.00**	250000	25.00
	- Chennai Willington Corporate Foundation				
	Equity Shares of ₹ 10 each costing ₹ 450	**50**	**0.00**	50	0.00
	- OPG Power Generation Private Limited				
	Equity Shares of ₹10 (Refer Note 6 (B) (a) below)	**-**	**-**	175300	19.82
	- South India Travels Private Limited				
	Equity Shares of ₹ 10 each	**509575**	**50.96**	509575	50.96
	Total Aggregate Unquoted Investments (2)		**75.96**		95.78
	Total Other equty Investments (1) + (2)		**326.07**		296.77

Notes:

Aggregate value of quoted investments	**250.11**	200.99
Aggregate value of unquoted investments	**75.96**	95.78
Aggregate value of impairement in value of investments	**-**	-

a) M/s. OPG Power Generation Private Limited had expressed their inability to supply power and hence, the 175,300 equity shares of ₹10 each were bought back by them at ₹11.50 per share.

Note 6 (C) : Current Investments

(₹ in lac)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Nos.	**₹ in Lac**	Nos.	₹ in Lac
1 Investment in Equity Instruments (Quoted) (fully paid up unless otherwise stated)				
-Mercantile Venture Limited, Equity Shares of ₹ 10 each	**15028000**	**2464.59**	15028000	2690.01
Total Agrregate Quoted Current Investments (1)		**2464.59**		2690.01
2 Investment in Mutual Funds (all fully paid)				
-Canara Robeco Flexi Cap Fund (formerly known as Canara Robecco Equity Diversified - Growth Plan) - 94 units				
Units of ₹ 10 each	**12760**	**1.00**	**12760**	**1.00**
Total Aggregate Investments In Mutul Funds		**1.00**		1.00
Total Other Investments (2)		**1.00**		1.00
Total Current Investments (1) + (2)		**2465.59**		2691.01

Note:

1. The investments made by the Company is in compliance with Section 180 and 186 with respect to layers of investment permitted under the Companies Act, 2013.

Note 7 (A): Other financial assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Other financial assets - Non current		
Financial assets carried at amortized cost		
Deposits (Unsecured)		
Considered good *	**1805.77**	1424.60
Doubtful	**42.19**	41.88
	1847.96	1466.48
Less: Provision for doubtful deposits	**42.19**	41.88
	1805.77	1424.60
Loan to Employees (Unsecured)		
Considered good	**0.46**	-
Doubtful	**5.28**	5.84
	5.74	5.84
Less: Provision for doubtful loans	**5.28**	5.84
	0.46	-
Bank deposits with remaining maturity of greater than 12 months	**92.45**	89.06
Bank deposits held as security #	**6885.18**	5,081.84
Total	**8783.86**	6595.50

* Includes amount received from related party to the extent of ₹ 161.32 lacs (previous year ₹161.32 lacs) (Refer Note 38)

Deposits provided as security for working capital borrowing and other non fund based limits with the banks.

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Movement in allowance for doubtful deposits:		
Opening balance	**41.88**	41.88
Additions	**0.31**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**42.19**	41.88
2. Movement in allowance for loans to employees:		
Opening balance	**5.84**	5.84
Additions	**-**	-
Less: Utilisations / Reversals	**0.56**	-
Closing balance	**5.28**	5.84

Note 7 (B): Other financial assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Other financial assets - current		
Financial assets carried at amortized cost		
Advances to related parties		
Considered good (Refer Note 38)	**2.81**	6.33
Doubtful	**1494.89**	1493.17
	1497.70	1499.50
Less: Provision for doubtful advances	**1494.89**	1493.17
	2.81	6.33
Accrued Royalty Income	**76.07**	-
Interest accrued on deposits	**74.61**	69.33
Subsidy Receivable*	**69942.42**	4330.99
Total	**70095.91**	4406.65

*Subsidy receivable is pledged with banks for availing loan facilities.Refer Note 17C.

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Movement in allowance for doubtful advances to related parties:		
Opening balance	**1493.17**	1491.51
Additions	**1.72**	1.66
Closing balance	**1494.89**	1493.17

Note 8 : Deferred Tax Assets (Net) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
i) Deferred tax assets *	**17831.18**	10540.43
ii) Deferred tax (liabilities)	**(1652.81)**	(328.77)
Total	**16178.37**	10211.66

* Includes Unused tax credits (MAT credit entitlement) of ₹ 14182.79 lac (previous year ₹ 6701.70lac).

Note:

Refer Note 36 for details of deferred tax liabilities and assets.

Note 9 : Income Tax Assets (Net) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance Income tax (net of provision of Rs. 7481.09 lac (previous year Rs.Nil)	**-**	963.80
Total	**-**	963.80

Note 10 : Other Non-Current Assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances to employees		
Considered Doubtful	**10.86**	10.61
Less: Provision for doubtful loans and advances	**10.86**	10.61
	-	-
Capital advances *	**185.80**	1087.96
Balances with government authorities		
Considered good	**780.57**	780.56
Doubtful	**23.27**	23.27
	803.84	803.83
Less: Provision for doubtful balances	**23.27**	23.27
	780.57	780.56
Total	**966.37**	1868.52

*Refer Note 33 for the value of contracts in capital commitment remaining to be executed.

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Movement in allowance for doubtful employee advances		
Opening balance	**10.61**	10.61
Additions	**0.25**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**10.86**	10.61

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
2. Movement in allowance for balances with govt authorities		
Opening balance	**23.27**	23.27
Additions	**-**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**23.27**	23.27

Note 11 : Inventories (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials in stock (at cost)	**11050.80**	29973.70
Work in process in stock (At cost) (Refer Note 11 (i) below)	**5066.85**	8106.50
Finished goods in stock (At lower of cost and net realisable value)	**358.30**	45.51
Stores and spares including packing material (At cost)	**2300.66**	1989.26
Fuel Oil (at cost)	**3350.55**	4826.02
	22127.16	44940.99
Less: Provision for non-moving inventory	**(77.50)**	(38.58)
Total	**22049.66**	44902.41

Note: Refer note 17 (C) for details of inventory pledged as securities.

11 (i) Details of work-in-process (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Urea	**5004.25**	8031.80
Tissue Culture	**59.37**	72.15
Others	**3.23**	2.55
Total	**5066.85**	8106.50

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Movement in allowance for Inventories:		
Opening balance	**38.58**	741.06
Additions	**38.92**	6.19
Less: Utilisations / Reversals	**-**	708.67
Closing balance	**77.50**	38.58

Note 12: Trade receivables (Unsecured) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Related Parties (Refer Note 38)	**416.32**	10.66
Considered good	**589.61**	34.37
Credit Impaired	**674.69**	674.69
	1680.62	719.72
Less: Impairment loss allowance	**674.69**	674.69
Total	**1005.93**	45.03

Trade Receivables ageing schedule as on 31 March 2023 (₹ in lac)

Particulars	**Outstanding for following periods from due date of payment**							
	Unbilled	**Not Due**	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	**308.89**	**340.31**	**105.07**	**196.77**	**19.78**	**35.11**	**1005.93**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**674.69**	**674.69**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

Trade Receivables ageing schedule as on 31 March 2022 (₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	0.64	33.06	0.08	-	1.71	9.54	45.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	674.69	674.69
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

(₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Movement in credit impaired Trade Receivable:		
Opening balance	**674.69**	647.03
Additions	**-**	27.66
Less: Utilisations / Reversals	**-**	-
Closing balance	**674.69**	674.69

Notes:

1.These are carried at amortised cost. The company's trade receivable do not carry a significant financial element.

2.For details of assets given as security against borrowings - Refer Note 17 (C)

3. There are no trade or other receivable which are either due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

4.Trade receivables are non-interest bearing and are generally on terms of 7 days.

Note 13 (A): Cash and cash equivalents (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
- In current accounts	**1639.35**	491.65
- In Deposits Account *	**-**	6.21
Cash on hand	**3.10**	5.37
Total	**1642.45**	503.23

* This represents deposits with original maturity of less than or equal to 3 months.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
- In current accounts	**1639.35**	491.65
- In Deposits Account	**-**	6.21
Cash on hand	**3.10**	5.37
Total	**1642.45**	503.23

Note 13 (B) : Bank balances other than Cash and cash equivalents (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- Deposits with original maturity of more than 3 months but less than 12 months	**81.57**	106.93
Unpaid Equity Dividend account (Earmarked)	**18.38**	-
Total	**99.95**	106.93

Note 14: Other current assets (Unsecured, unless otherwise stated) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances to employees - Considered good	**0.25**	0.78
Other Advances		
Considered good	**97.97**	13.64
Doubtful	**21.65**	76.76
	119.62	90.40
Less: Allowance for doubtful advances	**21.65**	76.76
	97.97	13.64
Prepaid expenses	**512.04**	460.52
Interest accrued on deposits	**310.41**	289.67
Balances with government authorities		
Considered good	**12044.36**	11285.06
Doubtful	**37.40**	37.40
	12081.76	11322.46
Less: Allowance for doubtful balances	**37.40**	37.40
	12044.36	11285.06
Advances to Suppliers	**1372.28**	1754.38
Total	**14337.31**	13804.05

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
1. Movement in Allowance for other advances:		
Opening balance	**76.76**	93.70
Additions		-
Less: Utilisations / Reversals	**55.11**	16.94
Closing balance	**21.65**	76.76
2. Movement in Allowance for balance with government authorities:		
Opening balance	**37.40**	37.40
Additions	**-**	-
Less: Utilisations / Reversals	**-**	-
Closing balance	**37.40**	37.40

Note 15 : Equity Share Capital

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised:		
31,60,00,000 (31,60,00,000) Equity shares of ₹ 10 each	**31600.00**	31600.00
55,00,000 (55,00,000) Redeemable cumulative preference shares of ₹ 100 each	**5500.00**	5500.00
3,00,00,000 (3,00,00,000) Fully Compulsorily Convertible Preference (FCCP) shares of ₹ 18 each	**5400.00**	5400.00
	42500.00	42500.00
Issued, subscribed and fully paid up:		
20,36,40,336 (20,36,40,336) Equity shares of ₹ 10 each (Refer note 15 (i) to 15(vii) below)	**20364.03**	20364.03

15 (i): There is no movement in the number of equity shares during the year and in the previous year.

15 (ii): Details of Shares held by promoters

Name of the Promoter	**As at 31 March 2023**			As at 31 March 2022		
	No. of Shares	**%of total shares**	**% Change during the year**	No. of Shares	%of total shares	% Change during the year
Ashwin C Muthiah	**45450**	**0.02%**	**Nil**	45450	0.02%	Nil
AMI Holdings Private Limited	**37276700**	**18.31%**	**Nil**	37276700	18.31%	Nil
Lotus Fertilizers Private Limited	**27995454**	**13.75%**	**Nil**	27995454	13.75%	Nil
Ficon Holdings Ltd	**15682775**	**7.70%**	**Nil**	15682775	7.70%	Nil
Sicagen India Limited	**4776424**	**2.35%**	**0.10%**	4576424	2.25%	0.44%
Ranford Investments Ltd	**1910000**	**0.94%**	**Nil**	1910000	0.94%	Nil
South India House Estates and Properties Ltd	**1636900**	**0.80%**	**Nil**	1636900	0.80%	Nil
Darnolly Investments Ltd	**1322000**	**0.65%**	**Nil**	1322000	0.65%	Nil
South India Travels Pvt Ltd	**229985**	**0.11%**	**Nil**	229985	0.11%	Nil
South India Investments and Associates	**29800**	**0.01%**	**Nil**	29800	0.01%	Nil
Tamilnadu Industrial Development Corporation Limited	**8840000**	**4.34%**	**Nil**	8840000	4.34 %	Nil

15 (iii): Details of Shareholders holding more than 5% of the Company aggregate shares in the Company

Class of shares / Name of shareholders	**As at 31 March 2023**		As at 31 March 2022	
	Number of shares held	**% holding in that class of shares**	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
AMI Holdings Private Limited	**37276700**	**18.31%**	37276700	18.31 **%**
Lotus Fertilizers Private Limited	**27995454**	**13.75 %**	27995454	13.75 **%**
The Bank of Newyork Mellon	**16791800**	**8.25 %**	16791800	8.25 **%**
Ficon Holdings Limited	**15682775**	**7.70 %**	15682775	7.70 **%**
Finquest Securities Private Limited	**11228170**	**5.51 %**	15470711	7.60 **%**

15 (iv): Equity shares include :

1,67,91,800 equity shares were issued against the Global Depository Receipts (GDRs) and is held by The Bank of New York, Mellon, as depository for the GDRs.

15 (v) No class of shares have been issued as bonus shares during the period of 5 years immediately preceding the year end.

15 (vi) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

15 (vii) Terms/rights attached to Equity Shares:

The company has only one class of equity shares having a par value of ₹ 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting.

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

Note 16: Other Equity

(₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Capital Reserve	**97.24**	97.24
Capital Redemption Reserve:		
Opening balance	**7750.00**	6500.00
Add: Transferred from profit	**-**	1250.00
Closing balance	**7750.00**	7750.00
Securities Premium Account	**21047.71**	21047.71
Statutory Reserve	**41.33**	41.33
Surplus in Statement of Profit and Loss:		
Opening balance	**19139.04**	4054.63
Add: Profit for the year	**30071.49**	16334.41
Less: Equity Dividend paid	**(1018.20)**	0.00
Less: Transferred to Capital Redemption Reserve	**-**	(1250.00)
Closing balance	**48192.33**	19139.04
Reserve for equity instruments through other comprehensive income:		
Opening balance	**1036.05**	(470.22)
Add: Effect of measuring investments at fair value (net of tax)	**(158.66)**	1506.27
Closing balance	**877.39**	1036.05
Remeasurement of defined plans:		
Opening balance	**(241.51)**	(141.16)
-Actuarial movement through other comprehensive income	**(108.27)**	(100.35)
Closing balance	**(349.78)**	(241.51)
- Share of Joint Ventures	**555.86**	158.49
Total	**78212.08**	49028.35

Capital Reserve and Statutory Reserve

Capital Reserve of ₹ 97.24 lac and Statutory Reserve of ₹ 41.33 lac represents reserves transferred to the Company on amalgamation of SPIC Holdings and Investments Ltd (SHIL) with the Company during 2006-07.

Capital Redemption Reserve

Capital redemption reserve has been created pursuant to the requirements of the Act under which the Company is required to transfer certain amounts on redemption of the preference shares. The Company had redeemed the underlying preference shares in the earlier years. During the previous year, the Company had redeemed the Redeemable Cumulative non-convertible preference shares amounting to ₹ 1250 lacs and accordingly had transferred ₹ 1250 lacs to Capital Redemption Reserve from the Statement of Profit and Loss. The capital redemption reserve can be utilised for issue of bonus shares.

Securities Premium Account

Securities premium reserve represents the amount received in excess of the face value of the equity shares. The utilisation of the securities premium reserve is governed by the Section 52 of the Act.

Note 17 (A) : Non Current borrowings (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans repayable on demand (at amortised cost) :		
From banks- Secured (Refer Note 17 (C)) & 17(D)	**-**	736.80
From Related Parties- Unsecured (Refer Note 38)	**8972.99**	3004.59
From other parties - Secured (Refer Note 17 (C)) 17(D)	**1166.67**	-
Total	**10139.66**	3741.39

Note 17 (B) : Current borrowings (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Term loans (at amortised cost) :		
From banks- Secured (Refer Note 17(C) & 17(D)	**17938.61**	11529.87
From Related Parties- Unsecured	**8935.00**	14903.40
From other parties - Secured (Refer Note 17(C) & 17(D)	**2833.33**	-
Total	**29706.94**	26433.27

Notes:

(i) These are carried at amortised cost

(ii)The Company has used borrowings for its intended purpose. The Company has not defaulted on repayment of borrowings.

Note 17 (C) The carrying amounts of assets pledged as security for current and non-current borrowings are:

(₹ in lac)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Current assets			
Inventories	9	**22049.66**	44902.41
Trade receivables	12	**1005.93**	45.03
Subsidy receivables	7	**69942.42**	4330.99
Total Current assets pledged as security		**92998.01**	49278.43
Non-Current assets			
Freehold land	4	**914.63**	827.69
Buildings	4	**349.54**	360.87
Total Non-Current assets pledge / mortgaged as security		**1264.17**	1188.56
Total Assets pledge / mortgaged as security		**94262.18**	50466.99

Note 17 (D)

Details of borrowings and securities provided

(₹ in lac)

Bank	Purpose of Loan	Limit	Rate of Interest (%)	As at 31 March 2023	As at 31 March 2022	Tenor	Security provided
HDFC Bank Ltd	Working Capital	2000.00	10.00%	**2000.00**	666.67	1 Year	Paripasu charge on Stock, Debtors & Subsidy. Charge on Specific Fixed Assets.
HDFC Bank Ltd	Working Capital	5000.00	10.00%	**5000.00**	5000.00	1 Year	Exclusive charge on certain movable Fixed Assets. Paripasu charge on Stock, Debtors & Subsidy.
HDFC Bank Ltd	Working Capital	5000.00	10.00%	**5000.00**	-	1 Year	Paripasu charge on Stock, Debtors & Subsidy. Charge on Specific Fixed Assets.
HDFC Bank Ltd	Working Capital	2600.00	10.00%	**2600.00**	2600.00	180 Days	Cash Collateral provided by a Related Party (AM International Holdings Pvt. Ltd,Singapore)
HDFC Bank Ltd	Working Capital	2600.00	10.00%	**2600.00**	2600.00	180 Days	Exclusive charge on certain movable fixed assets Paripasu charge on Stock, Debtors & Subsidy.
Vivriti Capital Pvt Ltd.	Working Capital	2000.00	11.00%	**2000.00**	-	18 Months	Lien on Cash collateral of ₹ 3 Crs Pari passu charge on current assets. Charge on Specific Fixed Assets
Vivriti Capital Pvt Ltd.	Capex	2000.00	11.00%	**2000.00**	-	18 Months	Exclusive charge on certain Fixed Assets
AM International Holdings Pvt Ltd.	Capex	17907.99	9.10%	**17907.99**	17907.99	24 Months	Unsecured Loan
New India Co-op Bank Ltd.	Capex	1400.00	11.50%	**738.61**	1400.00	24 Months	Exclusive charge on certain Fixed Assets.
Total				**39846.60**	30174.66		

Note 17 (E) Net debt reconciliation

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening net debt	**29916.39**	2586.46
Proceeds from borrowings	**21200.00**	32007.99
Repayment of borrowings	**(11528.07)**	(12208.34)
Interest expenses (excluding interest on lease liability)	**3070.66**	1415.46
Interest paid	**(3044.67)**	(1103.40)
Interest Income	**(835.18)**	(304.40)
Interest Received	**829.90**	235.53
Increase in cash equivalents	**(1139.22)**	7287.09
Closing net debt (refer note below)	**38469.81**	29916.39

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Long term borrowings (Refer Note 17 (A)	**10139.66**	3741.39
Short term borrowings (Refer Note 17 (B)	**29706.94**	26433.27
Interest accrued but not due on borrowings & acceptance (Refer Note 18)	**340.27**	314.29
Interest receivable (Refer Note 7 (B))	**(74.61)**	(69.33)
Cash and cash equivalents (Refer Note 13 (A))	**(1642.45)**	(503.23)
Net debt	**38469.81**	29916.39

Note 18: Other Financial Liabilties

(₹ in lac)

	Particulars	As at 31 March 2023	As at 31 March 2022
A	**Other financial liabilities - non-current at amortised cost**		
	Trade / security deposits received	**3514.75**	3118.51
	Total	**3514.75**	3118.51
B	**Other financial liabilities - current at amortised cost**		
	Creditors for Property, Plant & Equipment	**325.62**	1813.47
	Interest accrued but not due on borrowings *	**340.27**	314.29
	Interest accrued and due on Supplier Payments	**1387.68**	1387.68
	Retention Money payable	**75.67**	76.36
	Equity dividend payable (Refer Note 13 (B))	**18.38**	-
	Total	**2147.62**	3591.80

* Includes interest accrued but not due on borrowings taken from related party to the extent of ₹ 291.05 lacs (previous year ₹ 291.05 lacs) (Refer Note 38)

Note 19: Trade payables

(₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables:		
- Total outstanding dues to Micro Enterprises and Small Enterprises (Refer Note 19 (i) below)	**89.46**	157.26
- Total outstanding dues to other than Micro Enterprises and Small Enterprises *	**60065.59**	48655.67
Total	**60155.05**	48812.93

* Includes amount payable to related parties to the extent of ₹ 269.17 lacs (previous year ₹ 10693.83 lacs) (Refer Note 38)

Note

Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. Generally, the average credit period on purchases is 0 to 90 days.

Trade payables are non-interest bearing.

Note 19 (i) : Dues to Micro enterprises and Small enterprises :

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors

(₹ in lac)

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Principal amount remaining unpaid (not due) to any supplier as at the end of the accounting year	**89.46**	157.26
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**-**	-
(iii)	The amount of interest paid along with the amount of the payments made to the supplier beyond the appointed day	**-**	-
(iv)	The amount of interest due and payable for the year	**-**	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	**-**	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	**-**	-

Trade Payables ageing schedule as on 31 March 2023 (₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	**Not Due**	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Payables								
(i) MSME	**-**	**89.46**	**-**	**-**	**-**	**-**	**-**	**89.46**
(ii) Disputed dues – MSME	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iii) Others	**-**	**22305.30**	**31771.89**	**5932.91**	**47.13**	**3.58**	**4.78**	**60065.59**
(iv)Disputed dues - Others	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Trade Payables ageing schedule as on 31 March 2022 (₹ in lac)

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Payables								
(i) MSME	-	157.26	-	-	-	-	-	157.26
(ii) Disputed dues – MSME	-	-	-	-	-	-	-	-
(iii) Others	-	13236.31	11250.69	15926.78	2809.50	1231.03	4201.36	48655.67
(iv)Disputed dues - Others	-	-	-	-	-	-	-	-

Note 20: Provisions (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:		
- Compensated absences (Refer Note 35)	**494.23**	510.27
Total	**494.23**	510.27

Note 21: Other current liabilities (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Other payables		
- Statutory remittances	**232.97**	406.90
- Gratuity payable (Refer Note 35)	**621.42**	378.68
- National Pension Scheme Payable	**6.63**	8.47
- Superannuation fund payable	**959.60**	850.20
- Advances from customers and other parties *	**11281.27**	11513.20
-Other Deposits	**-**	60.00
Total	**13101.89**	13217.45

* includes amount received from Related Parties to the extent of ₹ 866.26 Lacs (Previous year ₹ 7100 lacs) (Refer Note 38)

Note 22: Income tax liabilities (Net) (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
MAT Payable (Refer note 36)	**5626.24**	-
	5626.24	-
Income Tax Assets		
Advance Income tax (net of provision of Rs. 7481.09 lac (previous year Rs.Nil)	**3517.68**	-
Total	**2108.56**	-

Note 23 : Revenue from operations

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	**56490.52**	40521.63
Less: Rebates and discounts	**(4224.90)**	(3647.00)
	52265.62	36874.63
Subsidy Income	**229660.91**	149601.33
Sales (Refer Note 23 (i) below)	**281926.53**	186475.96
Other operating revenues (Refer Note 23 (ii) below)	**955.33**	1015.83
Total	**282881.86**	187491.79

23 (i) Sales

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Urea	**38582.40**	31900.34
Fertiliser Subsidy (Urea) (Refer Note 32 (iii))	**217460.11**	141338.34
Transport Subsidy (Urea)	**12200.80**	8262.98
Others	**1067.93**	642.56
Traded goods		
Imported Ammonia	**7943.31**	3930.10
Sulphuric Acid	**2087.60**	0.00
Natural Gas	**1682.06**	401.64
Imported Rock Phospate	**902.32**	-
Total	**281926.53**	186475.96

23 (ii) Other Operating Revenues

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Facility Sharing Income	**702.34**	892.15
Sale of scrap	**176.93**	72.06
Others	**76.06**	51.62
Total	**955.33**	1015.83

Note 24: Other income

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income (Refer Note 24 (i) below)	**835.18**	304.40
Dividend income from long-term investments (Refer Note 38)	**459.52**	384.90
Liabilities / Provision no longer required written back	**158.76**	743.04
Rental Income	**39.50**	36.17
Profit on Sale of Assets (Net)	**3.82**	-
Profit on Sale of Investment (Net)	**0.34**	-
Others	**565.75**	193.96
Total	**2062.87**	1662.47

24 (i) Interest income

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest from banks deposits	**770.78**	259.59
Other interest	**64.40**	44.81
Total	**835.18**	304.40

Note 25: Cost of materials consumed

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening stock	**29973.70**	27691.17
Add: Purchases	**170097.63**	123084.05
	200071.33	150775.22
Less: Closing stock	**11050.80**	29973.70
Total	**189020.53**	120801.52

* Includes ₹ 2125.88 lacs (previous year ₹ 995.17 lacs) of foreign exchange gain/loss

Note 26: Purchase of Stock-in-Trade

(₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Imported Ammonia	**7923.50**	3633.18
Imported Sulphuric Acid	**2067.62**	-
Imported Furnace oil	**542.46**	-
Imported Rock Phospate	**890.32**	-
Total	**11423.90**	3633.18

Note 27: Changes in inventories of finished goods, stock in trade and work-in-process (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Inventories at the beginning of the year:		
Finished goods	**45.51**	490.93
Work-in-process	**8106.50**	1897.85
	8152.01	2388.78
Inventories at the end of the year:		
Finished goods	**358.30**	45.51
Work-in-process	**5066.85**	8106.50
	5425.15	8152.01
Net Decrease/(Increase)	**2726.86**	(5763.23)

Note 28: Employee benefit expenses (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	**5809.62**	5292.51
Contributions to provident fund and other funds	**556.12**	486.45
Contribution to gratuity fund (Refer Note 35)	**139.42**	122.66
Staff welfare expenses	**825.33**	799.63
Total	**7330.49**	6701.25

Note 29: Finance costs (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense on:		
-Borrowings	**2196.93**	1037.25
-Deposits	**233.80**	217.20
-Interest on Lease Liability	**22.18**	28.05
-Other borrowing costs	**639.93**	134.59
-Others	**-**	2.06
Total	**3092.84**	1419.15

Note 30: Depreciation and amortisation expense (₹ in lac)

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
A)	**Property, plant and equipment**		
	i) Buildings	**170.02**	165.71
	ii) Plant and Equipment	**3708.61**	3768.22
	iii) Furniture and Fixtures	**6.18**	5.58
	iv)Vehicles	**22.60**	22.48
	v) Office equipments	**285.22**	283.49
	vi) Roads	**21.20**	13.99
	vii) Railway Sidings	**14.16**	14.11
	viii) Right to use assets	**128.20**	127.83
		4356.19	4401.41
B)	**Investment Property**	**3.47**	3.47
C)	**Other Intangible assets**	**12.86**	36.11
Total		**4372.52**	4440.99

Note 31: Other expenses (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spare parts	**1452.23**	1230.83
Packing, transportation and handling	**16541.23**	13525.97
Power and fuel*	**9439.01**	21183.46
Water	**2703.14**	2861.56
Rent	**255.50**	225.15
Repairs to		
- Buildings	**677.68**	321.58
- Machinery	**1158.79**	1210.03
- Others	**1064.57**	926.44
Insurance	**742.67**	590.94
Rates and taxes	**132.91**	140.45
Travelling and conveyance	**383.48**	237.63
Sales promotion expenses	**0.05**	17.41
Professional fees	**230.69**	414.98
Payment to auditors (Refer Note 31(i) below)	**40.11**	30.75
Disposal of fixed assets	**66.24**	55.37
Bad debts and advances written off	**23.70**	11.48
Provision for doubtful trade and other receivables, loans and advances (net)	**1.72**	29.31
Provision for Inventories	**38.91**	6.19
Director's sitting fees	**40.00**	42.00
Provision for supplier settlement	**-**	600.00
Miscellaneous expenses	**2008.60**	893.40
Total	**37001.23**	44554.93

* Includes Rs. 533.13 lacs (previous year Rs. 316.68 lac) of foreign exchange loss.

31 (i) Payment to Auditors (₹ in lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Payments to the auditors comprises (net of GST input credit, where applicable):		
As auditor:		
For Statutory audit	**18.00**	15.00
In other capacity:		
For Limited Review	**6.00**	6.00
For Certification	**5.60**	1.75
For Other matters	**8.00**	8.00
Reimbursement of expenses	**2.51**	-
Total	**40.11**	30.75

Note 32 :Plant Operation

(i) During the year the Company achieved a production of 7.59 lac MT (previous year 6.20 lac MT).

(ii) The Company has become a gas-based Urea manufacturing unit since 13 March 2021 and is therefore eligible for higher fiscal incentives in the form of subsidy income due to higher energy norms from the above said date for the next five-year period. Since the Company is not connected to the National Gas Grid, it will be kept out of "Gas Pooling Mechanism" as per the Office Memorandum received from Ministry of Chemical & Fertilizers dated 13 August 2021.

(iii) Subsidy for the year 1 April 2022 to 31 March 2023 of ₹ 217460.11 lac has been accounted based on the provisional Retention Price (RP) computed in line with the Government's policy indicated in the notification dated 17 June 2015, as the final retention price has not been announced by the Department of Fertilizers. The necessary adjustments, if any, will be made when the final retention price is notified by the Department of Fertilizers.

Note 33: Commitments

Capital Commitments:

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 1110.99 lac (previous year ₹ 2379.48 lac).

Note 34 :Contingent Liabilities

(a) Claims not acknowledged as debts:

(i) The District Collector, Tuticorin vide his letter dated, 21 August 2009 had demanded ₹ 16873.97 lac (Previous year ₹ 16873.97 lac) towards lease rent for the utilization of 415.19 acres of sand quarry poramboke lands by the Company for its effluent treatment and storage of Gypsum for the period from 1975 to 2008. While raising this demand, the District Collector had ignored the proposal submitted by the Company during 1975 to the State Government seeking assignment of the said land which is still pending. The Company had filed a writ petition challenging the demand before the Hon'ble Madras High Court and the court granted interim stay vide its order dated 21 April 2010 on further proceedings. During November 2010 the District Collector, Tuticorin has filed a counter before Hon'ble Madras High Court praying for the vacation of interim stay and the case is still pending.

(ii) Tamilnadu Water Supply And Drainage Board (TWAD) has claimed payments for the period during which the Nitrogenous plants were not in operation, on the basis of 50% allotted quantity of water. The Company alongwith other beneficiaries has been enjoying this facility since inception of the 20 MGD Scheme for the last 47 years. water Charges were paid to TWAD on the basis of actual receipt by individual industries. The claims including interest made by TWAD for ₹ 4685.35 lac (Previous year ₹ 4345.19 lac) is not acknowledged as debt, as this differential value from April 2009 to March 2023 is not supported by any Government Order and also the other beneficiaries are objecting to such claims of TWAD.

(iii) The Company has received a demand from VOC Port Trust towards increase in rental charges from 1 July 2007 onwards. The amount payable as on 31.03.2023 is ₹ 1404.48 lac (from 01.07.2007 to 31.03.2023) (Previous year ₹ 1293.54 lac). The Company obtained an injunction from the Madurai Bench of the Hon'ble Madras High Court against the claim made by the VOCPT and the stay has been granted till 10 June 2015. On 23.07.2015, Madurai Bench of the Hon'ble Madras High Court extended the stay until further orders.

(iv) The Company has received a demand from Office of the Joint Commissioner of Central GST and Central Excise for recovery of excess refund of Input tax credit of ₹ 934.50 lacs, based on the amended definition of 'Net Input Tax

Credit' for the purpose of GST refund on account of inverted duty structure with effect from July 1, 2017 to March 2018, to include input tax credit availed only on inputs which excludes input services vide GST Notification No. 26/2018 dated June 13, 2018. Management has filed writ petitions challenging the retrospective amendment of the definition Input Tax Credit and is confident of obtaining a favorable order. Considering such credit is available for utilization also, the management is confident of utilization of aforesaid input tax credit.

(b) No provision has been considered necessary by the Management for the following disputed Excise duty, Service tax, Sales tax and Electricity tax demands which are under various stages of appeal proceedings. The Company has been advised that there are reasonable chances of successful outcome of the appeals and hence no provision is considered necessary for these demands.

(₹ in Lac)

Name of the Statute	**As at 31 March 2023**	As at 31 March 2022
The Central Excise Act, 1944	**97.55**	97.55
Central Goods and Service Tax Act 2017	**934.50**	934.50
The Finance Act, 1994 (Service Tax)	**235.64**	235.64
Sales Tax Act under various State enactments	**835.21**	835.21
The Tamilnadu Electricity (Taxation on Consumption) Act, 1962	**--**	1050.54
Total	**2102.90**	3153.44

With respect to Jointly Controlled entity:

(₹ In lacs)

Particulars	**As at 31 March 2023**	As at 31 March 2022
i. Sales Tax	1634.15	1731.25
ii. Excise Duty	70.85	70.85
iii. Service Tax	102.47	102.47
iv. Income Tax	2007.38	2065.06
Demands disputes by the Group and appeals filed against these disputed demands are pending before respective appellate authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Group's rights for future appeals.		
v. Cross Subsidy Charge under Group Captive Scheme	444.95	6130.48
The demand from TANGEDCO for Rs. 61.30 Crores towards cross subsidy surcharge for alleged non-compliance under Rule 3 of the Electricity Rules, 2005 during the period 2014 – 15 to 2016 – 17 in respect of the Company's participation in Group Captive Scheme for procurement of power from private power producers is unlikely to fructify in the wake of one such private power producer having established compliance under the above said Rules as communicated by TANGEDCO vide their letter dated 13.05.2022 and thereby qualifying to be categorized as captive generating plant. TANGEDCO's response to the Company's representation for withdrawal of the above said demand for reasons stated above is awaited		

With respect to an associate, the contingent liability is reproduced as such, below:

(₹ In lacs)

Particulars	**As at 31 March 2023**	As at 31 March 2022
a) Claims against the Company for Purchase tax, Sales tax, and penalties not acknowledged as debt and not provided for	415.90	415.90
b) Disputed claims for rent and interest on dues of VOC Port Trust, Tuticorin.	3646.97	3267.66
c) Excise & Service tax dues on appeal by the department	83.10	192.10
d) Employees Provident Fund Interest and damages for delayed payment	52.93	52.93
Total	4198.90	3928.59

In respect of above matters, future cash outflows in respect of contingent liabilities are determinable only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company is contesting these demands and the management, including its advisors believe its position will likely be upheld in the Appellate process. No expense has been accrued in the standalone financial statement for the demand raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect, on the Company's financial position and results of operation.

Note 35. Employee benefits

A. Defined contribution plan

(₹ in Lac)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
During the year, the Company has recognized the following amounts in the Statement of Profit and Loss- Employers' Contribution to Provident Fund, ESI, NPS and Superannuation.	**556.12**	465.17

B. Defined benefit plans

Gratuity:

In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out on 31st March 2023 by the Actuary. The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit cost method. The following table sets forth the status of the gratuity plan of the company and the amount recognized in the balance sheet and statement of profit and loss. The company provides the gratuity benefit through annual contributions to a fund managed by the Life Insurance Corporation of India (LIC).

(₹ in Lac)

S.No	Particulars	31 March 2023	31 March 2022
	Defined benefit plans		
	a) Gratuity payable to employees	**621.42**	378.68
	b) Compensated absences for Employees	**494.23**	510.27
		Employees' gratuity fund	
i)	**Actuarial assumptions**		
	Discount rate (per annum)	**7.15%**	7.14%
	Rate of increase in Salary	**7.65%**	8.06%
	Attrition rate	**13.51%**	6.43%
	Expected rate of return on Plan Assets	**7.15%**	7.14%
ii)	**Changes in the present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	**1687.25**	1622.89
	Interest cost	**113.25**	104.36
	Current service cost	**112.56**	106.69
	Benefits paid and charges deducted	**(202.18)**	(238.32)
	Actuarial (gain)/ loss on obligations	**101.21**	91.64
	Present value of obligation at the end of the year	**1812.11**	1687.25
iii)	**Changes in fair value of plan assets**		
	Fair value of plan assets as at the beginning of the year	**1308.57**	1457.61
	Expected return on plan assets	**86.39**	93.06
	Contributions	**4.95**	4.94
	Benefits paid and Charges deducted	**(202.18)**	**(238.32)**
	Actuarial gain/(loss) on plan assets [balancing figure]	**(7.05)**	**(8.72)**
	Fair value of plan assets as at the end of the year	**1190.69**	**1308.57**
iv)	**Expense recognized in the Statement of Profit and Loss**		
	Current service cost	**112.56**	106.69
	Interest cost	**26.86**	11.30

(₹ in Lac)

S.No	Particulars	31 March 2023	31 March 2022
	Total expenses recognized in the Statement Profit and Loss*	**139.42**	117.98
	*Included in Employee benefits expense (Refer Note 28). Actuarial (gain)/loss of ₹ 108. 27 Lac (31 March 2022: ₹ 100.35 Lac) is included in other comprehensive income.		
v)	**Assets and liabilities recognized in the Balance Sheet:**		
	Present value of funded obligation as at the end of the year	**1812.11**	1687.25
	Fair value of plan assets	**1190.69**	1308.57
	Funded net liability recognized in Balance Sheet*	**(621.42)**	(378.68)
	*Included in other current liabilities (Refer Note 21)		
vi)	**Amount recognized for the current year in the statement of other comprehensive income (OCI)**		
	Actuarial (gain)/loss on Plan Obligations	**101.22**	91.64
	Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	**7.05**	8.72
	(Gain)/ loss recognized in OCI for the current year	**108.27**	100.35
vii)	**A quantitative sensitivity analysis for significant assumption as at 31 March 2023 and 31 March 2022 are as shown below:**		
	Impact on defined benefit obligation		
	Discount rate		
	0.5% increase	**1773.41**	1632.73
	0.5% decrease	**1852.60**	1745.43
	Rate of increase in salary		
	0.5% increase	**1855.18**	1746.61
	0.5% decrease	**1770.56**	1631.08
viii)	**Expected Benefit Payments in following years**		
	Year 1	**302.35**	160.43
	Year 2	**404.72**	326.36
	Year 3	**286.55**	179.26
	Year 4	**212.94**	198.37
	Year 5	**202.23**	147.28
	Next 5 Years	**710.40**	752.82

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Employee who has completed five years of service is entitled to specific benefit depending on the employee's length of service and salary at retirement or relieving age.

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India (LIC) which is basically a year-on-year cash accumulation plan. As part of the scheme the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity settlements during the year subject to sufficiency of funds under the policy.

C Long Term Compensated Absences – Unfunded

Leave Encashment (Unfunded) payable to eligible employees who have earned leaves, during the employment and/or on separation, as per the company's policy, is estimated as per actuarial valuation using projected unit credit method.

Actuarial Assumptions:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate as per para 83 of Ind AS 19	**7.15%**	7.14%
Expected rate of return on Plan Assets	**7.15%**	7.14%
Rate of increase in compensation levels	**7.65%**	8.06%
Attrition rate fixed by Enterprise	**13.51%**	6.43%

D Provision for employee benefits - Current and Non-current bifurcation

(₹ in lac)

Particulars	As at March 31, 2023		
	Gratuity	Long term compensated absences	Total
Current portion	**621.42**	**494.23**	**1115.65**
Total	**621.42**	**494.23**	**1115.65**

Particulars	As at March 31, 2022		
	Gratuity	Long term compensated absences	Total
Current portion	378.68	510.27	888.95
Total	378.68	510.27	888.95

Note 36 Income Tax

(A) The following is the analysis of deferred tax assets/(liabilities) presented in the balance Sheet: (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets	**9900.21**	10148.64
Deferred tax liabilities	**7904.63**	6638.67
	1995.58	3509.97

2022-23:- (₹ in lac)

Particulars	Opening Balance	Recognized in Profit & loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred Tax (Liabilities)/Asset in relation to				
Property plant and Equipment	**(6492.57)**	**(1283.60)**	**-**	**(7776.17)**
Provision for Doubtful Debts, Provision for Compensated absence and others	**841.68**	**740.58**	**-**	**1582.26**
Unabsorbed Depreciation	**4745.19**	**-**	**-**	**4745.19**
Unabsorbed Business Loss	**4561.77**	**(989.00)**	**-**	**3572.77**
Financial Assets at FVTOCI	**(146.10)**	**-**	**17.63**	**(128.47)**
	3509.97	**(1532.01)**	**17.63**	**1995.58**
Deferred Tax Asset (Net)	**3509.97**	**(1532.01)**	**17.63**	**1995.58**
MAT Credit Entitlement	**6701.69**	**7481.10**	**-**	**14182.79**
Net Deferred Tax Assets	**10211.66**	**5949.08**	**17.63**	**16178.37**

2021-22:- (₹ in lac)

Particulars	Opening Balance	Recognized in Profit & loss	Recognised in Other Comprehensive Income	Closing Balance
Deferred Tax (Liabilities)/Asset in relation to				
Property plant and Equipment	(3888.24)	(2604.33)	-	(6492.57)
Provision for Doubtful Debts, Provision for Compensated absence and others	898.90	(57.22)	-	841.68
Unabsorbed Depreciation	5160.10	(414.91)	-	4745.19
Unabsorbed Business Loss	1485.31	3076.46	-	4561.77
Financial Assets at FVTOCI	21.26	-	(167.36)	(146.10)
	3677.33	-	(167.36)	3509.97
Deferred Tax Asset (Net)	3677.33	-	(167.36)	3509.97
MAT Credit Entitlement	6701.69	-		6701.69
Net Deferred Tax Assets	10379.02	-	(167.36)	10211.66

(B) Unrecognized deductible temporary differences, unused tax losses and unused tax credits

Deductible unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

(₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Business losses	-	23154.17
Capital losses	1856.73	1867.19
Total	1856.73	25021.36

There is no provision for tax under normal computation in view of the brought forward losses/unabsorbed depreciation relating to earlier years available for set off. Provision for Minimum Alternate Tax (MAT) under section 115-JB of the Income Tax Act, 1961 has been made for the year ended 31 March 2023 for an amount of Rs. 7481.09 lacs, (including Rs 2112.27 lacs relating to the previous year ended 31 March 2022). Deferred tax charge /(credit) is net of MAT credit entitlement asset of Rs. 7481.09 lacs for the year ended 31 March 2023 based on assessment (including application of sensitivity analysis on key inputs) of future profitability where it is reasonably certain that the same would be utilised within the time period in keeping with the provisions of Income tax Act.

(C) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022

(₹ in Lac)

Reconciliation of tax charge	**As at 31 March 2023**	As at 31 March 2022
Accounting Profit before income tax	**29976.36**	14043.44
Enacted tax rates in India	**34.94%**	34.94%
Computed tax expense	**10474.94**	4907.34
Tax effects of:		
- Effects of expenses/income that are not deductible/considered in determining the taxable profits	**388.52**	289.12
- Deductible expenses for tax purpose	**(106.37)**	(51.09)
- Adjustment in respect of Previous Years	**0.09**	-
-Deferred tax recognised on losses and deductible temporary differences pertaining to Prior Years	**(532.67)**	(2905.48)
-Effect of unused tax losses and tax offsets not recognised as deferred tax assets	**(8760.35)**	(2389.94)
- Effect of Revalued assets not recoginsed as deffered tax liabilities	**67.94**	150.05
Income tax expenses	**1,532.10**	-

Note 37: Segment Reporting

The information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance is based on types of goods and services. Accordingly, the Company's reportable segments under Ind AS 108 are as follows:

(i) Agro inputs - Urea Operations

(ii) Others - Agri Business

The following is an analysis of the Company's revenue and results from operations by reportable segments:

(₹ in lac)

Particulars	Segment Revenue		Segment Profit	
	Year ended 31 March 2023	Year ended 31 March 2022	**Year ended 31 March 2023**	Year ended 31 March 2022
Agro Inputs (Urea Operations)	**272082.87**	185018.63	**34309.82**	16807.62
Others (Agri business)	**246.90**	557.05	**(270.33)**	(230.32)
Unallocated income	**12614.95**	3578.51	**-**	-
Total	**284944.73**	189154.19	**34039.49**	16577.30
Finance Cost			**(3092.84)**	(1419.15)
Other Net Unallocable (Expenses)			**(970.29)**	(1791.68)
Share of profit in joint venture			**2146.94**	4002.21
Income Tax Expense/ (Benefit)			**(2051.81)**	(1034.27)
Profit for the year			**30071.49**	16334.41

There is no single external customer with transactions which are more than 10% of the reported revenue from operations.

Segment Assets and Liabilities: (₹ in lac)

Particulars	**As at 31 March 2023**	As at 31 March 2022
Segment Assets		
Agro inputs (Urea Operations)	**162991.69**	123767.13
Others (Agri business)	**1488.41**	1593.45
Unallocable Assets	**55673.88**	43790.46
Total Assets	**220153.98**	169151.04
Segment Liabilities		
Agro inputs (Urea Operations)	**114011.55**	59102.41
Others (Agri business)	**2804.00**	70.11
Unallocable Liabilities	**4762.32**	40586.14
Total Liabilities	**121577.87**	99758.66

Other Segment Information: (₹ in lac)

Particulars	Depreciation and Amortisation		Capital Expenditure	
	Year ended 31 March 2023	Year ended 31 March 2022	**Year ended 31 March 2023**	Year ended 31 March 2022
Agro Inputs (Urea Operations)	**4196.13**	4267.70	**2311.76**	18137.28
Others (Agri business)	**47.22**	47.07	**2.49**	6.59
Unallocable	**129.17**	126.22	**44.85**	2.64
Total	**4372.52**	4440.99	**2359.09**	18146.51

For the purpose of monitoring segment performance and allocating resources between segments:

1. All Assets are allocated to reportable segments other than Investments, cash and cash equivalents and derivative contracts.

2. All liabilities are allocated to reportable segments other than borrowings, current and deferred tax liabilities.

38 (i) Related party disclosures for the year ended 31 March 2023

In accordance with the requirements of Ind AS-24 ' Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

Nature	Parties	
Associates	1	Tuticorin Alkali Chemicals and Fertilizers Limited
	2	Gold Nest Trading Company Limited (till 19.09.2022)
	3	Greenam Energy Private Limited
Jointly Controlled entities	1	Tamilnadu Petroproducts Limited
	2	National Aromatics and Petrochemicals Corporation Limited
Key Management Personnel of the Company	1	Thiru. Ashwin C Muthiah
	2	Thiru. S.R. Ramakrishnan
Enterprises owned by / over which Key Management Personnel is able to exercise significant influence	1	Wilson International Trading Pvt Ltd, Singapore
	2	Wilson International Trading India Private Limited
	3	Manali Petrochemicals Limited
	4	Greenstar Fertilizers Limited
	5	AM International Holdings Pvt Ltd, Singapore
	6	AMI Holdings Private Limted
	7	Sicagen India Limited
	8	SPIC Officers And Staff Welfare Foundation
	9	South India Travels Private Limited
	10	Lotus Fertilizers Private Limited
	11	EDAC Engineering Limited
	12	AM Foundation
	13	Firstgen Distribution Private Company
	14	Spic Group Companies Employees Welfare Foundation
	15	Wilson Cables Pte Ltd, Singapore
	16	Navia Markets Limited
	17	South India House Estates And Properties Ltd

Note 38 (ii) (A) Balance Outstanding (₹in lac)

S.NO	Particulars	As at 31 March 2023	As at 31 March 2022
A	**Balance Outstanding**		
(a)	**Receivables including Advances**		
	Tamilnadu Petroproducts Limited	**3.36**	3.11
	Tuticorin Alkali Chemicals and Fertilizers Limited	**353.47**	171.62
	Greenstar Fertilizers Limited	**-**	11.21
	National Aromatics and Petrochemicals Corporation Limited *	**1494.89**	1493.17
	Manali Petrochemicals Limited	**0.35**	0.78
	EDAC Engineering Limited	**-**	23.63
	Sicagen India Limited	**-**	3.93
	AM Foundation	**0.28**	-
	Greenam Energy Private Limited	**203.39**	217.03
	South India Travels Pvt Ltd	**-**	0.01
	Wilson International Trading(India) Pvt Ltd	**-**	0.01
	Navia Markets Limited	**0.02**	-
(b)	**Payables**		
	Greenstar Fertilizers Limited	**927.04**	13304.95
	Sicagen India Limited	**114.40**	262.02
	EDAC Engineering Limited	**2.71**	17.28
	Tuticorin Alkali Chemicals and Fertilizers Limited	**23.39**	59.26
	Lotus Fertilizers Private Limited	**36.56**	1827.52
	South India Travels Pvt Ltd	**3.48**	4.86
	AMI Holdings Pvt. Ltd.India	**-**	4.41
	Wilson International Trading Pte. Ltd, Singapore	**-**	3105.33
	South India House Estates	**8.03**	-
(C)	**Cash collateral provided against bank borrowings**		
	AM International Holdings Pvt Ltd, Singapore (in USD)	**37.50**	37.50
(d)	**Borrowings including interest payable**		
	AM International Holdings Pvt Ltd, Singapore	**18199.05**	18199.04

*Dues have been fully provided

Note 38 (ii) B The following transactions were carried out with the related parties (₹in lac)

S.NO	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
B	**Transactions During The Year**		
1	**Sale of goods/Spares**		
	Tuticorin Alkali Chemicals and Fertilizers Limited	1.32	-
	Greenstar Fertilizers Limited	11901.77	4254.99
	Lotus Fertilizers Private Limited	208.98	126.39
	Sicagen India Limited	0.13	0.86
2	**Purchase of materials**		
	Tuticorin Alkali Chemicals and Fertilizers Limited	45.79	13.05
	Tamilnadu Petroproducts Limited	2.75	61.89
	Wilson International Trading Pte Ltd, Singapore	-	3,864.77
	Sicagen India Limited	673.40	543.31
3	**Reimbursement of Expenses (Receipts)**		
	Greenstar Fertilizers Limited	1,111.93	712.45
	National Aromatics and Petrochemicals Corporation Limited	1.72	1.65
	EDAC Engineering Limited	0.01	-
	AM Foundation	0.00	0.11
	Greenam Energy Private Limited	3.90	1.69
	SPIC Group Companies Employees Welfare Foundation	4.21	1.50
	SPIC Officers & Staff Welfare Foundation	2.35	0.45
4	**Reimbursement of Expenses (Payments)**		
	Greenstar Fertilizers Limited	0.63	-
5	**Income from services rendered**		
	AM Foundation	0.53	-
	Manali Petrochemicals Limited	4.61	2.93
	Tamilnadu Petroproducts Limited	3.68	0.01
	Tuticorin Alkali Chemicals and Fertilizers Limited	261.41	153.04
	Greenstar Fertilizers Limited	811.27	897.13
	Wilson International Trading (India) Private Limited	0.08	0.05
	Sicagen India Limited	5.61	5.16
	EDAC Engineering Limited	0.02	3.52
	Greenam Energy Private Limited	0.30	0.20
6	**Services / Consultancy Charges/Manpower Charges**		
	Greenstar Fertilizers Limited	410.77	494.90
	Sicagen India Limited	39.23	14.84
	EDAC Engineering Limited	31.56	71.46
7	**Exchange Fluctuation**		
	Greenstar Fertilizers Limited	-	20.47
8	**Dividend Income**		
	Manali Petrochemicals Limited	0.25	0.15

Note 38 (ii) B The following transactions were carried out with the related parties (₹in lac)

S.NO	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
	Tamilnadu Petroproducts Limited	**457.03**	380.86
	Sicagen India Limited	**1.44**	3.47
9	**Managerial Remuneration**		
	Thiru. S R Ramakrishnan	**75.02**	75.03
10	**Handling Charges**		
	Greenstar Fertilizers Limited	**156.22**	52.92
11	**Storage Charges**		
	Greenstar Fertilizers Limited	**355.27**	324.06
12	**Rent Paid for Building**		
	Greenstar Fertilizers Limited	**83.61**	-
13	**Director Sitting Fees**		
	Thiru. Ashwin C Muthiah	**5.00**	5.00
	Tamilnadu Industrial Development Corporation Limited	**5.00**	-
14	**Director Remuneration**		
	Thiru. Ashwin C Muthiah	**5.00**	-
	Tamilnadu Industrial Development Corporation Limited	**7.00**	-
15	**Income from Rentals**		
	Greenstar Fertilizers Limited	**29.45**	28.18
	AM Foundation	**0.14**	0.14
	Greenam Energy Private Limited	**14.16**	14.16
16	**Advance for FSA /Ammonia**		
	Greenstar Fertilizers Limited	**829.70**	7100.00
17	**Interest on Borrowings(Payable)**		
	AM International Holdings Pvt Ltd, Singapore	**1629.63**	342.42
18	**Borrowings**		
	AM International Holdings Pvt Ltd, Singapore	**-**	17907.99
19	**Redemption of Preference Shares**		
	AMI Holdings Pvt Ltd, India	**-**	950.00
20	**Payment of Dividend**		
	AMI Holdings Pvt Ltd, India	**-**	2250.65
21	**Demurrage Charges / (Credit)**		
	Wilson International Trading Pvt. Ltd, Singapore	**-**	-18.22
22	**Car Rental Charges**		
	South India Travels Private Limited	**18.55**	20.88
23	**Investments Written off**		
	Gold Nest Trading Company Ltd	**250.25**	-
24	**Investment in Equity**		
	Greenam Energy Private Limited	**-**	150.00

Note 38 (ii) B The following transactions were carried out with the related parties (₹in lac)

S.NO	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
25	**Rebates and Discounts**		
	Lotus Fertilizers Private Limited	**6.68**	4.66
26	**Work Order**		
	Sicagen India Limited	**19.30**	6.72
27	**Guest House Expenses**		
	South India House Estates & Properties	**16.86**	-
28	**Purchase of Power**		
	Greenam Energy Private Limited	**667.09**	44.51
29	**Power purchase deposit**		
	Greenam Energy Private Limited	**-**	161.32
30	**Guarantee Commission**		
	Greenstar Fertilizers Limited	**7.91**	-
31	**Payment towards CSR**		
	AM Foundation	**5.88**	-
32	**AMC Charges**		
	Navia Markets Limited	**0.04**	-
33	**Storage Charges Received**		
	Tuticorin Alkali Chemicals and Fertilizers Limited	**3.16**	1.09

Note 39 Financial Instruments

39.1 Capital Management

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

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

The following table summarises the capital of the Company: (₹ in lac)

Particulars	31 March 2023	31 March 2022
a) Equity	**98576.11**	69392.38
b) Borrowings other than non-convertible preference shares	**39846.60**	30174.66
c) Less: Cash and Cash equivalants	**(1642.45)**	(503.23)
d) Total debt(b+c)	**38204.15**	29671.43
e) Overall financing(a+d)	**136780.26**	99063.81
f) Net debt to capital ratio (d/e)	**0.28**	0.30
g) Interest coverage ratio	**12.04**	14.66

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

39.2 Categories of Financial instruments (₹ in lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Financial Assets		
Measured at FVTOCI		
a) Investments	**2790.67**	2986.78
Measured at FVTPL		
b) Investments	**1.00**	1.00
Measured at amortised cost		
c) Trade receivables	**1005.93**	45.03
d) Cash and cash equivalents	**1642.45**	503.23
e) Bank balances other than (c) above	**99.95**	106.93
f) Other financial assets - Current Asset	**70095.91**	4406.65
g) Other Financial Assets - Non Current Asset	**8783.86**	6595.50
Financial Liabilities		
Measured at amortised cost		
a) Borrowings - Current Liabilities	**29706.94**	26433.27
b) Borrowings - Non Current Liabilities	**10139.66**	3741.39
c) Current Lease Liability	**98.24**	123.87
d) Non Current Lease Liability	**110.93**	209.17
e) Trade payables	**60155.05**	48812.93
f) Other financial liabilities - Current Liabilites	**2147.62**	3591.80
g) Other Financial Liabilties - Non Current Liabilities	**3514.75**	3118.51

39.3 Financial Risk and Management Objectives

The Company's activities expose it to a variety of financial risks, credit risks, liquidity risks and market risks.

The Company’s board of directors has overall responsibility for the establishment and oversight of the risk management framework.

The risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control enviornment in which all employees understand their roles and obligations.

1. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and subsidy receivable

The Company receivables can be classified into two categories, one is from the customers into the market and second one is from the Government in the form of subsidy. As far as Government portion of receivables are concerned, credit risk is nil. For market receivables from the customers, the Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets. The Company has also taken security deposits from its customers, which mitigate the credit risk to some extent.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

2. Liquidity Risks

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, 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 risking damage to the company's reputation.

The table below provides the details regarding the contractual maturities of significant financial liabilities as follows;

(₹ in lac)

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
31 March 2023					
Short term borrowings (Current)	**17396.54**	**12310.40**	**-**	**-**	**29706.94**
Long-term borrowings (Non Current)	**-**	**-**	**10139.66**	**-**	**10139.66**
Trade payables	**37760.29**	**22394.76**	**-**	**-**	**60155.05**
Other financial liability	**2147.62**	**-**	**-**	**3514.75**	**5662.37**
Lease liability	**32.68**	**65.56**	**110.93**	**-**	**209.17**
	57337.13	**34770.72**	**10250.59**	**3514.75**	**105873.19**
31 March 2022					
Short term borrowings	-	26433.27	-	-	26433.27
Long-term borrowings	-	-	3741.39	-	3741.39
Trade payables	35419.37	13393.57	-	-	48812.94
Other financial liability	3591.80	-	-	3118.51	6710.31
Lease liability	29.69	94.18	209.17	-	333.04
	39040.86	39921.02	3950.56	3118.51	86030.95

3. Market Risk

Market risk is this risk that changes in market prices, such as foreign exchange rates and Interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the returns.

4. Foreign Currency Risks

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which transactions are denominated and the functional currency of the company. The functional currency of the company is Indian Rupees (INR). The currency in which these transactions are primarily denominated is US Dollars (USD).

a. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

(In Million USD)

Particulars of Liabilities	As at 31 March 2023	As at 31 March 2022
Trade Payables		
Amount due on account of goods supplied	**0.07**	5.25

b. Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in US Dollar. The following table details the Company's sensitivity to a Rs. 2 increase and decrease against the US Dollar. Rs.2 is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a Rs. 2 change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by Rs. 2 against the US Dollar. For a Rs. 2 weakening against the US Dollar, there would be a comparable impact on the profit or equity.

(₹ in Lac)

Currency impact relating to the foreign currencies of	**As at 31 March 2023**		As at 31 March 2022	
	Proift or loss	**Equity**	Proift or loss	Equity
₹USD - increase by INR 2	**1.45**	**1.45**	104.94	104.94
₹USD - decrease by INR 2	**(1.45)**	**(1.45)**	(104.94)	(104.94)

5. Interest Rate Risks

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 outstanding debt in local currency is on fixed rate basis and hence not subject to interest rate risk.

6. Commodity Price Risk

The Company’s operating activities require the ongoing purchase of imported raw materials and also domestic natural gas purchase. Naphtha and fuel oil being an international commodity is subject to price fluctuation on account of the change in the crude oil prices, demand supply pattern of naphtha and exchange rate fluctuations. Further the natural gas price is also linked to the oil prices.

Fair Value Measurements

The following table shows the carrying amounts and fair values of financial assets and financial liabilities including their levels in fair value hierarchy

(₹ in lac)

As at 31 March, 2023		Carrying Amount					Fair Value			
Particulars	Note	Financial Assets at amortised cost	Financial Assets at FVTPL	Financial Assets at FVTOCI	Other Financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets **Financial Assets measured at fair value**										
Investments in quoted equity instruments at FVTOCI	6(B)(A)(1) & 6 (C)			2714.71		2714.71	2714.71			2714.71
Investments in unquoted equity instruments at amortised cost	6 (B)	75.96				75.96		75.96		75.96
Investment in mutual fund	6 (B)		1.00			1.00		1.00		1.00
Financial Assets not measured at fair value						0.00		0.00		
Trade Receivables	12	1005.93				1005.93		1005.93		1005.93
Cash and Cash Equivalents	13 (A)	1642.45				1642.45		1642.45		1642.45
Other Bank balances	13 (B)	99.95				99.95		99.95		99.95
Other financial assets	7 (A) & (B)	78879.77				78879.77		78879.77		78879.77
Total		81704.06	1.00	2714.71	-	84419.77	2714.71	81705.06	-	84419.77
Liabilities **Financial Liabilities not measured at fair value**										
Non Current Borrowings	18 (A)				10139.66	10139.66		10139.66		10139.66
Current Borrowings	18 (B)				29706.94	29706.94		29706.94		29706.94
Current Lease Liability					98.24	98.24		98.24		98.24
Non Current Lease Liability					110.93	110.93		110.93		110.93
Trade payables	19 & 19 (i)				60155.05	60155.05		60155.05		60155.05
Other Current financial liabilities	18 (B)				2147.62	2147.62		2147.62		2147.62
Other Non Current financial liabilities	18 (A)				3514.75	3514.75		3514.75		3514.75
Total		-		-	105873.20	105873.20	-	105873.20	-	105873.20

As at 31 March, 2022		Carrying Amount					Fair Value			
Particulars	Note	Financial Assets at amortised cost	Financial Assets at FVTPL	Financial Assets at FVTOCI	Other Financial liabilities at amortised cost	Total carrying value	Level 1	Level 2	Level 3	Total
Assets **Financial Assets measured at fair value**										
Investments in quoted equity instruments at FVTOCI	6(B)(A)(1) & 6 (C)			2891.00		2891.00	2891.00			2891.00
Investments in unquoted equity instruments at amortised cost	6 (B)	95.78				95.78		95.78		95.78
Investment in mutual fund	6 (B)		1.00			1.00		1.00		1.00
Financial Assets not measured at fair value										
Trade Receivables	12	45.03				45.03		45.03		45.03
Cash and Cash Equivalents	13 (A)	503.23				503.23		503.23		503.23
Other Bank balances	13 (B)	106.93				106.93		106.93		106.93
Other financial assets	7 (A) & (B)	11002.15				11002.15		11002.15		11002.15
Total		**11753.12**	**1.00**	**2891.00**	**-**	**14645.12**	**2891.00**	**11754.12**	**-**	**14645.12**
Liabilities **Financial Liabilities not measured at fair value**										
Non Current Borrowings	18 (A)				3,741.39	3,741.39		3,741.39		3,741.39
Current Borrowings	18 (B)				26,433.27	26,433.27		26,433.27		26,433.27
Current Lease Liability					123.87	123.87		123.87		123.87
Non Current Lease Liability					209.17	209.17		209.17		209.17
Trade payables	20 & 20 (i)				48,812.93	48,812.93		48,812.93		48,812.93
Other Current financial liabilities	19 (B)				3,591.80	3,591.80		3,591.80		3,591.80
Other Non Current financial liabilities	19 (A)				3,118.51	3,118.51		3,118.51		3,118.51
Total		**-**		**-**	**86,030.94**	**86,030.94**	**-**	**86,030.94**	**-**	**86,030.94**

Note 40: Earnings Per Share

Particulars	**Year ended 31 March 2023**	Year ended 31 March 2022
Face Value per share (In ₹)	**10.00**	10.00
Profit for the year (₹ in lac)	**30201.93**	17816.19
Basic		
Weighted Average Number of shares outstanding	**203640336**	203640336
Earnings per share (In ₹)	**14.83**	8.75
Diluted		
Weighted Average Number of shares outstanding	**203640336**	203640336
Earnings per share (In ₹)	**14.83**	8.75

Note 41 :Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(₹ in lac)

Name of struck off Company	Nature of transactions with struck-off Company	Relationship with the Struck off company, if any	Balance outstanding as at current Year	Balance outstanding as at previous Year
Sun Chemicals	Payables	NA	-	7.21
Net Air Express Pvt Ltd	Payables	NA	-	-
Veda Networks	Payables	NA	-	-
Quality Products	Payables	NA	-	-

Note 42 Registration of charges or satisfaction with Registrar of Companies

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

Note 43 Wilful Defaulter

The company has not been declared as a wilful defaulter by Reserve Bank of India, Banks, Financial Institutions or any other Lender.

Note 44 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 45

a) The Company has not advanced or loaned or invested funds during the reporting periods 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 during the reporting periods 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.

Note 46 Undisclosed income:

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year/previous 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).

Note 47:
Details of Crypto Currency or Virtual Currency

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

Note 48:
Corporate Social Responsibility

In view of absence of Profit as per the computation of Section 198 of the Companies Act 2013, Company is not required to spend towards CSR Activity as per Section 135 of Companies Act, 2013.

Note 49:

The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date from which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 50:

The Board of Directors has recommended a dividend of Re.1.50 per share on 20,36,40,336 equity shares of ₹10/- each for the financial year 2022-23, subject to approval of Members at the Annual General Meeting.

Note 51:
Details of Benami Property held

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

Note 52:

Following disclosures are not applicable for consolidated financial statements as per Schedule III:

(a) Title deeds of immoveable properties

(b) Accounting ratios

Note 53: Additional information required under Schedule III of the Companies Act, 2013

Information regarding Associates and Joint Ventures included in the Consolidated Financial Statements for the year ended 31 March 2023

Particulars	**Net Assets ie Total assets minus Total Liabilities**		**Share in Profit/(Loss)**		**Share in Other Comprehensive Income**		**Share in Total Comprehensive Income**	
	As % of Consolidated Net Assets	**Amount (₹ in lac)**	**As % of Consolidated Net Assets**	**Amount (₹in lac)**	**As % of Consolidated Net Assets**	**Amount (₹in lac)**	**As % of Consolidated Net Assets**	**Amount (₹in lac)**
Parent								
Southern Petrochemical Industries Corporation Ltd	**83.36**	**82177.01**	**94.59**	**28444.26**	**(204.64)**	**(266.93)**	**93.30**	**28177.33**
Joint Venture								
Tamilnadu Petroproducts Limited	**15.45**	**15231.70**	**5.30**	**1594.63**	**130.70**	**170.49**	**5.84**	**1765.12**
Associates*								
Tuticorin Alkali Chemicals and Fertilizers Limited	**0.23**	**226.88**	**-**	**-**	**173.94**	**226.88**	**0.75**	**226.88**
Greenam Energy Private Limited	**0.96**	**940.53**	**0.11**	**32.60**	**-**	**-**	**0.11**	**32.60**
Total	**100.00**	**98576.12**	**100.00**	**30071.49**	**100.00**	**130.44**	**100.00**	**30201.93**

*Subsequent to removal of Company name by register of companies vide letter dated 19 September 2022, Gold Nest Trading Company Limited has ceased to exist and hence the Investment had been written off utilising the provision.

Information regarding Associates and Joint Ventures included in the Consolidated Financial Statements for the year ended 31 March 2022

Particulars	Net Assets ie Total assets minus Total Liabilities		Share in Profit/(Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (₹ in lac)	As % of Consolidated Net Assets	Amount (₹ in lac)	As % of Consolidated Net Assets	Amount (₹ in lac)	As % of Consolidated Net Assets	Amount (₹ in lac)
Parent								
Southern Petrochemical Industries Corporation Ltd	79.29	55017.88	81.83	13366.46	94.88	1405.92	82.92	14772.38
Joint Venture								
Tamilnadu Petroproducts Limited	19.41	13466.58	18.18	2968.84	5.12	75.86	17.09	3044.71
Associates								
Gold Nest Trading Company Limited	-	-	(0.02)	(2.93)	-	-	(0.02)	(2.93)
Greenam Energy Private Limited	1.31	907.93	0.01	2.03	-	-	0.01	2.03
Total	100.00	69392.38	100.00	16334.40	100.00	1481.78	100.00	17816.19

Note 54

(a) Previous year's figures have been regrouped / reclassified wherever necessary to conform presentation as required by Schedule III of the Act .

(b) Previous year figures are given in brackets.

(c) The Board of Directors has reviewed the realizable value of all current assets of the Company and has confirmed that all the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. Further, the board, duly taking into account all relevant disclosures made, has approved these financial statement for the year ended 31 March 2023 in its meeting held on 24 May 2023.

In terms of our report attached.	For and on behalf of the Board of Directors	
For MSKA & Associates Chartered Accountants Firm Registration No.: 105047W	**SASHIKALA SRIKANTH** Director DIN 01678374	**S R RAMAKRISHNAN** Whole-Time Director DIN: 00120126
GEETHA JEYAKUMAR Partner Membership No: 029409	**K R ANANDAN** Chief Financial Officer	**M B GANESH** Company Secretary
Place : Chennai Date : 24 May 2023	Place : Chennai Date : 24 May 2023	

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ATTACHMENT TO THE FINANCIAL STATEMENTS

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts), Rule, 2014

Associates and Joint Ventures

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

Name of Associates / Joint Ventures	**Tuticorin Alkali Chemicals and Fertilizers Limited**	**Gold Nest Trading Company Limited**	**Greenam Energy Private Limited**	**National Aromatics and Petrochemicals Corporation Limited**	**Tamilnadu Petroproducts Limited**
1. Latest Audited Balance Sheet Date	31-Mar-23	***	31-Mar-23	31-Mar-23	31-Mar-23
2. Shares of Associate / Joint Ventures held by the company on the year end					
No. Shares	28586872	249000	9086502	25000	15234375
Amount of Investment in Associates / Joint Venture (Rs in Lac)	3535.66	250.25	908.65	2.50	1980.47
Extent of Holding (%)	23.46%	32.76%	20.00%	50.00%	16.93%
3. Description of how there is significant influence	Control of over 20%	Control of over 20%	Control of 20%	Control of 50%	Control of Business decisions under Joint Venture Agreement
4. Reason why the Associates/ Joint Venture is not consolidated	Consolidated	The Company was dissolved on 19th Sept 2022	Consolidated	Not considered for consolidation, since carrying amount is Nil as per Ind AS 28	Consolidated
5. Networth attributable to Shareholding as per latest audited Balance Sheet (Rs in Lac)	226.88	-	948.86	433.07	13974.70
6. Profit/(Loss) for the year					
i. Considered in Consolidation	226.88		32.60		1765.12
ii. Not Considered in Consolidation (Rs in lac)		-		(0.86)	

National Aromatics and Petrochemicals Corporation Limited (Joint Venture).

***Gold Nest Trading Company Limited applied to Ministry of Corporate Affairs on 28th March 2022, for removal of Company name from the Register of Companies and approval was received on 19th September 2022. Accordingly the Company was dissolved effective on 19th September 2022.

For and on behalf of the Board of Directors

SASHIKALA SRIKANTH
Director
DIN 01678374

S R RAMAKRISHNAN
Whole-Time Director
DIN: 00120126

K R ANANDAN
Chief Financial Officer

M B GANESH
Company Secretary

Place : Chennai
Date : 24 May 2023

SOUTHERN PETROCHEMICAL INDUSTRIES CORPORATION LIMITED

SPIC HOUSE, 88 Mount Road, Guindy, Chennai – 600 032.