



HMA & ASSOCIATES

Chartered Accountants

Head Off. : 1, Runwal Pratishtha, 1202/27, Shivajinagar, Apte Road, Behind Santosh Bakery, Pune 411 004.
■ Telefax : +91 20 2553 6110 ■ Email : ho@hmaca.in ■ www.hmaca.in
■ Branch Offices : PUNE, THANE

Independent Auditor's Report

To,

The Members of SCM Fertichem Limited

Report on the audit of the Ind AS financial statements

Opinion

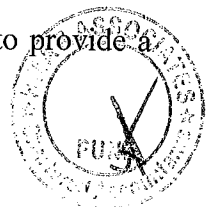
We have audited the accompanying Standalone Ind AS financial statements of SCM Fertichem Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2021, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Emphasis of Matter

In our opinion, there is no such matter which we need to emphasize in our Audit Report.

Information other than the Ind AS financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Ind AS financial statements and our auditor's report thereon.

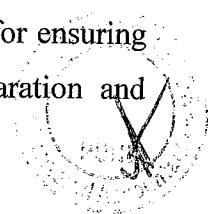
Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and



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presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

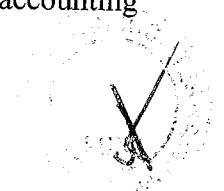
Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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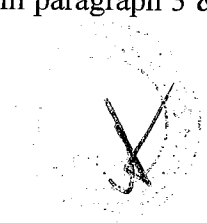
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements:

1. Companies (Auditor's Report) Order 2016, issued by Central Government of India in terms of sub section (11) of the Section 143 of the Companies Act, 2013 is applicable to the company. We are giving in Annexure a statement on the matters specified in paragraph 3 & 4 of the Order to the extent possible in **Annexure 1**.

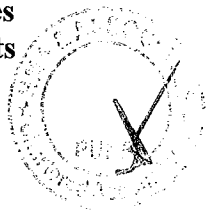


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2. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
 - In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 2**.
 - 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:
 - The Company does not have any pending litigations.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For HMA & Associates
Chartered Accountants
FRN - 100537W



CA Anand D. Joshi
Partner
Membership No. - 113805
UDIN :- 21113805AAAAHC9078
Place :- Pune
Date :- 24th May 2021



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ANNEXURE 1

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

on the Standalone Ind AS Financial Statements for the year ended 31st March 2021

As per Companies (Auditor's Report) Order, 2016 dt.29th March 2016.

Referred to in Paragraph 1 under the heading of "Report on other legal & regulatory requirements" of our report of even date.

Re: - SCM Fertichem Limited the F.Y. 2020-21

1. Fixed assets –

- The Company has maintained proper record showing full particulars including quantitative details and situation of fixed assets.
- The management, at the end of the year, has physically verified the fixed assets and we have been informed that no material discrepancies were noticed on such verification as compared to book records.
- The title deeds of immovable properties are held in the name of the Company.

2. Inventory –

- The inventory has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of Company & nature of its business.
- The Company is maintaining proper records of the inventory. The discrepancies noticed on verification between physical stock & book records were not material as reported by the management and the same have been properly dealt with in the books of accounts.

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3. Loans granted –

Company has not granted any secured or unsecured loans to Companies, firms, Limited Liability partnerships or other parties listed in the register maintained u/s 189 of Companies Act 2013. Hence our comments on following matters are not attracted –

- Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;
- Whether the schedule of repayment of principal and payment of interest has been stipulated and
- Whether the repayments or receipts are regular;
- In case the amount is overdue, the total amount overdue for more than ninety days, and
- Whether reasonable steps have been taken by the company for recovery of the principal and interest.

4. Loans, Investment, Guarantees & Security –

- Company has not granted any loans or given guarantees – directly or indirectly - to Directors or any other person in whom Directors are interested in contravention of Section 185 and section 186 of Companies Act 2013.
- Company has not granted any loan or given guarantee or made investment or provided security in contravention of Section 186 of Companies Act 2013.

5. Deposits–

- The Company has not accepted any deposits. Hence our comments on compliance of the directives of Reserve Bank of India, provisions of Sec.73 to 76 or any other relevant provisions of the Companies Act 2013 & the rules framed there under are not required.
- The nature of contravention - not applicable.
- No order has been passed by Company Law Board, or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal requiring any compliance.

6. Cost records–

The Company is not required to maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.



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7. Statutory dues –

- According to the information & explanations given to us, Company is regular in depositing undisputed statutory dues including Income-tax, Goods & Service Tax, cess and any other statutory dues with appropriate authority.
- No such undisputed dues were outstanding as at the last day of financial year for a period of more than six months from due date.
- No such dues of Income-tax, Goods & Service Tax, and Custom Duty were outstanding on account of any dispute pending with any forum.

8. Defaults in repayment–

The Company has no dues to a Bank or financial institution or debenture holders. Hence it is not necessary to report the period & amount of such default.

9. Utilization of funds–

- The Company has not raised funds by way of IPO or any Public offer (including Debt instrument).
- The company has not taken any demand loan in the Current financial year.

10. Fraud–

- No fraud by the company or on the company by its officers or employees has been noticed or reported during the year. Hence our comments on the nature of fraud and the amount involved are not required.

11. Managerial remuneration –

- The managerial remuneration has not been paid or provided during the year. Hence our comments regarding requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013 are not required.

12. Nidhi company –

- The Company is not a Nidhi Company & hence our comments related to Nidhi Company are not attracted.



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13. Related party transactions –

- All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and
- The details have been disclosed in the Financial Statements by the way of Note No.21 as per Ind AS-24.

14. Preferential allotment & private placement –

- The company has not made any private placement or preferential allotment of shares or fully or partly convertible debentures during the year under review.
- Our comments on compliance with the provisions of section 42 of Companies Act, 2013 are not attracted.
- Our comments on the application of amount raised are not attracted.

15. Non-cash transactions with Directors –

- The company has not entered into any non-cash transactions with directors or persons connected with him.
- Our comments on compliance with the provisions of section 192 of Companies Act, 2013 are not attracted.

16. Registration with RBI –

- Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence, the registration has not been obtained.

For HMA & Associates
Chartered Accountants
FRN – 100537W

CA Anand D. Joshi
Partner

Membership No. - 113805

UDIN : 21113805AAAAHC9078

Place : Pune

Date : 24th May 2021





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ANNEXURE 2

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT of Even Date on the standalone Ind AS Financial Statements of SCM FERTICHEM LIMITED

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

We have audited the internal financial controls over financial reporting of SCM Fertichem Limited as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of

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the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

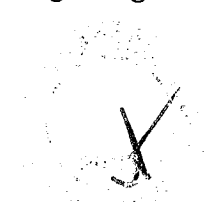
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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



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prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For HMA & ASSOCIATES
Chartered Accountants
FRN - 100537W

CA Anand D. Joshi
Partner

Membership No. - 113805

UDIN : 21113805AAAAHC9078

Place : Pune

Date : 24th May 2021

SCM Fertichem Limited			
(All Amounts in Rs in unless otherwise stated)			
Balance Sheet as at 31 Mar 2021			
Particulars		31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	2	-	3,28,09,675
Capital work-in-progress	3	-	1,44,12,887
Right of use assets	4	-	2,21,87,657
Financial assets			
i. Other financial assets	8	15,00,000	15,30,000
Income tax assets (net)		36,286	-
Total non-current assets		15,36,286	7,09,40,219
Current assets			
Inventories	9	-	18,81,353
Financial assets			
i. Trade receivables	5	22,40,262	78,702
ii. Cash and cash equivalents	7	8,92,311	29,64,364
iii. Loans	6	-	75,000
Total current assets		31,32,573	49,99,419
Total assets		46,68,859	7,59,39,638
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	5,00,000	5,00,000
Other equity	11	(90,98,904)	(26,50,506)
Total equity		(85,98,904)	(21,50,506)
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Lease Liabilities	4	-	1,99,04,541
Total non-current liabilities		-	1,99,04,541
Current liabilities			
Financial liabilities			
i. Borrowings	12	50,00,000	5,00,00,000
ii. Lease Liabilities	4	-	43,06,582
iii. Trade payables			
(a) total outstanding dues of micro and small enterprises		-	-
(b) total outstanding dues of creditors other than micro and small enterprises	13	38,38,846	25,23,383
iii. Other financial liabilities		43,33,452	10,32,165
Other current liabilities	14	95,465	3,23,473
Total current liabilities		1,32,67,763	5,81,85,603
Total liabilities		1,32,67,763	7,80,90,144
Total equity and liabilities		46,68,859	7,59,39,638

Significant accounting policies 1

The accompanying notes form an integral part of the financial statements

2 - 24

As per our report of even date attached

For and on behalf of Board of Directors

For HMA & Associates
Chartered Accountants
Firm Registration No.: 100537W

Anand D Joshi
Partner
M.No. 113805
Place: Pune



Amitabh Bhargava

Amitabh Bhargav.
Director
DIN:00109596

A P Shah
A P Shah
Director

Gov.

SCM Fertichem Limited			
(All Amounts in Rs in unless otherwise stated)			
Statement of Profit and Loss for the year ended 31 Mar 2021			
		31 March 2021	31 March 2020
Income			
Revenue from operations	15	1,200	94,79,941
Other income	16	4,75,42,924	1,01,214
Total income		4,75,44,124	95,81,155
Expenses			
Cost of materials consumed	17	8,71,097	2,65,787
Finance costs	18	41,64,861	22,62,718
Depreciation and amortisation expense	19	43,94,731	52,22,435
Other expenses	20	4,45,35,943	20,11,577
Total expenses		5,39,92,522	97,62,517
Profit before tax		(64,48,398)	(1,81,362)
Income tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
Net Profit for the period		(64,48,398)	(1,81,362)
Total comprehensive income for the period		(64,48,398)	(1,81,362)
Earnings per equity share of Rs.10 each			
i) Basic (in Rs.)		(128.97)	(3.63)
ii) Diluted (in Rs.)		(128.97)	(3.63)
Weighted average number of equity shares of Rs. 10		50,000	50,000
Significant accounting policies	1		
The accompanying notes form an integral part of the financial statements	2 - 24		

As per our report of even date attached

For HMA & Associates

Chartered Accountants

Firm Registration No.: 100537W

Anand D Joshi

Partner

M.No. 113805

Place: Pune

Y. S. A.



For and on behalf of Board of Directors

Amitabh Bhargava

Amitabh Bhargava

Director

DIN: 00109596

A P Shah

A P Shah

Director

SCM Fertilchem Limited

(All amounts in ₹ unless otherwise stated)

Statement of Cash Flows for the year ended 31 March 2021

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit before tax as per statement of profit and loss	(64,48,398)	(1,81,362)
Adjustments for		
Depreciation and amortisation expense	43,94,731	52,22,435
Finance costs	41,64,861	22,62,718
Cash generated from operations before working capital changes		
Decrease / (increase) in trade receivables	(21,61,560)	(78,702)
Decrease / (Increase) in inventories	18,81,353	(18,81,353)
Increase in trade payables	13,15,463	16,17,716
(Increase) / decrease in other financial assets	30,000	(15,30,000)
Increase / (decrease) in other current liabilities	(2,28,008)	3,06,444
Cash generated from / (used in) operations	29,48,442	57,37,896
Income taxes paid (net)	(32,686)	-
Net cash generated from / (used in) operating activities	29,15,756	57,37,896
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets (including Capital work-in-progress & ROU)	4,18,77,412	(5,01,33,782)
Loans	75,000	(75,000)
Net cash (used in) investing activities	4,19,52,412	(5,02,08,782)
Cash flows from financing activities		
Proceeds from borrowings	(4,50,00,000)	5,00,00,000
Interest paid	(2,79,481)	(1,15,392)
Rent Paid	(16,60,739)	(25,83,265)
Net cash (used in) / generated from financing activities	(4,69,40,220)	4,73,01,343
Net (decrease) in cash and cash equivalents	(20,72,052)	28,30,457
Cash and cash equivalents at the beginning of the year	29,64,364	1,33,907
Cash and cash equivalents at end of the year	8,92,311	29,64,364

The accompanying notes form an integral part of the standalone financial statements.

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

As per our report of even date attached

For and on behalf of Board of Directors
SCM Fertilchem Limited

For HMA & Associates

Chartered Accountants

Firm Registration No.: 100537W

Anand D Joshi

Partner

M.No. 113805

Place: Pune



Amitabh Bhargava

Director

DIN: 00109596

A P Shah

Director

SCM Fertichem Limited
Statement of Changes in Equity for the year ended 31 March 2021
 (All amounts in ₹ unless otherwise stated)

A. Equity Share Capital

	31 March 2021	31 March 2020
Balance at the beginning and at the end of the year	5,00,000	5,00,000
Balance as at the end of the year	5,00,000	5,00,000

B. Other Equity

	Reserves and surplus			Total
	Securities premium	General reserve	Retained earnings	
Balance as at 1 April 2019	-	-	(24,69,144)	(24,69,144)
Profit for the year	-	-	(1,81,362)	(1,81,362)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(1,81,362)	(1,81,362)
Issue of equity shares, net of transaction costs	-	-	-	-
Dividends paid	-	-	-	-
Transfer to debenture redemption reserve	-	-	-	-
Balance as at 1 April 2020	-	-	(26,50,506)	(26,50,506)
Profit for the year	-	-	(64,48,398)	(64,48,398)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(64,48,398)	(64,48,398)
Issue of equity shares, net of transaction costs	-	-	-	-
Dividends paid	-	-	-	-
Transfer to debenture redemption reserve	-	-	-	-
Balance as at 31 March 2021	-	-	(90,98,904)	(90,98,904)

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For and on behalf of Board of Directors
 SCM Fertichem Limited

For HMA & Associates
 Chartered Accountants
 Firm Registration No.: 100537W

Amitabh Bhargava

Amitabh Bhargava
 Director
 DIN: 00109596

A P Shah

A P Shah
 Director

Anand D. Joshi
 Partner
 M.No. 113805
 Place: Pune



Law

SCM Fertilchem Limited

Notes to the financial statements for the year ended 31 March 2021
(All amounts in ₹ unless otherwise stated)

Note 2: PROPERTY, PLANT & EQUIPMENT

	Lease-hold Land Improvement	Plant and Equipment	Bearer plants	Office Equipments	Total
Gross carrying amount					
As at 1 April 2019	1,01,11,324	32,73,249	2,09,93,445	13,42,877	3,57,20,895
Additions					
Disposals					
Adjustment					
Gross carrying amount as at 31 March 2020	1,01,11,324	32,73,249	2,09,93,445	13,42,877	3,57,20,895
Accumulated depreciation and impairment					
Opening accumulated depreciation					
Depreciation charge for the year	(8,02,095)	(2,63,875)	(16,92,410)	(1,52,840)	(29,11,220)
On disposals					
Accumulated depreciation as at 31 March 2020	(8,02,095)	(2,63,875)	(16,92,410)	(1,52,840)	(29,11,220)
Net carrying amount as on 31 March 2020	93,09,229	30,09,374	1,93,01,035	11,90,037	3,28,09,675
Additions					
Disposals					
Adjustment					
Gross carrying amount as at 31 March 2021	1,01,11,324	32,73,249	2,09,93,445	13,42,877	3,57,20,895
Opening accumulated depreciation	(8,02,095)	(2,63,875)	(16,92,410)	(1,52,840)	(29,11,220)
Depreciation charge for the year	(4,81,229)	(3,16,650)	(20,30,892)	(1,79,273)	(30,08,044)
On disposals	(88,28,000)	(26,92,724)	(1,72,70,143)	(10,10,764)	(2,98,01,631)
Accumulated depreciation as at 31 March 2021	-	-	-	-	-

Note 3: CAPITAL WORK-IN-PROGRESS

	31 March 2021	31 March 2020
Projects	-	-
Others	-	1,44,12,887
Total	-	1,44,12,887

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SCM Fertichem Limited

Notes to the financial statements for the year ended 31 March 2021

(All amounts in ₹ unless otherwise stated)

Note 4: Leases**A. Right of use assets**

Particulars	Leasehold Land	Total
Balance as at 1 April 2019	-	-
Add: Addition during the year	2,44,98,872	2,44,98,872
Less: Transferred during the year	-	-
Less: depreciation charged for the period	(23,11,215)	(23,11,215)
Balance as at March 31, 2020	2,21,87,657	2,21,87,657
Add: Addition during the year	-	-
Less: Transferred/reversed during the year	(2,08,00,970)	(2,08,00,970)
Less: depreciation charged for the period	(13,86,687)	(13,86,687)
Balance as at March 31, 2021	-	-

B. Lease liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current	-	43,06,582
Non Current	-	1,99,04,541
Total	-	2,42,11,123

C. Interest expenses on lease liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Interest on lease liabilities	5,84,093	11,15,161

D. Expenses on short term leases / low value assets

Particulars	As at 31 March 2021	As at 31 March 2020
Short term lease	-	-
Low value assets	-	-

E. Amounts recognised in the statement of

Particulars	As at 31 March 2021	As at 31 March 2020
Total cash outflow for leases	16,60,739	25,83,265

F. Maturity analysis – contractual undiscounted cash flows

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	-	66,42,955.00
One to five years	-	2,39,98,522.00
More than five years	-	-
Total undiscounted lease liabilities	-	3,06,41,477.00

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

The company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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SCM Fertichem Limited

Notes to the financial statements for the year ended 31 March 2021
(All amounts in ₹ unless otherwise stated)

Note 5: TRADE RECEIVABLES

	31 March 2021	31 March 2020
Trade Receivables		
Unsecured, considered good	22,40,262	78,702
Unsecured, credit Impaired	-	-
Less: Impairment loss allowance	-	-
Total	22,40,262	78,702

Note 6: LOANS

	31 March 2021		31 March 2020	
	Current	Non Current	Current	Non Current
Unsecured, considered good				
Loan to employees	-	-	75,000	-
Total	-	-	75,000	-

Note 7: CASH & CASH EQUIVALENTS

	31 March 2021	31 March 2020
Balances with banks		
- in current accounts	8,92,311	29,64,364
Total	8,92,311	29,64,364

Note 8: OTHER FINANCIAL ASSETS

	31 March 2021		31 March 2020	
	Current	Non Current	Current	Non Current
(i) Others				
Security deposits	-	15,00,000	-	15,30,000
Total	-	15,00,000	-	15,30,000

Note 9: INVENTORIES

	31 March 2021	31 March 2020
Raw materials	-	18,81,353
Total	-	18,81,353

Note 10: SHARE CAPITAL

	31 March 2021	31 March 2020
Issued, subscribed and fully paid-up share capital		
Balance at the beginning of the year	5,00,000	5,00,000
Fully paid-up share capital as at year end	5,00,000	5,00,000

(i) Reconciliation of the number of Equity Shares

	31 March 2021		31 March 2020	
	No of Shares	Amount	No of Shares	Amount
Equity Shares				
Balance as at the beginning and at the end of the year	50,000	5,00,000	50,000	5,00,000
Add: Issued during the year	-	-	-	-
	50,000	5,00,000	50,000	5,00,000

(ii) Details of shareholders holding more than 5% shares in the company

	31 March 2021		31 March 2020	
	Number of shares	% Holding	Number of shares	% Holding
Deepak Fertiliser & Petrochemicals Corp Ltd	50,000	100.00%	50,000	100.00%

Terms and rights attached to equity shares

The Company has only one class of equity shares having at par value of Rs. 10 per share. Holder of each equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting.

In the event of liquidation of the Company the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the numbers of equity shares held by the shareholders.

Y. S. Rao

SCM Fertichem Limited

Notes to the financial statements for the year ended 31 March 2021

(All amounts in ₹ unless otherwise stated)

Note 11: OTHER EQUITY

	31 March 2021	31 March 2020
Retained earnings	(90,98,904)	(26,50,506)
Total	(90,98,904)	(26,50,506)

(vi) Retained earnings

	31 March 2021	31 March 2020
Opening balance	(26,50,506)	(24,69,144)
Net profit for the year	(64,48,398)	(1,81,362)
Closing balance	(90,98,904)	(26,50,506)

Note 12: CURRENT BORROWINGS

	31 March 2021	31 March 2020
Unsecured		
From related parties	50,00,000	5,00,00,000
Total current borrowings	50,00,000	5,00,00,000
Total	50,00,000	5,00,00,000

RECONCILIATION OF BORROWINGS

	31 March 2021	31 March 2020
Non-current borrowings	-	-
Current borrowings	50,00,000	5,00,00,000
	50,00,000	5,00,00,000

Note 13: TRADE PAYABLES

	31 March 2021	31 March 2020
Trade payables		
(a) total outstanding dues of micro and small enterprises	-	-
(b) total outstanding dues of creditors other than micro and small enterprises	81,72,298	35,55,548
Total	81,72,298	35,55,548

Note 14: OTHER CURRENT LIABILITIES

	31 March 2021	31 March 2020
Statutory dues payable	95,465	3,23,473
Total	95,465	3,23,473

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SCM Fertichem Limited

Notes to the financial statements for the year ended 31 March 2021

(All amounts in ₹ unless otherwise stated)

Note 15: REVENUE FROM OPERATIONS

	31 March 2021	31 March 2020
Sale of products		
Finished goods	1,200	94,79,941
Total	1,200	94,79,941

Note 16: OTHER INCOME

	31 March 2021	31 March 2020
Other non-operating income	4,75,42,924	1,01,214
Total	4,75,42,924	1,01,214

Note 17: COST OF MATERIALS CONSUMED

	31 March 2021	31 March 2020
Raw materials as at the beginning of the year	18,81,353	-
Add: Purchases during the year	(10,10,256)	21,47,140
Less: Raw material as at the end of the year	-	18,81,353
Total	8,71,097	2,65,787

Note 18: FINANCE COSTS

	31 March 2021	31 March 2020
Interest and finance charges	41,64,861	22,62,718
Less: Interest capitalised	-	-
Total	41,64,861	22,62,718

Note 19: DEPRECIATION AND AMORTISATION EXPENSE

	31 March 2021	31 March 2020
Depreciation on property, plant and equipment	43,94,731	52,22,435
Amortisation on intangible assets	-	-
Total	43,94,731	52,22,435

Note 20: OTHER EXPENSES (NET)

	31 March 2021	31 March 2020
Repairs to :		
- Others	30,742	87,883
Rent	(7,64,673)	(7,95,148)
Insurance	-	4,748
Rates, taxes and duties	10,773	4,098
Travelling and conveyance	25,276	2,00,107
Legal and professional fees	39,556	6,32,878
Payments to auditors (note 37(a) below)	64,000	25,000
Carriage outward (net)	-	9,400
Loss on disposal of property, plant and equipment	4,46,42,098	-
Electricity charges	1,64,808	1,99,241
Utility services	59,136	2,04,868
Miscellaneous expenses	2,64,228	14,38,502
Total	4,45,35,944	20,11,577

Note 20(a): DETAILS OF PAYMENTS TO AUDITORS

	31 March 2021	31 March 2020
Payment to auditors		
As auditor:		
Audit fee	64,000	25,000
Total	64,000	25,000

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SCM Fertichem Limited**Note 21: Related Party transactions**

Notes to the financial statements for the year ended 31 March 2021
(All amounts in ₹ unless otherwise stated)

Names of the related parties and relationships**A. Holding Company**

Deepak Fertilisers and Petrochemicals Corporation Limited

B. Key Management Personnel

Shri Amitabh Bhargava
Shri K Subharaman
Shri A P Shah

C. Fellow subsidiary

Smartchem Technologies Limited
Ishanya Brand Services Limited
Deepak Mining Services Private Limited
Complete Mining Solutions Private Limited
Yerrowda Investments Ltd.
Deepak Nitrochem Pty.Ltd.

Platinum Blasting Services Pty Ltd.
Australian Mining Explosives Pty Ltd.
Performance Chemiserve Limited.
Mahadhan Farm Technologies Private Limited.

Sr. No.	Nature of Transactions	31 March 2021		31 March 2020	
		Holding Entity	Total	Holding Entity	Total
1	Reimbursement of expenses Deepak fertilisers and petrochemicals corporation ltd.	(52,49,276)	(52,49,276)	(53,34,581)	(53,34,581)
2	Interest expense on loan taken Deepak fertilisers and petrochemicals corporation ltd.	(35,79,178)	(35,79,178)	(11,46,849)	(11,46,849)
3	Asset Purchase Deepak fertilisers and petrochemicals corporation ltd.	-	-	4,61,40,180	4,61,40,180
4	Loan or Advances Taken/(Write back) Deepak fertilisers and petrochemicals corporation ltd.	(4,50,00,000)	(4,50,00,000)	5,00,00,000	5,00,00,000
8	Amount outstanding as on 31-03-2020				
	Unsecured Loan Deepak fertilisers and petrochemicals corporation ltd.	(50,00,000)	(50,00,000)	(5,00,00,000)	(5,00,00,000)
	Interest Payable Deepak fertilisers and petrochemicals corporation ltd.	(43,33,452)	(43,33,452)	(10,32,164)	(10,32,164)
	Other Receivables Deepak fertilisers and petrochemicals corporation ltd.	(34,61,263)	(34,61,263)	17,97,466	17,97,466

Note: Figures in bracket are outflows/payables/ Book Entry for extinguishment of liability
All transaction are in ordinary course and on an arm's length basis

Note 22: Contingent Liabilities Commitments - Nil

Note 23: The Company is in the business of manufacturing and trading of fertilisers, petroleum and agricultural activity, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment.

Note 24: Previous year figures have been regrouped wherever necessary, to correspond with the current year's classification / disclosure.

As per our report of even date attached

For and on behalf of the Board of Directors SCM Fertichem Limited

For HMA & Associates

Chartered Accountants
Firm Registration No.: 100537W

Anand D Joshi

Partner
M.No. 113805
Place: Pune



Amitabh Bhargava
Director
DIN: 00109596

A P Shah
Director